

**Report of State Society Relations
Committee**

By

**Rich Jones, CEO of Washington Society
of CPAs and Chair of NASBA State
Society Relations Committee**

NASBA 106th Annual Meeting

Maui, HI

October 27-30, 2013

State Society Relations Committee

***Rational:** NASBA believes fostering greater dialogue and collaboration between Boards of Accountancy and State Societies is essential to ensuring effective regulation and advancing the common interests of the profession.*

State Society Relations Committee

***Charge:** Provide State Societies a mutual platform to inform Boards of Accountancy and NASBA about issues of importance to the regulation of the profession, and enhancing Board relations with State Societies*

State Society Relations Committee

2012-2013 Focus

- Identify-possible statutory changes within each jurisdiction that could enhance the effectiveness of Boards of Accountancy.
- Develop best practices to enhance the quality of input into promulgation of regulations.
- Identify **opportunities** to enhance the effectiveness of Board-Society relations.
- Promote uniformity of statutes and rules to both enhance public protection and best serve the profession.
- Identify issues of mutual interest that NASBA can collaborate on with State Societies.

State Society Relations Committee

Committee Member	NASBA Region
Brad Floyd, CAE Tennessee Society of CPAs	Southeast Region
Jim Ahler, CAE North Carolina Association of CPAs	Middle Atlantic Region
Ralph Thomas, CGMA New Jersey Society of CPAs	Northeast Region
Mike Colgan, CAE Pennsylvania Institute of CPAs	Great Lakes Region
Erin Hardwick Pate, CAE South Carolina Association of CPAs	Middle Atlantic Region
John Sharbaugh, CAE Texas Society of CPAs	Southwest Region
Mary Medley Colorado Society of CPAs	Mountain Region
Rich Jones, CPA, CGMA Washington Society of CPAs	Pacific Region

State Society Relations Committee

NASBA Executives at Initial Meeting

NASBA Executive	Title
Galen R. Hansen, CPA	Chair of Board of Directors
Ken L. Bishop	President and Chief Executive Officer
Colleen K. Conrad, CPA	Executive Vice President and Chief Operating Officer
Ed Barnicott	Vice President of Strategic Planning and Program Management
Daniel J. Dustin, CPA	Vice President of State Board Relations
Thomas Kenny	Director of Communications
John W. Johnson	Director of Legislative and Governmental Affairs

State Society Relations Committee

Issues Discussed at Initial Meeting

- NASBA Mission, Vision, Values
- NASBA Organizational Structure
 - Board of Directors, Regions, Committee, Fiscal Structure
- NASBA Operations
 - Business Unit Overviews
- NASBA/State Board Relations
- 106th Annual Meeting in Maui, HI

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Issues Discussed at Initial Meeting (continued)

- Emerging Issues Update
 - FAF/FASB
 - UAA—Attest & Firm Mobility
 - ARSC—Compilation Standards Exposure
 - Examination
- NASBA’s Diversity Task Force
- Tour of NASBA Offices

State Society Relations Committee

Discussion of Questions Submitted by Committee and Open Discussion

- Nature of difficult State Society/State Board relationships
- Ways to increase State Society attendance at NASBA conferences
- Would NASBA consider ceasing the practice of closed sessions during regional meetings

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- My Observations Resulting from Meeting
 - If trust does not exist between State Society and State Board, nothing good can happen
 - Many State Board are facing a challenge to their effectiveness caused by:
 - Loss of independent status
 - Loss of financial resources
 - Weak State Boards hurt State Societies, licensees, and the public
 - We should be able to disagree without being disagreeable.

State Society Relations Committee

My Observations Resulting from Meeting (Continued)

- More than 50% of State Society CEOs do not regularly attend NASBA meetings
 - Missed opportunity to establish relationships with NASBA members and leaders
 - Missed opportunity to spend quality time with State Board members
 - Cost was an issue in prior years; new meeting registration fee reductions should help that issue
- History lesson from Ken Bishop: in every case the State Society worked to pass the legislation to create the State Board

State Society Relations Committee

- My Observations Resulting from Meeting (Continued)
 - State Societies can be very helpful in process of appointments to State Boards
 - NASBA leadership role can be an important factor in getting State Board members reappointed
 - Leadership of State Boards and State Societies should attempt to present a united front to the Governor and the state legislature whenever possible
 - If trust does not exist between a State Society and a State Board, nothing good can happen

State Society Relations Committee

Next Steps

- Committee will meet at least twice a year in person and for conference calls as needed
- Importance of State Society support of NASBA and State Boards will be presented to State Society CEOs at CPA/SEA Midwinter Meeting in January
- Discussing with NASBA leadership other steps to enhance relationships between State Societies and State Boards