

TAG terms of Reference

September 2024

1. Role

- 1.1 The Technical Advisory Group (TAG) advises the INPAG Secretariat on the technical content of and overall approach to the development of financial reporting guidance for non-profit organisations (NPOs). The role of the TAG will evolve following the publication of the first edition of INPAG. The Secretariat will review the role of the TAG after its first publication to determine whether the current terms of reference remain fit for purpose.

2. Membership

- 2.1 The TAG comprises individuals that have an interest in or are affected by the development of high-quality international financial reporting guidance for NPOs.
- 2.2 Members will have recent practical experience in setting accounting standards, in auditing, preparing or using NPO financial reports, or in accounting education or regulation relevant to the NPO sector. The appointment of members will be based on evidence that they hold the following skills and experience.
- a) technical competence and knowledge of financial accounting and reporting
 - b) analytical skills
 - c) communication skills
 - d) decision-making skills
 - e) sector understanding
 - f) collaborative working
 - g) integrity, objectivity and discipline
 - h) commitment to financial reporting for NPOs
- 2.3 TAG members will provide independent technical expertise and advice as individuals rather than on behalf of the organisation in which they are employed.
- 2.4 The TAG membership, to the extent practicable, will have a balance of geographical representation, and is intended to be diverse and inclusive. It will not exceed 18 members excluding the chair. Taskforces, led by a member of the TAG but with a broader membership can be used to support the work of the TAG.
- 2.5 Members will serve for an initial period until the publication of INPAG. Subject to the future of the project beyond the initial version of the INPAG, membership will be renewable for successive periods of up to three years, with members able to serve for a maximum of 10 years.

- 2.6 As far as possible, TAG members are expected to attend all meetings. However, an organisation that has nominated a TAG Member may with the agreement of the TAG Chair occasionally send other suitably qualified individuals to a TAG meeting where those individuals are better able to contribute to discussions of the specific issues under review, or to act as an alternate.
- 2.7 Where a TAG member is unable to attend, they can provide comments or feedback on the papers provided. A TAG member that does not attend, provide feedback on or arrange an alternate for more than 50% of the meetings in each calendar year may be asked to stand down.
- 2.8 Nominations for TAG membership will be carried out through a periodic open call for nominations. The timing will be determined by CIPFA in consultation with the Governance Group. Targeted campaigns will also be used to support the intent for the TAG to be a diverse group. Members will be appointed by the TAG Chair and the INPAG Technical Director, following an interview to assess the suitability of the nominee against the criteria in 2.2.
- 2.9 Nominations can be submitted by national standard setters or individuals from other relevant organisations. Nominations made by national standard setters may be from a member of their staff, members of their board or may be another individual that they nominate. Position within the standard setting organisation or NPO related community will not be a factor in an appointment decision.

3. Observers

- 3.1 The International Financial Reporting Standards Foundation and other international and regional organisations with an interest in NPO financial reporting will be able to nominate individuals to serve as formal TAG observers. Formal observers will receive all meeting papers directly from the Secretariat and be invited to all meetings.
- 3.2 In addition, members of the public are able to view the papers and recordings of the meetings.

4. TAG Chair

- 4.1 The TAG Chair is appointed by the CEO of CIPFA. The Chair of the Governance Group will be consulted on the (re)appointment of the TAG Chair, including the selection process. The TAG Chair is expected to meet the same requirements as any other member. The TAG Chair may be appointed from one of the members.
- 4.2 The inaugural TAG Chair will serve for an initial period until the publication of INPAG. Subject to the future of the project beyond the initial version of the INPAG, the position of TAG Chair will be renewable for successive periods of up to three years, with each TAG Chair able to serve for a maximum of 10 years.

4.3 The TAG Chair will provide leadership to the TAG in ensuring that it receives timely and effective input that contributes to the development of high-quality Guidance. The duties of the Chair will include, but will not be limited to those necessary for the effective conduct of meetings of the TAG.

4.4 The TAG Chair will lead the process to ensure adequate representation at the TAG.

5. Practitioner Advisory Group

5.1 The objective of the Practitioner Advisory Group (PAG) is to provide input to and assist the TAG through providing high-level advice from a practitioner perspective on the TAG's agenda and work program. It may also provide technical advice on key aspects of the proposed Guidance and advice on other matters of relevance to TAG activities. The PAG will be convened by Humentum and will be comprised of individuals from the NPO community that includes NPOs, auditors, donors, National Accountancy Institutes and Government agencies that oversee NPOs.

5.2 The PAG will provide input to the TAG through the PAG Chair who will be a standing observer of the TAG. The TAG will consider the input and provide feedback as appropriate to the PAG. The feedback may include how the TAG plans to address points raised and provide an explanation if advice is not being taken up. PAG members have a right of response to the TAG position.

6. Donor Reference Group

6.1 The objective of the Donor Reference Group (DRG) is to provide a forum where the project can listen, learn and understand more about donor needs and donors can develop a deeper understanding of the basis for the financial reporting requirements. The DRG includes bilateral and multilateral donors as well as Foundations and Trusts from across the world.

6.2 The views of the DRG are captured by the Secretariats to the TAG and the PAG for input to the relevant advisory group discussions as appropriate.

7. Operating Procedures

To ensure that the TAG operates efficiently and effectively, the following specific operating procedures are adopted.

7.1 Meeting Details

7.1.1 Generally, one physical meeting will be held each year, but virtual meetings will be the primary mechanism for TAG discussions. Meetings will be approximately quarterly with additional meetings where necessary to ensure that discussions can be carried out as effectively as possible. The TAG Members and other meeting participants, will be notified of meeting dates as soon as is practicable.

7.1.2 The TAG Chair will assume the chairmanship of any meeting of the TAG at which he or she is present. In the absence of the TAG Chair, the TAG Chair will nominate a representative to act as chair.

7.1.3 CIPFA staff will form the meeting Secretariat and provide administrative support for both the TAG's physical and virtual meetings.

7.2 *Meeting Agenda and Papers*

7.2.1 The INPAG Secretariat, in consultation with the TAG Chair, will set the agenda for TAG meetings. The process and work programme followed will require the group to consider the views of PAG members, as well as feedback gathered through research and the public consultations. TAG members are expected to support the facilitation of wide stakeholder engagement that best ensures the Guidance is relevant to stakeholders.

7.2.2 Written materials supporting the TAG agenda items will be provided prior to each meeting, highlighting issues for consideration.

7.2.3 Papers for the meetings will be issued at least one week ahead of each meeting, including virtual meetings.

7.3 *Confidentiality Requirements*

7.3.1 Materials that have not yet been made available to the public, for example through publication on the project website, should not be provided to third parties or used as a basis for comment to the media. TAG Members may need to discuss the materials with colleagues or constituencies, however, they would be expected to put in place arrangements that enable the distribution of confidential material to be confined to a small group.

7.4 *Voting arrangements and Quorum*

7.4.1 As an advisory group, the TAG will not be required to reach consensus or make formal decisions, but will provide advice on proposals from the INPAG Secretariat.

7.4.2 There is usually no quorum for TAG meetings, but the Chair may decide to re-arrange the meeting if the number of attendees is less than half of the members.

7.4.3 A vote will take place ahead of the publication of any final Guidance and prior to the issue of any documents externally that include a public consultation. Approval by 60% of members attending the meeting either physically or virtually is required. Proxy voting and voting by alternates are not permitted. The quorum for this vote is two thirds of members. The Chair has an additional casting vote, should the vote be tied.

- 7.4.4 All voting will be carried out by a show of hands. The result will be recorded and be part of the public record.
- 7.4.5 As an advisory Group the result of the vote is non-binding. If a publication proceeds without the support of the TAG members this will be disclosed in that publication. Dissenting views by TAG members will be disclosed in the Basis for Conclusions, with an explanation of the difference of view.

8. Travel and subsistence costs

- 8.1 As INPAG development is funded through donations, wherever possible TAG Members or the organisations they were nominated by are encouraged to meet their own travel, accommodation and other subsistence costs. However, funding to meet the incremental subsistence costs of attending physical TAG meetings will be available, with a small budget that could be applied towards travel costs.

9. Transparency

- 9.1 The membership, terms of reference, including the operating procedures of the TAG, will be published on the project website.
- 9.2 TAG meetings will be public as set out in 3.2. When considered necessary, the TAG Chair may arrange closed or private sessions, where the content is not public. This is to deal with administrative and similar matters.
- 9.3 Members of the public will be able to access the agenda papers, of the open sessions of the TAG meetings on the project website in English. A summary of the advice provided and requests for further work made in the course of the open meetings will be published after clearance by TAG members. A list of members present will also be published. Should a record of any private sessions of the TAG meetings be prepared, they will be sent to the TAG Members and any other attendees only.

10. Review of the Terms of Reference

- 10.1 The Terms of Reference of the TAG will be reviewed at least every 3 years. The review will include future membership, operations and scope of activities.

September 2024