

Creating an accounting advisory council

2024 version

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Contents

2 A toolkit for creating an accounting advisory council (AAC)

3 Purpose

4 Membership

5 Meeting structure

6 Meeting content

7 Member engagement

8 **Appendix I:** Information about accounting advisory councils at six universities

14 **Appendix II:** Template for Accounting Advisory Council bylaws

A toolkit for creating an accounting advisory council (AAC)

There are many good reasons for accounting educators and accounting professionals to work together. Today's accounting pipeline shortages, the challenges and opportunities AI and other technologies present, the importance of data analytics, and changes in how students learn are all good motivations for increasing collaboration among accounting stakeholders.

One way to establish an ongoing dialogue between academe and practice is for academic accounting departments or schools to create an advisory council comprised primarily of practicing accountants. These members may be alumni, employers, representatives of the local accounting community, members of local or state CPA societies or all the above. Additionally, the AAC may benefit from adding a member of the accounting academy from a different university.

The AICPA accounting advisory council (AAC) toolkit provides some guidelines and best practices for building your council of advisors. We surveyed some of the top accounting programs to provide you with examples of successful councils. The respondents represented public and private, large and medium, and residential and non-residential, institutions. We should be clear that no one best formula exists for such an entity. Optimal membership size, composition, meeting frequency, and agendas may differ for big schools versus small ones, public versus private schools, teaching versus research schools, universities in urban or rural areas, and so on. However, the toolkit is meant to provide you with the structure for making the best determination for your school about how to develop and maintain a successful council that fosters interaction between faculty and practice, provides a mechanism for obtaining professional updates and advice, and creates learning and employment opportunities for faculty and students. An AAC should have written bylaws or a governing document. The bylaws will direct the purpose and strategy of the AAC to maximize its contribution to the accounting program and/or school.

Purpose

Accounting advisory councils are interchangeably called boards or councils. Their primary purpose is usually to provide a connection between an accounting department or school and accounting practice. The word “advisory” is frequently used as part of the organization name to convey that the group serves in an advisory capacity to the academic unit. Advice about curriculum, professional development programs, career services, executive education offerings, priorities and strategy may be given. Other purposes that the AAC might serve include:

- Be an ambassador for the department/school.
- Mentor students.
- Assist with development activities (e.g., identify potential donors).
- Provide internships and job opportunities for students.
- Guest lecture as appropriate and needed.
- Provide faculty with advice on practice issues and practice experience where possible.
- Assist in student recruiting.
- Help faculty secure data or subjects for research.
- Provide financial support.

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Membership

An AAC typically has between 10 and 40 members. Members may all be alumni of the school or a mix of alumni and non-alumni. Having some non-alumni membership composition is advantageous so that ideas from other educational experiences may be brought to the school. Alternatively, alumni are usually the strongest school advocates and may be more likely to engage. Representative employers are another good source of membership.

Members may or may not be asked to contribute financially. Donation participation may be stressed more than the amount requested. In some cases, the donation may be characterized as 'dues.' Terms of service on the AAC are likely to be two or three years with the option for renewal. Current AAC members and/or university faculty or staff members may nominate new members. The offices of alumni relations, career services and development can be valuable resources in choosing members.

A diverse membership is advisable with respect to demographic characteristics, stage of career, and professional position. For example, the board should not consist of all large public accounting firm members, but might have a mix of corporate accountants, small firm practitioners, large firm public accountants, and faculty at other schools (Ph.D. program alumni). Ad hoc members might include school leadership (e.g., auditor or CFO), student representatives (e.g., Beta Alpha Psi president), or a local member or leader in the state society or accounting organization.

The board might also include junior members early in their careers so that the board and department understand the needs and pressures facing new accountants.

Board members can act as chair and vice-chair, or the board or the department chair may fill the chair role. Other roles for AAC members may be assigned if desired. Some AAC structures use standing committees; others have ad hoc committees or task forces as needed. If there are standing committees, it is important that they meet and have a purpose. Standing committees are for development/advancement, external relations, awards, strategic planning and nominations. Ad hoc groups can be convened when there is a pressing issue or a special project, such as the development of a new strategic plan or the creation of an alumni hall of fame.



Meeting structure

The number and length of meetings will vary, particularly depending on the school's location. An urban school with many local alumni may have more frequent meetings of shorter length. A school in a rural setting with distant alumni and business connections might have fewer meetings that last a half-day or more and may involve overnight stays. The AAC would typically meet one to three times each year. Short-duration meetings are likely to occur either over breakfast or in the early evening.

The meeting should include some opportunities for informal networking with faculty members, students, and board members. An agenda should be sent to the board members before the meeting. Formal minutes may or may not be taken, depending on the personality of the school and the board.

Meeting content

It is important that meetings do not solely consist of one-way communications by the department or school. At the top of mind should be respect for members' time. There should be ample opportunity for discussion and a give and take of ideas. In each meeting, the department or school may call upon the expertise of the AAC members to address a specific issue. For example, the accounting department might be interested in knowing how their graduates are perceived in the workplace or how the firms use AI. The department chair could send out a set of questions to address in the meeting and the agenda. The council itself should be solicited for meeting topics so that they participate in setting the agenda.

Some topics that a meeting might include on the agenda are:

- Course or curriculum content
- New programs under consideration
- Career development
- Graduation outcomes
- Faculty research or curriculum presentations

- Beta Alpha Psi or Accounting Club activities
- Accreditation issues
- Accounting credentials (e.g., CPA Exam preparation)
- Strategic Plan development and implementation
- Financial resources
- Faculty recruiting and retention
- Student presentations
- New courses
- Technologies and analytical tools used in practice
- Board member presentations on current issues in the profession

Special guests may be invited to meetings. AAC members typically enjoy meeting with students so a group of students might be invited to at least one meeting each year. The dean or a university-level leader (e.g., provost, vice president) could be invited to attend periodically. The meetings might include all departmental faculty, or one or more faculty members associated with the meeting agenda.

Member engagement

Members of the AAC are a valuable resource for the university. They donate their time to help the department or school in many ways. Members can be engaged outside the meetings of the AAC as mentors, guest lecturers, student organization speakers and advisors, and adjunct faculty. The more they are engaged with the school, the better they can serve. AACs can be invaluable to new school leadership by helping them connect to the profession and alumni. Inviting AAC members to informal events is a nice way to reward their service and incorporate them into the academic community. These events might include sporting events, campus tours, receptions, speaker events, award ceremonies, student organization activities or banquets.

Appendices

- I. Information about accounting advisory councils at six universities.
- II. Template for accounting advisory council bylaws (Note that this is only a sample. The school should tailor the bylaws to its needs. The school may not desire the level of formality indicated in the template.)



Appendix I

Information about accounting advisory councils at six universities

School A

Public, large, primarily residential

1. Q: How many serve on your board?

A: Approximately 20 board members and approximately five consultants. Our consultants attend committee meetings but do not generally attend the full Board meetings.

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: Alums, non-alums, Big 4/6 firms, regional and local public accounting firms, large public corporations, non-profits.

3. Q: What is the length of service?

A: Three-year term with renewals

4. Q: Is there a required financial contribution

A: No

5. Q: How many meetings do you have each year and how long are they?

A: Two full board meetings and at least two committee meetings. Board meetings are two hours and committee meetings are generally one hour.

6. Q: How do you select members?

A: The governance and nominating committee is based on recommendations from the Accounting Department, the University Development Team, and the committee members.

7. Q: What do you do in meetings?

A: We have three Committees: the Governance and Nominating Committee, the Recruiting Committee and the Student Development Committee. Each Full meeting, we review the minutes of these Committees. These minutes typically discuss Recruiting Events, Mentorship programs and other student and alumni events. Typically, there are two other topics at the meeting, such as accounting pipeline initiatives and the impact of AI. We also

try to have presentations from students and professors. We have also provided input to the professors on curriculum enhancements.

8. Q: How do you seek member advice?

A: We solicit advice from our members at our Board and Committee meetings and via smaller calls or group emails throughout the year.

9. Q: How helpful is this group?

A: I think the group is very helpful to the professors and Career Development team by providing a forum to engage a large group of professionals to assist the University in enhancing the visibility and reputation of the Accounting Program and the students' career objectives.

10. Q: How do you engage members outside regular meetings?

A: Typically, through emails. We also have an Awards Dinner periodically, which most of our members attend. Many of our members participate in recruiting and mentorship events throughout the year. Many of our members guest lecture at the Accounting Society and Beta Alpha Psi meetings and the Freshman Careers in Accounting and Finance sessions. As Chair, I will send out relevant information to our members that relate to the accounting profession or the Rowan Accounting Program specifically. Our members are very engaged and will send me materials that are relevant to the professors or the Board.

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: It is very important the Board have close relationships with the Career Development team, the University Development Team and Alumni Relations Team. It is also very important to have the full support and engagement of the Accounting Program Chair.

School B

Private, large, primarily residential

1. Q: How many serve on your board?

A: The maximum membership is set by the university at 35. We currently have 30 active members and two ex-officio members who are current or former faculty members. One reason for the shortfall is that we will have a new dean, and we have recently refrained from filling openings to allow his participation.

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: The membership is primarily, but not exclusively, USC accounting alumni. We maintain a range of members from public accounting (audit, tax and consulting), Chief Accounting Officers, Chief Finance Officers, and Private Equity executives).

3. Q: What is the length of service?

A: Three years with one renewal period.

4. Q: Is there a required financial contribution

A: Yes, \$10,000 per year

5. Q: How many meetings do you have each year and how long are they?

A: Two: A virtual meeting for a half-day in the summer and a one-day meeting in the Fall on campus.

6. Q: How do you select members?

A: It is a consultative process with the Dean, chair of the Board and other board members and development representatives suggesting individuals for consideration. We seek to maintain a balance among various backgrounds and professional interests. We also have a Recent Alumni Board and when those individual "term out", they may have an interest in joining the Board of Councilors.

7. Q: What do you do in meetings?

A: We typically have our senior leaders and staff provide reports to the Board on school initiatives and other topics. We also provide questions to the Board for discussion (e.g., propriety of curriculum and content, opportunities for mentoring students). We find the latter most helpful in keeping our curriculum state of the art.

8. Q: How do you seek member advice?

A: We do so in the meetings described above. Also, the Board has committees who are asked to address and then advise on various issues.

9. Q: How helpful is this group?

A: It is close to essential. We are far better off for the Board's efforts and dedication.

10. Q: How do you engage members outside regular meetings?

A: We commonly contact individual members directly and at interim moments when questions arise relative to their field of expertise (e.g., taxation, technology, and artificial intelligence). Our faculty is encouraged to contact members when their courses could benefit from guest practitioners and our Board members are most willing to participate in those class discussions. Our professional staff members also reach out to members of the Board to speak to students on career and professional development-related matters.

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: A key attribute to their effectiveness is keeping them involved and conveying to them the impact that they have on specific academic programs.

Appendix I

Information about accounting advisory councils at six universities (continued)

School C

Public, large, primarily residential

1. Q: How many serve on your board?

A: Seven members.

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: Combination of alums and nonalums from public accounting and industry.

3. Q: What is the length of service?

A: Average tenure of 5 years.

4. Q: Is there a required financial contribution

A: No

5. Q: How many meetings do you have each year and how long are they?

A: Twice a year for 1.5 hours.

6. Q: How do you select members?

A: As the chair, I appoint members, ensuring I have a broad range of experience. I have one retired CEO, several CPA partners, and mfg accounting.

7. Q: What do you do in meetings?

A: I have a prepared agenda with detail reporting that is sent out to members prior to the meeting. Topics include enrollment, endowments, AACSB status, challenges for our programs and successes of our programs.

8. Q: How do you seek member advice?

A: Advice is encouraged at any time and specifically in the meetings. Four of our members are engaged in recruitment from our programs.

9. Q: How helpful is this group?

A: Very helpful since they have so much experience and continue to recruit our students.

10. Q: How do you engage members outside regular meetings?

A: We have an accounting specific career fair each September where 30+ employers come to campus. This gives us face-to-face interaction on where we can improve our student's marketability. The accounting faculty is also involved in leadership positions with the local chapter of the [state] Society of CPAs. Some of the board are active with the [state society].

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: Our MAcc students have a 75% pass rate on the CPA exam based on the last NASBA report. This is second [in our state]. Our undergraduate program requires 30 hours of major level accounting courses (10) plus 6 hours of principles. Our MAcc requires 30 hours (10 courses) and can be completed in 1 year. Our board partners with us to create a quality program at a low cost to students in the region. Our accounting program is separately accredited by the AACSB.

School D

Public, large, primarily non-residential

1. Q: How many serve on your board?

A: 16

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: Alums, non-alums, public accounting, industry and academia.

3. Q: What is the length of service?

A: No minimum or limit.

4. Q: Is there a required financial contribution

A: None, not a fundraising board; advisory

5. Q: How many meetings do you have each year and how long are they?

A: Two meetings, one in fall and one in spring; half-day each.

6. Q: How do you select members?

A: Engaged alums, relationship managers/partners, leadership choice.

7. Q: What do you do in meetings?

A: Discuss strategic issues and priorities; receive advise on potential innovations and decisions; connections to practice.

8. Q: How do you seek member advice?

A: Verbally, group discussion, breakout group brainstorming, open forum.

9. Q: How helpful is this group?

A: Very, even if confirmation of existing plans or strategies

10. Q: How do you engage members outside regular meetings?

A: In person events, phone, email, etc.

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: It is helpful to diversify membership in terms of time since graduation; early career members are helpful for understanding what the current curriculum provided or did not provide in terms of career readiness.

Appendix I

Information about accounting advisory councils at six universities (continued)

School E

Private, medium, highly residential

1. Q: How many serve on your board?

A: 7–15.

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: Mostly alumni. Because most of our students work for the Big Four firms, we have ad hoc positions for each of these organizations on the board. We try to achieve a balance in terms of length of time since graduation. Both older and more recent graduates have valuable perspectives.

3. Q: What is the length of service?

A: Three years with a maximum of two consecutive terms.

4. Q: Is there a required financial contribution

A: No

5. Q: How many meetings do you have each year and how long are they?

A: Two meetings annually, fall and spring. Meetings begin with a reception in the evening and the next morning until noon.

6. Q: How do you select members?

A: Nominations are solicited annually from current board members and faculty. Members must be approved by the accounting faculty.

7. Q: What do you do in meetings?

A: Meetings involve give and take between board and faculty. Student representatives may be invited to meet in closed session with the board. Faculty might make presentations on teaching or research. Board members will present about current issues in the accounting profession. The emphasis is on discussion with board advising the department on various issues, including technology, best practices, and curriculum. The dean and department chair may presentations on the State of the School and/or Department.

8. Q: How do you seek member advice?

A: Each meeting will include a topic where we are seeking input or advice from the board. Board members always speak freely and give feedback on any presentations. If Board members meet in closed session with students or other stakeholders (e.g., AACSB), they will provide feedback from those sessions.

9. Q: How helpful is this group?

A: Very helpful. We value their advice.

10. Q: How do you engage members outside regular meetings?

A: Mostly through email but some calls or meetings over lunch or coffee.

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: A good set of Bylaws is important. These boards do take time in terms of organization and planning, so it is important to make sure that you seek their advice and maximize their usefulness.

School F

Private, large, highly residential

1. Q: How many serve on your board?

A: 30

2. Q: What is the composition of membership (e.g., alums/non-alums, public accounting, etc.)?

A: 16 public accounting, all alumni, rest from various firms.

3. Q: What is the length of service?

A: 2–3-year terms

4. Q: Is there a required financial contribution

A: Yes

5. Q: How many meetings do you have each year and how long are they?

A: Two meetings per year, 8am-3pm

6. Q: How do you select members?

A: Board subcommittee identifies and Dept. Chair approves

7. Q: What do you do in meetings?

A: Updates, strategies for curriculum / recruitment / placement.

8. Q: How do you seek member advice?

A: No answer given

9. Q: How helpful is this group?

A: Very helpful

10. Q: How do you engage members outside regular meetings?

A: Sub-committee to address specific tasks

11. Q: Is there anything you would like to add about your organization that may be useful to others?

A: No answer given

Appendix II

Template for Accounting Advisory Council bylaws

1. School

The name of the organization shall be the Accounting Advisory Council (AAC) of the **name** School of Accounting or Business at the **name** University.

2. Purpose and activities of the organization

The primary purposes of the AAC are to:

- Act as ambassadors at large for the Accounting Department (School).
- Actively assist in outreach activities, helping to develop contacts, working relationships, and networking opportunities.
- Provide introductions and cultivate targeted prospects for the Office of Advancement.
- Act as an advisory body and general consulting resource for the Accounting Chair.
- Enhance and enrich the accounting curriculum by participating as guest speakers and panel members, providing materials for case studies, and acting as a mentoring resource for students and faculty.
- Recruit graduates for member organizations.
- Provide student internships within member organizations.
- Mentor students.
- Actively participate in AAC meetings and committee activities.
- Provide financial support to the University.

3. Membership

The AAC will be comprised of members of the accounting profession, including public and private accounting firms, business and non-profit corporations, and/or professional associations or boards. Membership will include alumni and other accounting and business community representatives, reflecting inclusivity and diversity with respect to demographics, industry, and expertise. Nominations will be solicited annually. Members must have the capability and willingness to contribute advice and counsel, participate in meetings, and help with specific activities through contacts and personal assistance to achieve the school's mission. Members will be asked to financial support the university.

Membership is subject to approval by the Executive Committee.

4. Service terms and council size

The total number of AAC members will be based on the department or school's needs as determined by the Department Chair and the degree of active participation by each member, but it will generally range between XX and XX people.

AAC members will be elected to X-year terms. These terms will be staggered. AAC members may be reappointed to additional consecutive X-year terms. Retired AAC members may be reappointed after being off the AAC for one year.

Nominations for AAC membership will be solicited each Spring and referred to the Executive Committee, which will decide whether to accept the nomination and contact the nominee to learn of their interest. The slate of nominees will be submitted to the membership for an electronic vote before the first Fall meeting.

5. Officers

Department Chair or Director — The ultimate authority of the AAC shall be vested in the Department Chair of the School who serves as a permanent member of the Executive Committee and ex officio member of all committees and task forces.

Chair — The Chair will be appointed by the Executive Committee for a two-year term and endorsed by the Council. The Chair may be reappointed for a second two-year term.

Vice-Chair — The Vice Chair will be appointed by the Executive Committee for a two-year term and endorsed by the Council. The Vice Chair may be reappointed for a second two year term.

Immediate Past Chair — The Immediate Past Chair will be a member of the Executive Committee for a two-year term following their service as Chair.

These officers are exempt from membership term limits until the end of their position terms.

6. Meetings

Regular meetings — There will be at least XX regular meetings of the AAC each academic year. The meetings will include discussion and advice to the Department Chair on significant issues facing the department, the accounting profession, and accounting education. Additional meetings may be set by the Executive Committee.

Special meetings — When deemed necessary by the Executive Committee, special meetings may be called. At least five business days notice shall be given to the membership, and this notice will state the reason for the called meeting.

Events — Members of the AAC will be invited to many departmental or school events. They are encouraged to be engaged and involved in activities of the department and university.

Quorum — One- third of the members of the AAC shall constitute a quorum for all meetings.

General procedure — Meetings will be conducted in a manner designed to obtain full discussion. Robert's Rules of Order will be used to govern the meetings. An agenda, with complete supporting materials, will be distributed to all members at or prior to the announced time for the meeting. The Department Chair or School Director will appoint a staff member to record each meeting and to distribute the agenda. A majority vote of membership present at a full quorum meeting will be necessary for a ratified decision.

7. Committees

Standing committees — The Executive Committee shall consist of the Department Chair, the Council Chair, the Council Vice Chair, and the Immediate Past AAC Chair. It will act as the administrative arm of the Council and also approve all nominations for new regular members.

Ad hoc committees shall be formed and appointed at the pleasure of the Dean or the Chair.

(NOTE: Additional committees may be described here as needed or desired, such as Development/ Advancement, Strategic Planning, Curriculum.)

8. Amendments

Proposed amendments to these bylaws shall be presented in writing to the Chair of the AAC and distributed by the Chair to members at or prior to the next scheduled meeting. At that time, ratification shall be by a majority vote of the members present at a meeting of a quorum of the AAC.

9. Adoption

These bylaws shall be adopted by a majority vote of the initial membership present at a quorum meeting of the AAC

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