

AIA Practice Compliance Committee

Terms of Reference

Overview

1.0 Introduction	3
2.0 Purpose	3
3.0 Authority	3
4.0 Scope.....	3
5.0 Duties	4
6.0 Membership	4
7.0 Meeting Arrangements.....	5
8.0 Reporting	5
9.0 Notice of Meetings	5
10.0 Conflict of Interest Policy	6
11.0 Equality & Diversity Policy	6
12.0 Review	6

1.0 Introduction

The terms of reference for the AIA Practice Compliance Committee describes its purpose, scope and authority.

The terms of reference provide clear and specific information on how the committee is organised, what the committee is created to achieve, its membership and meeting arrangements.

Like AIA professional members, Committee members must act in the public interest using their professional judgement and skills to build trust in the Association and the profession more widely.

AIA committees are underpinned by the following key principles:

- **Selflessness** – members should take decisions in terms of the public interest and not in order to gain financial or other material benefits for themselves, their families or friends.
- **Integrity** – members should not place themselves under any financial or other obligation to outside individuals or organisations that might, or might be perceived to, influence them in the performance of their official duties.
- **Objectivity** – in carrying out the Association’s business, including awarding contracts and recommending individuals for rewards and benefits, members should make choices on merit.
- **Accountability** – members are accountable for their decisions and actions to the Association’s membership and the wider public and must be submitted to appropriate scrutiny.
- **Openness** – members should be as open as possible about the decisions and actions that are taken. Members should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
- **Honesty** – members have a duty to declare any private interests relating to their appointments and to take steps to resolve any conflicts arising in a way that protects the public interest.
- **Leadership** – members should promote and support these principles by leadership and example.

2.0 Purpose

The AIA Practice Compliance Committee is a Committee whose powers are delegated to it by the AIA Council.

3.0 Authority

The AIA Practice Compliance Committee derives its authority from the AIA Council, the governing body.

This is set out in the AIA Constitutional Documents under Bye Laws 9-11.

4.0 Scope

To deal with all matters relating to:

- The monitoring of the compliance by Members and Firms in their public practice with the Association’s Articles, Bye-Laws, Regulations and Code of Ethics, relevant accounting and auditing standards and relevant regulatory and legal requirements;

- Provision of returns, statements and information necessary for monitoring the Members' public accounting and reporting work;
- The monitoring of members in industry, commerce, public service or employed in public practice.

5.0 Duties

The duties of the Committee are to ensure that:

- Where there is a case of non-compliance with a Regulatory Requirement, the committee requires the Member, or Firm, to take remedial action.
- Where such a failure is found, sanctions are applied to the Member, or Firm, in line with the AIA Sanctions Policy;
- A report is given to the Council on the above matters.

6.0 Membership

- The Committee consists of at least five members of the Association, or such other number as the Council deem necessary.

From the membership of the Committee a Chair is elected, who must be a member of AIA's Council.

Only members of the Committee have the right to attend meetings of the Committee on a regular basis. Other individuals may be invited to attend all or part of any meeting, by the Chair as and when appropriate.

There is no length of time specified for membership of Committees.

All members attending the Committee have a right to vote, except for any individuals 'in attendance', and the Chair has the casting vote.

The AIA Council has the power to fill any casual vacancies in the Practice Compliance Committee and to suspend or remove for misconduct any member.

Chair

The Chair of the Practice Compliance Committee is appointed in accordance with the Articles of the Association.

In the absence of the Committee Chair the remaining members shall elect one of themselves to chair the meeting.

The Chair works with the Secretary to the Disciplinary Process and is responsible for:

- Agreeing dates, times and locations for meetings
- Ensuring meetings are called and held in accordance with AIA's Constitutional Documents and specific Committee Terms of Reference
- Establishing and confirming an agenda for each meeting

- Ensuring the meeting agenda and relevant documents are circulated to the members of the committee in advance of the meeting
- Officiating and conducting meetings
- Providing leadership and ensuring committee members are aware of their obligations and that the committee complies with its responsibilities
- Ensuring there is sufficient time during the meeting to fully discuss agenda items
- Ensuring that discussion on agenda items is on topic, productive and professional
- Ensuring minutes are complete and accurate, retained, included and reviewed at the next meeting in line with AIA's policy

7.0 Meeting Arrangements

Frequency

Meetings of the Practice Compliance Committee shall be held as required.

Quorum

The quorum for the Practice Compliance Committee shall be three members.

Minutes

The Secretary to the Disciplinary Process shall minute the proceedings and resolutions of all meetings of the Committee; minutes of committee meetings shall be circulated to all members of the Committee and are reported to the AIA Council at the next Council meeting.

The minutes and papers of meetings held by the Practice Compliance Committee should be held in accordance with agreed policies.

8.0 Reporting

The Committee shall endeavour to adopt best practice and strive to attain excellence in its deliberations. It will make whatever recommendations it deems appropriate on any area within its remit where action or improvement is required. The recommendations will be disseminated to the appropriate department and information relating to the actions taken will be reported back to the committee at its next meeting.

The Practice Compliance Committee shall exercise such powers and perform such duties as described in this document and additional duties which may be vested in or assigned to them by the Council from time to time, and all matters dealt with shall be reported to the Council at the next succeeding meeting of the Council.

9.0 Notice of Meetings

Meetings of the Committee shall be summoned by the Secretary to the Disciplinary Process.

Unless otherwise agreed, notice of each meeting, confirming the venue, time and date together with an

agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee, and any other person required to attend, no later than 5 working days before the date of the meeting.

10.0 Conflict of Interest Policy

Members of the Committee are obliged to declare in advance of the meeting any relevant information in line with AIA's Conflict of Interest Policy.

11.0 Equality & Diversity Policy

Members of the Committee are reminded at the commencement of each meeting that they should act at all times in line with AIA's Equality and Diversity Policy.

12.0 Review

The Terms of Reference are reviewed annually by the Practice Compliance Committee at the first meeting following the Annual General Meeting and changes enacted by the Secretary to the Disciplinary Process subject to approval by the AIA Council.



© 2020 Association of International Accountants