

## **IAAER Executive Committee Meeting, San Antonio Conference, Westin Hotel, February 20, 2014**

### Attending:

Kazuo Hiramatsu, Gary Sundem, Donna L. Street, Martin Glaum, Keryn Chalmers, Danuta Krzywda, Katherine Schipper, Linda Kidwell, Yoshihiro Tokuga, Jacqueline Birt, Dmitry Yakovenko, Elizabeth A. Gordon, Ling-Tai Chou, Nelson Carvalho, Sylvia Meljem, Pavel Nastase, *ex officio* Alan Sangster

### Attending part of the meeting as guests:

Mario Abela (IFAC), Sidney J. Gray (BoA), Belverd E. Needles, Jr. (BoA)

## **Minutes**

The General Business meeting was called to order by IAAER President Kazuo Hiramatsu at 2:00 p.m.

The minutes of the last EC meeting (Bucharest Conference, June 11, 2013) were approved unanimously.

Hiramatsu welcomed Jacqueline Birt as a new EC member, VP at large and representative of AFAANZ.

Hiramatsu reported that he and Street on behalf of IAAER attended the annual conference of IAAER institutional member KiBR in Jachranka, Poland. He pointed out that IAAER EC member Danuta Krzywda, who represents KiBR on the IAAER EC, received two awards at the conference.

Prior to the KiBR conference, Hiramatsu, Street and Pavel Nastese visited the Krakow University of Economics to discuss possible collaborations..Krakow is now an IAAER university members.

Council Chairperson Sylvia Meljem reported on the Council meeting that had taken place in the morning. She explained that the Council discussed its own role for the future development of IAAER. The Council members had agreed that the Council should suggest to the EC possible locations and themes for future conferences. Another role of the Council should be to raise membership of IAAER around the world. In this context, the Council members had agreed that they would need to define more clearly the "value proposition" IAAER is making to actual and potential members.

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

- *KPMG grant to inform IASB*: The KPMG grant to inform the IASB is in Round 4. Five research teams will participate in the final deliverable in London in early May. The event will be hosted by the IASB. The program is generally going well. Street plans to speak with Holger Erchinger (KPMG) about releasing a call for Round 5 proposals later in 2014.

- *KPMG grant to inform IAASB*: The KPMG grant program to inform the IAASB is in Round 2. Five teams submitted second deliverables in December. The Program Advisory accepted three. Two teams

are making modifications based on feedback from the IAASB. A third and final deliverable will be scheduled for later in 2014.

- *IIRC comment letter and San Antonio speaker*: IAAER appointed a committee to respond to the IIRC draft framework. The Committee was chaired by Mandy Cheng and Wendy Green at UNSW. The comment letter is posted on the IIRC and IAAER websites. The authors are preparing a report to be published in JIFMA. Eric Hespeneide will represent the IIRC as the opening plenary speaker of the San Antonio conference. IIRC wishes to host a speaker for the Florence World Congress.

Nelson Carvalho, EC member and member of the IIRC, elaborated on recent developments at IIRC. He explained that the IIRC framework was finally released in December 2013 and that the implementation has now begun.

- *Comment letter on IASB Framework DP*: Betsy Gordon chaired a Committee that submitted an IAAER comment letter on the IASB's Framework Discussion Paper. The Committee is preparing a report based on the comment letter to be published in JIFMA.

- *ACCA grant to inform IIRC*: At the beginning of February ACCA, IAAER and the IIRC released a call for proposals to inform the IIRC. The research questions were developed by Michael Nugent of IIRC (on secondment from IFAC). The first deliverable is planned in association with the IAAER World Congress and perhaps the IFAC World Congress. The deadline for proposals is February 28. The call is posted on the IAAER and ACCA websites. The ACCA and IIRC issued press releases.

- *IFAC request for further collaborations with IAAER*: Street reported on meetings with Russell Guthrie, Executive Director, Policy & Professional Relations IFAC, and other IFAC representatives during which an interest in further collaborations between IFAC and IAAER was expressed. During the meetings it was agreed that Mario Abela, Senior Policy Advisor, Public Policy & Regulation IFAC, would attend the EC meeting in San Antonio (see below). According to tentative plans, the dialogue will continue at the World Congress in Florence and/or Rome.

- *Deloitte IAAER Scholars*: The Deloitte IAAER Scholar program continues successfully. Street met with Deloitte representatives in September to report on the progress of the Scholars. All five scholars are in San Antonio. They met with IAAER senior representatives on Wednesday and attended the doctoral / new faculty consortium and the IASB and KPMG Framework Based Teaching workshop on Thursday. All scholars will attend the IAAER World Congress in Florence.

- *Proposals submitted to CIMA*: At CIMA's request Street prepared and submitted two detailed proposals, with input from David McPeak. One proposal is for a grant program to inform the IAESB, the other proposal for a CIMA IAAER Scholars program. The initial reaction from CIMA to the proposal was very positive. As Street reports, the process then stalled, no further feedback has been received from CIMA.

- *Request from IMA*: Street reports on a meeting with Raef Lawson, IMA VP Research. Lawson has expressed IMA's interest in working on research with IAAER.

- *New IAAER website (funded by KPMG grant)*: Street further reports on a project to upgrade the IAAER website. The project is coordinated by Brian Maj of DePaul University,. According to Brian Maj, the following project steps have already been accomplished:

- Enhanced the content system editing so that administrative users can easily modify text, images, and other individual page content.
- Improved the overall menu structure and navigation, images, and uniformity of pages throughout the website.
- Applied and affixed sponsor logos (KPMG, Deloitte, ACCA, IFAC) more clearly and uniformly across all pages; this also provides a cleaner experience for users who may be visiting the website on a mobile device (tablet, mobile phone, etc.).

- Created a backend file system for easily linking new files, such as for Cosmos, presentations, financial statements, etc.; this provides the ability for administrators to more easily post and link to new information.
- Developed a new calendar archive to catalog past meetings and events; this allows both IAAER and the public to easily view past activities and history.
- Enhanced the membership pages with clearer joining steps; this streamlines the membership process and provides a better experience for users.
- Created a cleaner news sidebar for highlighting key events and updates.
- Merged administrative functions and member functions onto the same subsystem; this provides a cleaner view of all web content whether logged in as a member, visiting as a public user, or managing content as an administrator.

According to Brian Maj, the following project steps are in progress:

- Upgrading the payment system to consolidate service providers for less cost per credit card transactions, meeting most recent internet compliance standards, and simplifying reporting of transactions.
- Upgrading and developing a new sign-on process for new and current members; this brings the programming code up to more recent standards for handling membership records.
- Creating a new navigational structure for research grants to better display and read details of current active projects and calls for proposals.
- Updating the eIFRS auto-login for members to ensure that the new code continues to provide single sign-on authentication.
- Creating customized email functionality to target certain groups with information; for example, announcing research grants to all active members, or sending a renewal reminder to expired members, etc.

Martin Glaum, VP Finance and Admin, will meet with Maj in Chicago after the San Antonio conference to discuss the further development of the website project, in particular the membership renewal system embedded in the new website.

Keryn Chalmers, VP Education, gave a report on the IAESB meeting in Toronto in October. She explained that the Board approved final versions of IES 2 and 3. A significantly revised IES 8 was prepared during the meeting. Given the extent of changes, IES 8 will be re-exposed. Chalmers further explained that the IAESB released a Strategy and Work Plan which has led to many comment letters. As Chalmers reported, one comment letter by the Global Accounting Alliance suggested that IFAC should "redirect its resources away from the IAESB by either dismantling the Board or mothballing it for a defined period, in consultation with the PIOB". Subsequent to the meeting, the Chair of the IAESB has received correspondence from the PIOB advising that the PIOB deliberated the future of the IAESB and the PIOB has let IFAC know in writing that it does not find the arguments for a considerable reduction in the role of the IAESB convincing.

Chalmers also reported on a review of the rules for the IAAER / Accounting Education Outstanding Reviewer Awards. The EC discussed and finalized the operating guidelines for selecting outstanding reviewers to the EC.

Chalmers was unanimously elected by the EC as IAAER editorial consultant on the editorial board of Accounting Education: An International Journal.

Martin Glaum, Vice President Finance, then gave a report on the 2013 financial statements. Preliminary statements for 2013 were completed and sent to the auditors shortly before the San Antonio EC meeting. According to the preliminary statements, the unrestricted funds at the end of 2013 were US\$220,175. This compares with a balance of US\$227,489 at the end of 2012, representing a decrease of US\$7,314.

Glaum also presented a draft budget for 2014. The budget is based on the expectation of higher membership cash-inflows due to the IAAER World Congress in 2014. Nonetheless, it projects a decline in unrestricted funds of about US\$7,000 for 2014. The budget was approved unanimously by the EC.

Yoshihiro Tokuga, VP membership, reported the current membership as of the 18th of February, 2014. He explained each of the following four categories: individual, university, institution, and student members, and provided the number of active members. Membership has increased in the second half of 2013 in all categories. The increase was most pronounced among student members.

Linda Kidwell, VP Communications, gave an update on IAAER communication issues. She explained that the next issue of COSMOS was expected to come out in April. She encouraged all members of the EC to send her material that could go into the next COSMOS issue. She also reported on the status of the IAAER LinkedIn group page. She pointed out that several EC members had not yet joined the LinkedIn group.

### *Update on conferences*

World Congress 2014, Florence - Gary Sundem, EC member and Co-Chair of the up-coming World Congress Scientific Committee gave an update on the planning for the conference. He summarized the current plans for the academic program. The EC discussed the format of the poster session at the World Congress. Sundem and Street gave an overview of the financing of the conference. They explained that substantial commitments had been made by several sponsors, among others, Deloitte, GEOX, ACCA, CIMA, and ICAEW. The conference was expected to be self-financing and break-even.

Dmitry Yakovenk, EC member, explained that a conference will be held by the National Institute of Professional Accountants, Financial Managers and Economists (NIPA) in collaboration with IAAER on July 3-4, 2014, in Samara, Russia. NIPA is an IAAER institutional member.

Sid Gray, Editor of JIFMA and Chair of IAAER Board of Advisors, explained that the JIFMA would like to hold a conference to celebrate its 25th anniversary in 2015. He suggests that the event could be held in collaboration with IAAER. Possible locations discussed for the event include the 2015 SAAA meeting to be held in collaboration with IAAER.

Street reported on the Conference of the African Accounting and Finance Association to be held in collaboration with IAAER on September 3-4, 2014, in Capetown. AAFA is an IAAER institutional member.

### *Update on Journals:*

Alan Sangster, Editor of *Accounting Education: An International Journal* reported that the status of the journal is generally healthy. There has been a drop of submissions from the UK, but submissions have been relatively stable in other parts of the world. Sangster explained that the journal tries to put more emphasis on the theoretical underpinnings of articles.

Sid Gray and Elizabeth Gordon, IAAER EC member and member of the editorial team of JIFMA, reported on recent developments at this journal. Gordon reported on fast track review processes at recent conferences. Street pointed out the willingness of JIFMA to publish papers based on comment letters to standard EDs written by leading academics.

Gary Sundem, Chair of the Nominating Committee, presented his recommendations of two Advisory Board members and two Council members to serve on the Committee: Sid Gray, Holger Erchinger, Lana Hanner, and Chika Saka. A motion was made to approve this committee, and it passed unanimously.

At 5 pm, the EC meeting was joined by Mario Abela, IFAC Senior Policy Advisor, Public Policy & Regulation.

Abela was introduced by Street. Abela is responsible, inter alia, for IFAC's communication with the academic community. Abela expressed IFAC's interest to intensify its communication with the academic community in general, and with IAAER in particular. He outlined several areas where academics could be of assistance to IFAC. First, the research prepared by academics generates evidence that could provide valuable feedback for IFAC's regulatory decision-making. Second, academics could possibly enhance the methodology of surveys and other efforts undertaken by IFAC. Third, academics could engage in research in areas that are of particular interest to IFAC; examples are the effectiveness of regulation, the economic impact of the accounting profession on a global basis, or emerging issues such as Bitcoins or crowd funding. Abela also explained that IFAC might be able to offer academics access to data on the institutional accounting and auditing environments in more than 100 countries. The data is collected annually by IFAC in the course of its compliance program, and it includes self-assessments of national member bodies and assessments of national environments by IFAC.

The meeting was adjourned at 6:00 p.m.