

IAASB CAG PAPER

IAASB CAG Agenda (September 2007)

Agenda Item C.2

**Operating Procedures for Reappointment of CAG Member Organizations and Chairs –
September 2007 PIOB Agenda Item 7.2.2**

TO: PUBLIC INTEREST OVERSIGHT BOARD

FROM: JIM SYLPH

DATE: SEPTEMBER 4, 2007

**RE: OPERATING PROCEDURES FOR REAPPOINTMENT OF CAG
MEMBERSHIP ORGANIZATIONS AND CHAIRS**

1. CAG Membership

- 1.1 Member Organizations are appointed for a renewable term of three years (except for Member Organizations that are also members of the Monitoring Group as they are permanent Member Organizations of the CAGs). In the case of the IAASB CAG, the first term of membership commenced on September 1, 2004. The first terms of membership of the Ethics CAG and IAESB CAG commenced on January 1, 2005. A footnote to the CAGs' Terms of Reference explains that organizations appointed in the course of the three-year term serve until the next renewal date and not for three years from first appointment.
- 1.2 The following steps should be taken to reappoint Member Organizations:
 1. Approximately six months before completion of the current term of membership (or at such time as will allow the meeting described in paragraph 2 to be held at an appropriate time and before the membership renewal date), the CAG Membership Panel should review the list of Member Organizations to determine whether they should continue their membership.
 2. The CAG Membership Panel, through the CAG Chair, should make its recommendation with regard to the reappointment of Member Organizations to the PIOB for approval at a PIOB meeting to be held at least two months before the membership renewal date.
 3. Based on the PIOB's decision the CAG Chair, assisted by IFAC staff, should communicate with the Member Organizations; either inviting them to accept appointment for a further three-year term, or thanking them for their contributions to date. Such communication should take place at least two months before the membership renewal date.
 4. Those Member Organizations that are invited to accept reappointment should be asked to inform the CAG Chair if they plan to change their Representative(s). In the case of a new Representative, the CAG Membership Panel should seek sufficient information to be able to conclude whether the individual has the relevant expertise and experience to provide an effective contribution to the activities of the CAG. The

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Panel should notify the PIOB of the change and provide the PIOB with information about the new Representative.

5. The CAG Chair, assisted by IFAC staff, should report the status of the reappointment of the Member Organizations at a PIOB meeting following the meeting referred to in paragraph 2 above.

2. Appointment or Reappointment of CAG Chair

- 2.1 The CAG Chair is appointed for a term of three years, renewable once. The IAASB CAG Chair was appointed on September 1, 2004, the IAESB CAG Chair in January 2006, and the Ethics Chair in May 2006.

- 2.2 The following steps should be taken to appoint or reappoint a CAG Chair:

1. Approximately six months before the completion of the CAG Chair's term of office (or at such time as will allow the meetings described in paragraphs 2 and 5 to be held at appropriate times and before the appointment / reappointment date), IFAC staff should advise the CAG Chair that the current term is scheduled to expire in the near future.
2. In conjunction with the CAG Chair, IFAC staff should contact the Representatives of one or two key Member Organizations and Monitoring Group Member Organizations to request them to arrange a discussion on the matter of appointment or reappointment of the CAG Chair in the private session (closed to the public and IFAC staff) of the next CAG meeting. IFAC staff or the identified Representatives should determine whether to discuss any proposal with regard to the appointment or reappointment of the CAG Chair with the PIOB in advance of the CAG meeting.
3. Following the session, and in consultation with the Representatives referred to in paragraph 2 above, IFAC staff should request the CAG membership to confirm in writing the substance of the discussion. (This may be to reappoint the incumbent, vote amongst alternates, etc.)
4. IFAC staff should collate the responses of the CAG membership and report the results to the CAG Chair.
5. IFAC staff should report the results to the PIOB meeting immediately preceding the new appointment date, requesting approval of the PIOB for the individual selected by the CAG membership. The PIOB discusses and, if considered appropriate, approves the appointment / reappointment of the CAG Chair.

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