IAESB International Accounting Education Standards Board

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Committee:	International Accounting Education Standards Board
Meeting Location:	IFAC Headquarters, New York, USA
Meeting Date:	November 2 - 4, 2016
SUBJECT:	**Maintenance of Support Materials for Implementation of IESs – Issues Paper (11/16)**

INTRODUCTION

1. The aim of this paper is to inform IAESB members in their discussion of issues related to the development of a 2017-2021 IAESB Strategy. In particular, this paper will:

    - Explain the suggested structure for maintaining support materials for Implementation of IESs (see below)
    - Seek additional insights form IAESB members on the proposals
    - Agree next steps and IAESB deliverables

2. This agenda item contains the following materials:

    Agenda Item 2-1 Maintenance of Support Materials for Implementation of IESs – Issues Paper (11/16)

    Agenda Item 2-2 Prototype to Demonstrate the Functionality of the "Maintenance Framework" (11/16).

BACKGROUND & DISCUSSION

Purpose

3. A short-term task force has been formed to consider options for receiving feedback on the support material for implementing the IES, and for keeping it up to date. The task force recommends that this process be steered by an Implementation Support Advisory Group (ISAG) reporting to the IAESB.

ISAG Organization, Role, and Responsibilities

4. The ISAG could be a standing operating group of the Board, along the same lines as the DWG and chaired by an IAESB member. The ISAG could consist of 3 board members, 1 CAG member and maximum 4 selected external parties being invited as appropriate. The external parties could be seconded from IFAC member bodies, IFAC regional organizations, content experts, or the common content group.

5. The main objective of the ISAG is to review and prioritize formal and informal input on priority activities based on Stakeholder driven criteria for determining a need for maintenance of support material (what is in scope and what is out of scope).

6. The second objective is to facilitate the overall maintenance process on a continuous basis and to work with the IAESB Steering Group to ensure that maintenance projects are appropriately resourced.

7. The ISAG will be a standing item on the IAESB agenda once every year or earlier when an issue is urgent and important.

8. Appendix 1 includes the IAESB CAG members' comments on the task force proposals presented at their September 2016 meeting.

Maintenance Process

9. The following sequence describes in summary the process of maintaining support materials for Implementation of the IESs.

    1) Conduct Analysis
        a. Validate the use of the implementation support material
        b. Review of inputs and conduct analysis against criteria
        c. Make decision on whether to move to a proposal (ISAG)

    2) Develop Proposal & Decide on Project
        a. Develop issues paper setting out proposed changes and supporting materials
        b. Review issues paper (DWG and Steering Committee)
        c. Make decision on whether to approve proposal (Board)
        d. Make decision on what level of targeted consultation is needed (Board)

    3) Maintain Guidance (typically conducted by an IAESB Task force)
        a. Draft updated guidance and supporting materials (Task force supported by staff)
        b. Review updated guidance and supporting materials (DWG)
        c. Regular updates to Board at meetings by Task force Chair
        d. Approve guidance and supporting materials (Board)

    4) Publish Guidance
        a. Publish updated guidance (IAESB staff)
        b. Undertake supporting activities to accompany release of guidance (IAESB staff)

Description of Selected Activities during the Maintenance Process

10.   The following section provides further details on specific steps during the maintenance process described above.

1a) Validate the use of the implementation support material.

The ISAG mandate only covers changes to Implementation Support material such ie education guidance and toolkits developed by the Board. Changes to International Education Standards as approved by the IAESB are not in scope and are subject to separate processes led by the Steering Committee and the DWG.

I.   Establish what needs to be updated?
   i.   Implementation Support material (including FAQs, "good practice" examples)
      a.   How well is the existing Implementation Support material received and applied locally?
      b.   Does the Implementation Support material relate to existing standards?
      c.   Determine why an update of Implementation Support material is needed
   ii. Toolkits

II.   Undertake systematic collection of input by the ISAG based on interviews and surveys.

The inputs which will assist in establishing the need for a maintenance project and which ISAG will review at least on an annual basis include:

   i.   Formal input
      a.   Written feedback from an IFAC member body or other stakeholders (e.g., Exposure Draft Comments)
      b.   Pulse surveys conducted by IFAC staff
      c.   Telephonic interviews, similar to the one conducted by the Board on IES 7
      d.   Input from regular market scans, scientific research and similar surveys/studies
      e.   Input from other IFAC boards and committees

   ii. Informal input
      a.   Results from outreach activities
      b.   Board member feedback
      c.   Unsolicited feedback from stakeholders

1b) Review of inputs and conduct impact analysis against criteria

The review of inputs and the impact analysis will be based on an analysis of importance, urgency and the costs/benefit of the change. Criterial will include:

I.   Important (is a strategic issue):
   i.   Does the issue have a global perspective?
   ii. Have critical comments been received from a number of stakeholders identifying a particular need for change?
   iii. Does the guidance have the potential to be misunderstood by stakeholders?
   iv. Is there a need for further development of best practice?
II.   Urgent (needs immediate action):
   i.   Are practices and processes being no longer applicable or demanding immediate attention?

      ii.   Is the guidance not in line with existing / new IES?

2a) Develop issues paper setting out proposed changes and supporting materials

ISAG Chair to prepare an Issues Paper for the IAESB on the basis of the recommendations of ISAG. The ISAG will consult with the IAESB Steering Committee and the Deputy Chair on this Issues Paper.

2c) Make decision on whether to approve proposal

The decision on whether to approve the proposal is taken by the Board. The decision includes the following:

    I.   Identify if further consultation with respect to the amendments needs to occur
   II.   Identify the Task force mandated to make the changes (Existing Task Force? New Task Force? Outsource?)
  III.   Timeframe

4b) Supporting activities

Supporting activities include the following:

    I.   Webinars
   II.   Small videos
  III.   Participation in bigger events
  IV.   Tutorial

Action Requested:

1. **Do you support the formation of an Implementation Support Advisory Group (ISAG) to oversee the maintenance of guidance material? If so, should non-IAESB members be permanent members of the ISAG?**

2. **Do you agree with the task force's proposal on the process for maintaining support materials for Implementation of IES? If not, what are your suggestions to improve the process?**

3. **Based on the information given in Agenda item 2-2 "prototype", do you have any additional recommendations with respect to the completeness of the framework?**

APPENDIX 1 – Comments from the IAESB CAG September 2016 Meeting

INPUT FROM THE CAG

11. The suggestions put forward in this paper were discussed via teleconference with the IAESB Consultative Advisory Group (CAG) on September 29, 2016. In summary, the CAG was supportive of the idea to establish a standing operating group of the board with the objective to maintain IES support material and made the following suggestions:

- The ISAG needs to incorporate as many different countries and views as possible. Especially regional implementation challenges should be considered. It was also suggested to seek input from the common content project.

- More clarity needed regarding the positioning of the ISAG as a subgroup of the IAESB. This might also be reflected in the name.

- More clarity regarding the necessary resources for ISAG is needed.