

REFLECTIONS ON MEETING WITH JAMES A. O'MALLEY

By Mitchell Freedman, CPA/PFS

On October 10, 2002 from noon till 2:00 P.M. PDT, a meeting and conference call was held between the CROP Executive Committee (Excom), some invited guests and James A. O'Malley, newly hired Senior Vice President – Public Affairs of the AICPA. The CROP Excom members present were Andrew Blackman, Mitchell Freedman, Dale Spradling, and Dan Morris. The invited guests were John Levy and Kendall Wheeler. John and Mitch attended the meeting with Jim in person, while Andy, Dale, Dan, and Kendall attended telephonically. CalCPA hosted the meeting at its Redwood City, CA offices. It was made clear to Jim that this was a national CROP initiated meeting and that CalCPA had no part or interest in it.

Strategically we felt that Jim must take from this meeting that CROP is serious about achieving its objectives and will not be taken lightly. Accordingly, Mitch determined it was important for him to fly to the Bay Area and attend in person to show that CROP members were willing to put money where their mouths were. It was also deemed important for Jim to realize that CROP is a national organization. Thus, having Andy in New York, Dale in Texas, and Dan calling while in transit between Modesto and Sacramento on a business trip.

First, here's some information about Jim. He was hired to replace the retiring John Hunnicutt. He had been on the job for about three weeks. In fact Hunnicutt's retirement isn't effective until later in the year. While it was obvious that Jim had prepared himself for his new position it was also clear, and he reiterated a number of times, that he was so new to the job that there were many things that he still needed to learn. For those who would like to see the AICPA press release on Jim's hire you can go to this link: <http://www.mocpa.org/omalley.pdf>.

Our impressions of Jim are that he is a charming and friendly man, a polished and confident executive, a good listener, an excellent communicator, and a diplomat. Jim said that he had been meeting with groups throughout the country and has found many which support the AICPA. He acknowledged that there were also those critical.

Our initial goal was and we did express our disappointment that Jim Castellano chose not to meet with us as he indicated he would. Jim O'Malley replied that Jim Castellano did not feel that he had committed himself to such a meeting, so there was certainly a difference of opinion there. However, Jim indicated that as Castellano's term as president will expire shortly that perhaps a meeting with his replacement, William Ezzell (who was officially elected last week) would better suit our goals.

While our intent was to listen more than talk that strategy couldn't work because at this point Jim didn't have much that he could tell us. So, we did most of the talking.

Obviously we did some venting, but our objective was to have Jim respect us as a serious cross-section of the membership. We made it clear that while we were activists and critics of the AICPA, its volunteer leadership, and paid upper management (of which Jim was now a part) we wanted to work constructively with the AICPA to create reform and restore the lost luster of the CPA license and the image of the CPA as the 'most trusted advisor.' We also made it clear that our anecdotal information indicated that a large percentage of the AICPA membership, in all areas of the profession felt that the AICPA was out of touch with them. Jim admitted that he had a pre-conceived notion that CROP might be on the fringe and not representative of CPAs throughout the country. In fact he quoted someone, although he wouldn't cite who said it, who asked him why he was planning to meet with us. This person told him that it was likely that we would ream him on our list serve and web site and we would likely, "write and record an unflattering song about him." I believe that at the end of the meeting he had been convinced that we were not a rebellious fringe group.

I believe that a dialogue will continue with Jim. He certainly indicated that he intended to keep in touch with us.