

**IAAER Executive Committee Meeting, Krakow Poland**  
Krakow University of Economic Studies

**September 24, 2017**

Attending:

Katherine Schipper, Donna L. Street, Elizabeth Gordon, Keryn Chalmers, Mark Protherough, Elmar Venter, Sebastian Hoffmann, Lynette Chou, Clemente Kiss, Eduardo Lavardo (representing Claudio Wanderley).

***Minutes***

IAAER President Katherine Schipper called the Executive Committee (EC) meeting to order at 3:55 p.m.

*Review of Minutes from Central Drakensberg, KwaZulu-Natal, South Africa.* Gordon presented the minutes from the July 1, 2017, EC meeting. Venter made a motion that minutes be approved. Chou seconded the motion. The minutes were unanimously approved.

***Upcoming Meetings***

There will be an Executive Committee meeting and a General Meeting in Berlin at the joint conference of the IAAER and Accounting Section of the German Academic Association for Business Research (AS-VHB). The Executive Committee will meet 4 pm to 7 pm on Tuesday, February 27, 2018. The date and time of the General meeting is to be determined.

***Elizabeth Gordon, Vice-President, Finance and Administration, gave her report***

Gordon presented cash inflows and outflows of unrestricted funds through August 31, 2017. Overall, cash inflows exceed cash outflows during the period. Both cash inflows from dues and cash expenditures are lower than expected.

EC members discussed increasing outreach for membership renewals and circulating promotional materials. EC members discussed asking partnering organizations for joint meetings to include IAAER membership information on conference registration forms. Gordon will pursue this suggestion for the joint meeting with the AAA's IAS in 2019.

***Donna Street, Director of Research and Educational Activities, gave her report***

**New Executive Committee Members**

New IASB representative on IAAER EC – Professor Ann Tarca – has had IAAER grants to inform IASB (2) and IIRC; assisted with Paper Development Workshops, and co-chaired the scientific committee for the Singapore World Congress. Anne McGeachin represents the IFRS Foundation on IAAER Advisory. Holger Daske is the IAAER representative on IFRS Advisory.

Claudio Wanderley has recently been appointed by ANPCONT as its EC representative. Wanderley is an Associate Professor at the Federal University of Pernambuco, Brazil.

### **Research Grant Programs**

The call for proposals for Round 6 of **IAAER KPMG Grant Program to Inform IASB** is posted on the IAAER website. Schipper, Wagenhofer, Street (IAAER); Erchinger, Munter (KPMG); Tarca, McGeachin (IASB/IFRS Foundation) are members of the Program Advisory Committee. Up to five grants will be funded at \$US25,000 each. The date for proposals January 15, 2018. The grant program will include three deliverables. The first and last will be hosted by the IASB in London. The second will be in conjunction with an IAAER conference.

We are presently in 3<sup>rd</sup> Round of the **IAAER Grant program to Inform the IAASB**. The first round was funded by the ACCA, the second by KPMG and the third (current) round by ICAS. The final deliverable for the Joe et al. team was Wednesday September 21, 2017, at a workshop hosted in New York by IFAC and the IAASB. The presentation was well attended by IAASB board, task force members, and ICAS representatives. Street and Gordon represented IAAER. The current plan is for ICAS, IAASB and IAAER to publish a report based on the findings of this research project and for an executive summary to be posted on IFAC's Global Gateway. The project is "Unlocking the Black Box in Fair Value Measurement: Examining How Valuation Specialists Prepare and Evaluate Fair Value Estimates," Barr-Pulliam, University of Wisconsin-Madison; Joe, Delaware; Mason, DePaul; and Sanderson, Bentley.

The current plan is for the second team to present in Berlin in February. The project is "Coordination and Communication Challenges in Global Group Audits: Evidence from Component Audit Leaders," Downey, Villanova; Gold, VU Amsterdam; and Trotman, Northeastern.

There has been preliminary discussion of an additional grant program on professional skepticism, possibly sponsored by **ACCA**. If the program is approved ACCA and IAAER would issue a joint call for research proposals on professional skepticism.

### **Paper Development Workshops (PDW)**

ACCA has committed to fund three more years (2018, 2019 and 2020) of the IAAER paper development workshops to build research skills capacity in Central and Eastern Europe, in conjunction with the annual AMIS conference at Bucharest University of Economic Studies. Mentors for the June 2017 paper development workshop (PDW) were Schipper, Wagenhofer, Faff, Hodgson, Hoffman, Alon, Filip, Bruggemann; reviews were also provided by Tarca, Gray, Venter. The PDW is coordinated by Street, C. Albu and N. Albu.

The CIMA, KPMG and IAAER PDW for African scholars was held in collaboration with the Southern African Accounting Association (SAAA) and the African Accounting and Finance Association (AAFA) on June 28, 2017. Mentors were Schipper, Wagenhofer, Gordon, Street, and Venter; reviews were also provided by Gray and Faff. The PDW was coordinated by Street and Venter. CIMA offered a best paper award for the workshop. IAAER invited the author of the 'proposal with the best potential to make an impact' to attend our Berlin conference in February

2018. Withington of CIMA attended the workshop and gave a very positive report to his colleagues at CIMA Global is also providing some funding for our CIMA IAAER PDW to be held in Krakow, September 25, 2017. Eleven research proposals will be presented. Mentors are Schipper, Venter, Filip, Gray, Hodder, Hopkins, Hoffman, Chalmers, Street (reviews also by Gordon). Withington and Pfenning from CIMA Global will attend along with two representative from the regional CIMA office.

### **Forthcoming Workshops**

A call for proposals for the 2018 IAAER ACCA PDW preceding the AMIS conference will be discussed with C. Albu and N. Albu. No other workshops are planned for 2018. At the EC meeting in Drakensburg, SAAA asked that IAAER hold another workshop preceding its 2019 meeting in Sun City; no commitment has been made to date.

### **IFAC DFID**

Venter, Gordon, and Street are finalizing the paper for submission to JIFMA based on IAAER IFAC DFID Roundtables.

IAAER has been working with IFAC and DFID to commission a research project based in Ghana on the impact of ICAEW interventions (twinning partner) to improve the ICAG (Institute of Chartered Accountants of Ghana) qualification exam content and delivery. Street met with Linda Lach of IFAC in NY on September 21, 2017.

DFID made two requests in its 'annual review of IFAC' directed at further IAAER involvement. Street will discuss with the IAAER Advisory to IFAC whether there is existing research or evidence in two specific areas which are directly relevant to the program.

### **2017 IASB Research Forum**

The Forum is jointly organized by the IASB and *Accounting in Europe* (AiE) and *European Accounting Review* (EAR) and will be held in Brussels, November 28-29, 2017. Schipper, Street and Wagenhofer will attend.

The 2018 Forum will be hosted by *Abacus* immediately following the World Congress in Sydney.

### **Other DREA Activities**

Street will represent IAAER at the Council of the Chamber of Financial Auditors of Romania's (CFAR) 5<sup>th</sup> Congress of the Romanian Financial Auditor Profession on November 3, 2017. The central theme is "The audit profession - current experience, requirements and challenges."

Street has again been invited to represent IAAER at the United Nations International Symposium on Accounting and Reporting (ISAR) 34 and International Public Section Accounting Studies (IPSAS) workshop November, 1-3, 2017, and 31 October 31, 2017, in Geneva.

### **Renewed KPMG Funding**

KPMG has approved 3 more years funding for eIFRS and the Website and diversity grant.

### **International Conferences**

The Accounting Section of the German Academic Association for Business Research (AS-VHB) together with IAAER will host a joint conference on "Accounting Research: Unity within Diversity" at the European School of Management and Technology in Berlin (Germany), February 26-27, 2018. Many thanks to Wagenhofer for coordinating with Olsson and Koehler. Paper submissions are due at the end of September.

EC members need to register themselves through the conference website, and can request reimbursement of the registration fee from IAAER after full participation in the executive committee meeting and conference.

### **IAAER World Congress, November 2018**

The host is the University of Sydney, which will donate the use of the new conference center facilities. The Organizing Committee at the University of Sydney includes Jones and Gray. The Scientific Committee is co-chaired by Wagenhofer and Faff. The call for papers will soon be released with papers tentatively due by April 30, 2018 (or March 15).

After checking several electronic submission systems, Wagenhofer proposes that IAAER use the paper submission system used for the annual AMIS conferences in Bucharest. Cost (including technical support) would be 2,500 Euro. IAAER is exploring options for a registration site.

The opening panel at the IAAER World Congress will include IFAC Deputy President Professor In-Ki Joo (former IAAER VP). Tentative plans include a symposium panel featuring standard setters (e.g. from IASB and IFAC standard setters (IAASB, IAESB)). Most other symposiums will likely be allocated to World Congress sponsors.

A sponsorship flyer is available on the World Congress site. Jones is working on Australian based sponsorships. Other IAAER EC members need to assist in securing funding from outside Australia.

### **American Accounting Association, International Accounting Section**

Plans are currently underway for the joint IAAER/IAS meeting in January/February 2019.

### ***Discussion of proposal to amend VP, Communications description of responsibilities and proposal to create separate VP, Finance and VP, Administration positions***

VP, Communications Hoffmann proposes to change the description of the roles of the VP, Communications in the Constitution to reflect changes in practice. The relevant portion of the Constitution currently reads as follows:

#### **ARTICLE VII – OFFICERS AND COMMITTEES**

8. The Vice-President, Communications shall edit COSMOS Accountancy Chronicle or appoint, with the Executive Committee's approval, an editor for COSMOS, oversee maintenance of the Association web site, and coordinate relations with the editors and publishers of the official journals of the Association.

The proposed changes are as follows:

## ARTICLE VII – OFFICERS AND COMMITTEES

8. The Vice-President, Communications shall maintain and edit regular newsletter and similar forms of communication with the Association’s members and constituency or appoint, with the Executive Committee’s approval, **another person to do so**, oversee maintenance of the Association web site, and coordinate relations with the editors and publishers of the official journals of the Association.

VP, Finance and Administration Gordon proposes to change the Constitution to separate the VP, Finance and Administration into two positions: VP, Finance and VP, Administration. Due to changes in banking regulation, the work load of the VP, Finance and Administration has increased substantially. Further, separating the increasing work load in this way, by changing the Constitution, will reflect changes in practice. The relevant portion of the current Constitution reads as follows:

## ARTICLE VII – OFFICERS AND COMMITTEES

2. The Vice-President, Finance and Administration shall be empowered to carry out the administrative affairs of the Association, shall attend all meetings and act as clerk thereof and record all votes and minutes of all meetings in the records to be kept for that purpose, and shall act on behalf of the Executive Committee to carry out the requirements under Article VIII below. The Vice-President, Finance and Administration shall give or cause to give notice of all meetings of the Executive Committee and general membership. In the absence of the Vice-President, Finance and Administration at a meeting, the President shall appoint a member to carry out the Vice-President, Finance and Administration’s responsibilities. The Vice-President, Finance and Administration shall also ensure that full and accurate accounts of all assets, liabilities, receipts, and disbursements of the Association are kept and that all moneys, securities, and other valuable effects are deposited in the name and to the credit of the Association in such an institution as may be designated by the Executive Committee from time to time. The Vice-President, Finance and Administration shall determine that funds of the Association are disbursed by proper authority and shall render an accounting of all the transactions and statements of financial position and cash flow at the regular meetings of the Executive Committee and shall also determine that a proper audit of the accounts has been undertaken.

The proposed changes are as follows:

## ARTICLE VII – OFFICERS AND COMMITTEES

2. The Vice-President, Finance shall be empowered to carry out the financial affairs of the Association and shall act on behalf of the Executive Committee to carry out the requirements under Article VIII below. The Vice-President, Finance shall also ensure that full and accurate accounts of all assets, liabilities, receipts, and disbursements of the Association are kept and that all moneys, securities, and other valuable effects are deposited in the name and to the credit of the Association in such an institution as may be designated by the Executive Committee from time to time. The Vice-President, Finance shall determine that funds of the Association

are disbursed by proper authority and shall render an accounting of all the transactions and statements of financial position and cash flow at the regular meetings of the Executive Committee and shall also determine that a proper audit of the accounts has been undertaken.

3. The Vice-President, Administration shall be empowered to carry out the administrative affairs of the Association and shall attend all meetings and act as clerk thereof and record all votes and minutes of all meetings in the records to be kept for that purpose. The Vice-President, Administration shall give or cause to give notice of all meetings of the Executive Committee and general membership. In the absence of the Vice-President, Administration at a meeting, the President shall appoint a member to carry out the Vice-President, Administration's responsibilities.

Hoffman made a motion to approve the proposal on the changes to the VP, Communication position, and Gordon seconded. The motion was discussed and approved with minor changes.

Gordon made a motion to approve the proposal on the changes to the VP, Finance and Administration position and Chalmers seconded. The motion was discussed and approved subject to adding that the Vice-President, Administration shall maintain all lists and contact information for the organization's governing bodies and advisory board

Other references in the Constitution to the VP, Finance and Administration will be changed as needed to be consistent.

The proposals will be brought before a meeting of the General Membership in Berlin.

### ***Discussion of dues increase***

The EC discussed dues increases for individual members, student members and university members. In Spring 2017, the EC voted to increase dues without specifying the amounts of increases. (See addendum to minutes from IAAER Executive Committee Meeting, New Orleans, LA, U.S.A., February 18, 2016).

Hoffmann moved the following proposed increase be presented to IAAER members at the General Meeting in Berlin for approval. Venter seconded the motion.

Starting at the next membership renewal date following March 1, 2018 for current members and for all new members who join IAAER on or after March 1, 2018, annual dues will be \$45 for individual members and \$30 for student members. Individual and student members will continue to receive access to eIFRS. University membership, which includes 10 subscriptions to eIFRS, will be \$350. The incremental cost per university for the second 10 subscriptions is \$100; that is, the cost to a university will be \$450 for the first 20 subscriptions. The incremental cost for additional increments of 10 subscriptions will be \$100 for each additional 10 subscriptions. The number of subscriptions per university member is not limited.

The motion was voted on and carried. Schipper clarified that this proposal is contingent on agreement of the new eIFRS contract with the IFRS Foundation.

***World Congress***

EC members discussed plans for the 13<sup>th</sup> World Congress of Accounting Educators and Researchers, to be held November 8-10, 2018, hosted by the University of Sydney. Also see discussion in DREA report.

Wagenhofer and Faff recommend a website for submissions and requested the EC agree to the 2,500 EUR fee. The EC agreed with this recommendation. Plans are underway for a registration website.

EC members discussed circulating information on the sponsorship opportunities available. A flyer is also posted on the IAAER website.

***New business***

Chalmers discussed the upcoming IAESB meeting in Mexico City at the end of October noting that projects are progressing. Literature reviews have been well-received and will be included on the IFAC Global Gateway.

Schipper gave closing remarks.

Chou moved to adjourn the meeting. Venter seconded. The meeting was adjourned at 6:05 p.m.

***Approved at the IAAER Executive Committee Meeting, Berlin, Germany***

European School of Management and Technology

February 27, 2018

Elizabeth A. Gordon /s/

Vice President, Finance and Administration