

International Association for Accounting Education and Research  
Executive Committee Meeting Minutes  
June 26, 2011  
Owl Room, Fancourt Hotel, George, South Africa

President Gary Sundem called the meeting to order at 13:05. Members present were Banerjee, Barth, de Lange, Glaum, Jelly, Loft, Schipper, Street, Sundem, Suwardy, Tokuga, and Zambon. Each member introduced him/herself. The minutes for both Singapore (November 3, 2010) and teleconference (February 14, 2011) meetings were approved as distributed.

Sundem reported on the four action items from the teleconference. He reported that Suwardy has worked on the list of member benefits and will report on this later in the meeting. Suwardy has also edited the renewal letters to be more user-friendly. The information on the George conference was distributed. Finally, the role of IAAER in joint conferences was opened for further discussion.

There was a consensus that a formal policy is needed and that three levels of involvement should be specified: 1) Primary responsibility (usually only the World Congress), 2) Joint-sponsorship, where IAAER has responsibility for a significant part of the scientific program, and 3) Conferences “in association with IAAER” or “with contributions by IAAER,” those in which IAAER has a limited role. All three levels use the IAAER “brand,” and there must be sufficient confidence in the quality of the program and benefit to IAAER to warrant involvement. Sundem will prepare a set of written criteria for each of the levels of involvement to be presented at the next EC meeting. Among the other points mentioned were: 1) whether IAAER should prefer single events to include more geographical locations or a series of events in one location for sustained impact, 2) whether to develop separate criteria for doctoral or early career workshops, 3) whether there are specific program requirements (e.g. require discussants in concurrent sessions or require double-blind reviews of papers) for joint conferences, 4) possible requirements for organizations with which IAAER holds joint conferences (e.g., must be an institutional member, provide certain financial assurances, provide evidence of ability to deliver a quality conference, etc.), and 5) whether IAAER-arranged sessions should be labeled to indicate that.

Sundem next gave his president’s report. He indicated that the transition of administration from essentially one person, Brian Maj, to three persons, as well as new administrative and financial vice presidents, took some time. The arrangement now is that Sundem’s assistant, Amy, handles IAAER correspondence (the [admin@iaer.org](mailto:admin@iaer.org) e-mails), and general inquiries should go to her at that address. Street has two assistants who work on the financial statements, Web site, and membership issues. Financial duties are divided among Kang (bank account, deposits, checks, and transfers), Glaum (reconciling bank statements, budgets, financial oversight), Sundem (credit card account), and Street (financial statements). This should give reasonable internal control. Membership issues are coordinated between Suwardy and Street’s assistant.

Sundem next reported on COSMOS. The World Congress issue was supposed to be out months ago, but it still in process. Howieson has the materials and is putting together the issue. However, he has other duties as VP-Communications that do not leave enough time for COSMOS, and he agreed that it would

be best to appoint a separate editor. Linda Kidwell of the University of Wyoming has agreed to be editor. She will start with the next issue of COSMOS.

The last item Sundem reported on was the Global Accounting Education project of Gert Kerreman, et al. A request for IAAER support, but not necessarily endorsement, came through Bel Needles. After discussion, the consensus was that IAAER would be supportive of the project, but the IAAER name and logo should not be used on the project materials and reports. Loft will prepare a short statement for approval at the next EC meeting.

Street next presented her report as Director of Research and Educational Activities. She first discussed the IAAER/KPMG grant program supporting the IASB. Round 3 is complete, and everyone seems very satisfied with the projects in all three rounds. The call for proposals for round 4 is out with a deadline for submissions of October 15. The IAAER/ACCA grant program to inform the IAASB is progressing with 3 excellent projects to be presented in Venice.

Street also reported on the early-career researchers' programs. The sessions in George were just completed successfully. There was discussion about the relative benefits of paper-development workshops vs. research methods presentations. The program in Bucharest includes paper-development workshops that are very successful. Although no policy was decided on, there seemed to be a general consensus that getting participants involved was desirable and that following up with multiple workshops in a single place has more impact than one-off programs with no follow-up. One follow-up activity for Bucharest, Kuala Lumpur, and George is seed grants. These promise £2,000 for a completed revised proposal and £3,000 on making significant research progress. In addition, each grantee gets at least one mentor to help in his/her research. In Bucharest, of 5 seed grants, 3 have received the second installment, one is on track with the replacement of the mentor, and one may not make it. For Kuala Lumpur, the five teams have been assigned one or two mentors each and are progressing.

Street also reported on her presentation to and IFRS roundtable discussions on trustees in London. She reiterated two main points in the IAAER comment letter, the need for an academic on the IASB and the need for academic research to support IASB decisions. She offered IAAER assistance to the IASB in research and liaison to the academic community. She also indicated that there is likely to be a roundtable in Boston on Oct 4, hosted by KPMG, to discuss academic research and how it feeds on to the IASB process.

Street then presented the financial position of the IAAER through April, 2011. A total cash balance of \$483,000 includes \$220,000 of unrestricted funds. The restricted funds are primarily for grant programs. She indicated that maintaining an unrestricted balance of at least \$200,000 is desirable. There was minimal activity in the first 4 months of 2011, mainly receipts of \$21,000 from dues. More dues were received in May and June, but there is a need to be more aggressive in pursuing renewals. The next EC meeting should include an examination of budget to actual amounts for the year with an eye to any budget revisions that may be necessary. Finally, she reported that the large IAAER cash flow, due mainly to the World Congress, put the association in the position of requiring an audit (under Illinois law, where IAAER is incorporated), and the audit is nearly complete. She concluded with a thank you to Themis

Suardy and SMU for their contributions that made the World Congress a financial success as well as an academic success.

Anne Loft next reported on the IAAER/ACCA grants to inform the IAESB. The first round is complete, and a summary article is on both the IAAER and IAESB Web sites, and the complete reports are on the IAAER Web site. Three projects were funded on the second round, and their first deliverables will be presented on Wednesday. Further presentations will be in Venice in November and possibly in June in New York in conjunction with an IAESB meeting.

Street updated the EC on the case competition that IAAER is offering jointly with HEC Montreal, a university member. The call for cases is outstanding, with a due date of November 15. Three winners will receive a cash stipend, will present their cases at the conference in Amsterdam in June, 2012, and will have their cases published in *Accounting Education*.

Zambon next gave an update on the upcoming conferences. He passed out a tentative schedule for the Venice conference to be held 3-5 November 2011. Some plenary sessions are filled, but some presenters are yet to be determined. One person expressed concern that so far there are no representative of the Far East on the program. So far 60 papers have been submitted, and Zambon expects to receive more than 100 in total. He warned about the difficulty of getting hotel rooms in Venice and recommended that EC members act quickly to reserve rooms. Sundem's assistant (Amy) will reserve a block of rooms and e-mail EC members to get their lodging requirements. Although IAAER will make the reservations, EC members will pay their own lodging costs. The registration fee will likely be 380 Euro.

Three other conferences are scheduled further out. A joint conference with the Free University of The Netherlands and NBA will be held 20-21 June, 2012. Martin Hoogendoorn is coordinating arrangements. A Doctoral Workshop in Bucharest will follow immediately after this conference so that workshop faculty can do both in one trip.

A joint-conference in Frankfurt, Germany (13-16 February 2013) will be similar to a 2007 conference in Munich that was a great success. A doctoral workshop focused on Eastern Europe will be offered if financial support can be found. A major sponsor will be EY Germany who will provide the conference venue and possible catering, etc. Finally, a joint conference is scheduled in Bucharest in 2013 with Nastase coordinating with Romanian hosts.

A concern was raised that all the planned conferences are in Europe. Sundem and Street will explore possibilities with institutional members in other parts of the world.

Banerjee raised the possibility of a joint conference in Mumbai in late January 2012 in conjunction with the Mumbai Stock Exchange. The EC felt that there was not enough lead time for a joint conference, but a conference with some IAAER participation (e.g. "in association with IAAER") might be possible if there is no financial cost to IAAER. Banerjee will explore with the organizers whether such an arrangement is possible.

An IASB update followed. Sundem summarized a written report on the recent IFRS Advisory Council meeting submitted by Holly Skaife. Her report included: 1) the council believes the IASB should focus on IFRS adoption, not convergence, 2) Sir David Tweedie discussed the difficulty of gaining convergence between the IASB and FASB, exemplified by the re-exposure of the revenue-recognition standard, and indicated that differences may be reconciled by disclosure, 3) the US SEC staff is undertaking a project to identify differences between US GAAP and IFRS with the purpose of providing a full understanding of what it means to allow IFRS, 4) Hans Hoogervorst, the incoming chair of IASB, discussed the agenda, which will focus on completing the conceptual framework, engaging in research to understand the costs and benefits of standard setting, and looking at post implementation reviews, 5) the council discussed issues related to translation of IFRSs, 6) Paul Pacter (an incoming VP for IAAER and IASB board member) provided an overview of the use of IFRS in the global capital market, and 7) the council discussed the Monitoring Board review. After the formal meeting, Skaife gave an overview of academic research in standard setting in an optional education session attended by approximately 20 AC and IASB members.

The IAAER position on the IFRS Advisory Council is up for renewal, and Sundem will be appointing a committee to recommend someone for the next 3-year term, either a reappointment or a rotation. The EC will be asked for suggestions and to provide supporting evidence for their suggestions.

Anne Loft next reported on the activities of the IAESB. The Board is revising all eight standards, and several exposure drafts are likely to be issued in the near future. Anne recommends that the IAAER prepare responses to the EDs, especially the one on IES 2, which is likely to be due in September. Sundem and Loft will determine a small committee to prepare a response, and all EC members will be asked to contribute any ideas and suggestions. Anne also indicated that a UN committee is updating its accounting curriculum model, and its approach is quite the opposite of the IAESB's principles-based approach.

There were no reports from the journal editors, but Sundem reported that the tribute to Steve Zeff published in Accounting Education is being recognized by Rice University by hosting a dinner at the AAA meetings in Denver. This is good exposure for the journal in the U.S.

A discussion of membership issues continued the discussion begun during the teleconference EC meeting in February. Suwardy proposed a table for recognizing various member benefit to make explicit benefits beyond eIFRS access. Some suggestions made were to consider longer-term memberships, maybe 3 or 10 years, to consider giving attendees at the early-career consortia a free one-year membership, and negotiating discounts for IAAER members in any conference that IAAER jointly sponsors or is associated with. No specific conclusions were drawn, and, despite the progress made by Suwardy, this needs to be an ongoing discussion.

Suwardy indicated that a better follow-up on non-renewing members, especially university and institutional members, is needed. He suggested a geography-based subcommittee with representatives who could contact such members in their region. Suwardy will suggest members for such a committee, and Sundem will follow up with appointments.

The final major topic on the agenda was discussion of new research initiatives – especially management accounting. Jelly presented an overview of CIMA’s research activities, and there seemed to be much ground for potential cooperation between CIMA and IAAER. CIMA likes “joint” research that is relevant: CIMA’s research agenda is focused and applied, and that is consistent with IAAER’s strategy. Street and Schipper will pursue this further with Jelly so that a proposal might be ready for the next CIMA research council meeting in September or its meeting in November. Web sites for CIMA and IAAER should also be linked.

The last agenda item was future meetings. Sundem indicated that a teleconference meeting would be held in early September. He will send an e-mail to establish a convenient date and time. The next face-to-face meeting will be in Venice on 3 November 2011 at 9:00 – 13:30.

Under other business, Schipper highlighted the need to focus on our objectives on the early-career consortium, not to replace the university’s job to teach the technical skill, data analysis, etc. Others agreed that the IAAER’s objective is not to give a replacement PHD program but do give early-career researchers a starting reference point to move forward. Support was expressed for the “paper development” model, which seems to be more result-oriented. A suggestion was made to send fewer faculty to a consortium, allowing more consortia at a lower cost. It was suggested that the IAAER could use more Internet resources (e.g. Skype) for the mentoring of individuals such as those receiving seed grants. There was agreement that it is important to have a “champion” in the geographical area of a consortium, as it helps us achieve our goals in helping the early career consortium attendants to achieve their aspiration.

The meeting was adjourned at 17:30.