

Statement of Operating Principles

IFAC adheres to the following principles in operating its governance and management arrangements, implementing its strategic plan, and delivering its services.

Principle 1: Strong governance and management structures

To achieve this principle, IFAC:

- Seeks to balance the primary criterion of best person for the position on its boards and committees with appropriate representation in terms of geography, industry, size of employer and gender
- Actively encourages participation in its activities through a range of mechanisms, including but not limited to membership on boards and committees, an interactive annual Council meeting, regional forums and other events, and direct input throughout the development of the standards and guidance
- Conducts a strategic planning process designed to assess existing strategies in the light of changing environmental pressures, risks and opportunities and to adjust those strategies accordingly. The planning process is based on a review of the environment, stakeholder consultation, and the application of an Enterprise Risk Management approach
- Is reliant on strong governing and managerial leadership, and fosters a clear understanding of the roles of each and recognition of the importance of a separation of responsibilities between them
- Implements effective structures and processes and policies and procedures to ensure delivery of high-quality services and adherence to strong operational practices
- Performs succession planning at all managerial levels, but particularly at the senior management level, and in relation to volunteers on its boards and committees

Principle 2: Effective and efficient communication with a wide-ranging audience

To achieve this principle, IFAC:

- Develops communications plans in consultation with its boards and committees
- Implements activities that support the overall strategy by promoting the value of and adherence to high-quality international standards, and increasing awareness of the profession's many roles and, particularly, its contributions to the development of strong and sustainable organizations, financial markets and economies
- Facilitates collaboration and ongoing dialogue with stakeholders through the website and various other electronic and print media
- Targets its communications to a wide-ranging audience that includes member bodies, associates and affiliates, regional organizations and acknowledged groups, accounting firms, the media, regulators, standard setters, development agencies, academics, professional accountants, and various international organizations

Principle 3: Identification and effective use of collaborative opportunities

To achieve this principle, IFAC:

- Seeks to identify and act on collaboration opportunities with members and associates, standard setters, regional organizations and acknowledged groups, regulatory agencies, and development agencies
- Coordinates the alignment of efforts and investments to achieve synergy and effective delivery of services with and among members and associates in areas of common interest

Principle 4: Maintain financial sustainability and the health of the organization

To achieve this principle, IFAC:

- Seeks to strengthen its funding model over the medium to longer term
- Seeks to operate within the financial parameters established in its approved annual budget
- Endeavors to establish and maintain an equity position that adequately reflects the needs of the organization and its exposure to external environmental factors
- Identifies and acts on appropriate opportunities to enhance IFAC's financial resources
- Ensures that IFAC's resources continue to be used effectively, efficiently and economically
- Operates in a manner that minimizes IFAC's environmental footprint/impact

Principle 5: Continually enhance IFAC's capacity

To achieve this principle, IFAC:

- Seeks the appointment and retention of high-quality volunteer representatives who support the objectives of each board and committee, and the commitment of their supporting organizations
- Actively seeks to attract high-quality staff, and is committed to the development and retention of staff across all functions
- Identifies and acts on opportunities to use technology to support and enhance the effectiveness and capacity of the organization