

Interim Nominating Committee Terms of Reference¹

1. PURPOSE

The purpose of the interim Nominating Committee is to make a recommendation to the IFAC Board and Public Interest Oversight Board (PIOB) regarding the selection of Chair of the International Auditing and Assurance Standards Board (IAASB) for 2019-2021 term of service. The interim Nominating Committee's mandate ceases once a selections process for the next IAASB Chair is completed.² The Interim Nominating Committee submits its recommendation to the IFAC Board for endorsement and PIOB for final approval.

2. PRINCIPLES

The interim Nominating Committee is guided by the need for transparency in its decision-making process, balanced with issues of privacy and propriety in order to maintain a respectful, fair and judicious environment. While it must have discussions amongst itself and other parties of a proprietary nature, it must also ensure that discretion is maintained. The Committee seeks to achieve transparency via periodic reporting to the Monitoring Group regarding its objectives, the process followed during the nominations cycle, and any significant issues that arose as part of that process.

In making a recommendation on the appointment, the interim Nominating Committee is guided by the principle that the primary criterion for selection of the recommended candidate is to identify the most suitable person for the available position, taking into consideration factors such as leadership ability, professional background and experience and other relevant skills and attributes.

3. RESPONSIBILITIES

The responsibilities of the interim Nominating Committee are to recommend to the IFAC Board and PIOB the candidate to be appointed as the IAASB chair.

As the Interim Nominating Committee's sole responsibility is for the selection and recommendation of the IAASB Chair, the decision-making power for the following two important responsibilities rests with the IFAC Board and PIOB:

- the removal of the IAASB chair for non- performance or other good cause; and
- the extension of the term of service and contract for the IAASB chair in accordance with the IAASB chair job description.

4. MEMBERSHIP

The interim Nominating Committee comprises seven members, including the chair and two members with observer status. Members with observer status have speaking, but not voting, rights.

Three members, including one member with observer status, are to be nominated by the PIOB and three members, including one member with observer status, are to be nominated by the IFAC, subject to approval of the Monitoring Group. PIOB or IFAC Board members may only serve as a member with observer status. The chair is appointed by the Monitoring Group and is to be independent of both the PIOB and IFAC.

The IFAC will provide for the secretariat of the interim Nominating Committee. Secretariat staff have speaking rights but not voting rights. Upon starting their term on the interim Nominating Committee, each member shall sign a statement declaring that they will act in the public interest and with integrity in discharging their role within the interim Nominating Committee.

¹ This Terms of Reference was adopted in April 2018.

² The Interim Nominating Committee was formed by the Monitoring Group in February 2018 to conduct the nominations process for the next IAASB Chair for 2019-2021 term of service and was disbanded in October 2018 after the new Chair was announced. The Interim Nominating Committee was re-instated in its original composition in December 2018 to complete its mandate after the previously appointed candidate has decided not to assume the post for personal reasons (see [press-release](#) for more details).

The IFAC and the PIOB will fund travel and incidental costs for their respective nominees. The Monitoring Group will fund travel and incidentals costs for the interim Nominating Committee chair. All other costs associated with the interim Nominating Committee – including meetings costs, advertising costs for the Call for Applications, catering costs, printing and office costs, and so on – will be covered by the Monitoring Group and IFAC.

5. MEETING PROCEDURES

The interim Nominating Committee meetings are chaired by the interim Nominating Committee chair. In the event of his or her absence, the members present select a member to take the chair for the duration of the meeting or for the duration of the absence of the chair. A quorum of four voting members is required.

Each member of the interim Nominating Committee has one vote, with the exception of members with observer status who shall have none. The affirmative vote of a simple majority of members present at a meeting in person or by simultaneous telecommunications link, is required for decision-making. In the case of an even number of votes, the chair has an additional casting vote.