



**AAA Board Interim Response April 2021  
to the AAA Task Force on Diversity, Equity and Inclusion Report March 15 2021**

The AAA CEO and Board President received the Task Force report on March 15, 2021. We thank the Task Force for their very important work and appreciate receiving the report prior to the March Board and Council meetings. The Task Force chair, Marc Rubin, attended the March 22, 2021, Board meeting and led a discussion of each of the recommendations. Marc Rubin also attended the Council meeting on March 26, 2021, and again led a discussion of the recommendations to seek Council input. The Board met again on March 29, 2021, and agreed on this interim response to the Task Force recommendations. The AAA CEO and Board President met with the Task Force on April 12, 2021. We are committed to taking action to truly become an inclusive organization and realize our vision to be thought leaders in accounting. As outlined below, we have started initial action items that will be expanded and extended in the next few months as we establish short term (1-3 years) and longer-term goals. We will provide a more complete response to these recommendations following the Board Strategic Retreat in late May.

In the pages below, we summarize the Task Force recommendation (in italics), followed by our initial response and future plans.

- 1. Benchmarks - Summary of benchmarks. Although a number of business-related academic organizations have made statements related to DEI and some have committees or task forces that address DEI issues, there was no indication on the websites of these organizations having a CDO. Significantly larger professional organizations such as the AICPA and American Psychological Association have designated a leadership position for DEI.*

We have established relationships with the AICPA, AACSB and the CAQ and will leverage these relationships as we build our own DEI strategy. We will also reach out to the leadership of the AOM, AMA, and AFA to initiate a conversation about educational resources that could benefit our DEI Resources web page.

- 2. Code of Conduct - The Task Force believes that having an organization code of conduct would be a positive step for the organization in signaling expectations around DEI to its membership.*

The AAA CEO developed and instituted an Employee Code of Conduct and an Event Code of Professional Conduct for members as well as any non-member participants engaged in AAA activities. Both include expectations around DEI. The Event Code of Professional Conduct can be found at: <https://aaahq.org/About/AAA-Event-Code-of-Professional-Conduct>. This Event Code of Conduct applies to any events supported by the AAA from virtual and in person meetings to committee and Board/Council meetings,

and it applies to any attendees, even individuals who are not AAA members. Our legal counsel also noted that all academics are also covered by their institution's code of conduct when acting in a capacity for the institution off campus.

3. *Professional staff or BOD position*

I. *The AAA should have a full-time Director of Diversity, Equity and Inclusion Responsibilities for this position include:*

- a. *Leading the AAA efforts to assure that decisions are all made with consideration through the DEI lens*
- b. *Assisting AAA leaders in identifying AAA Underrepresented Minority (URM) members to increase engagement on all levels of the AAA*
- c. *Designing and conducting DEI educational programs for AAA members*
- d. *Providing support for the BOD DEI position (see below)*
- e. *Working with sections, such as the Diversity Section members, to understand the issues facing our URM members as well as to gauge the progress on AAA initiatives*
- f. *Collecting data and summarizing the progress of all AAA segments on DEI metrics addressing URM members' involvement in leadership positions, research and publication positions and outcomes, conference organization and presentations*
- g. *Working with other business and accounting organizations to attract more minorities to the accounting profession, including academia*
- h. *Coordinating with the Ph.D. Project to list Ph.D. Project members on AAA website. Note, the Ph.D. Project should not be responsible for solving problems, but can serve as a thought partner in helping to promote and support the AAA's DEI mission and initiatives*
- i. *Overseeing internal and external AAA communications including emails, newsletters, website materials, etc.*
- j. *Developing a diversity strategic plan which includes goals, benchmarks and key performance indicators (KPIs), as well as consideration of a Code of Conduct and its potential impact(s).*

While we understand the importance of the Task Force recommendation, it is important for the Board to make some big picture decisions first; and in the context of current financial constraints. For example, the Board is committed, in the near term, to completing DEI training focused on AAA and to developing an initial diversity strategic plan (item j above). These first steps should be in place prior to any hiring decision. In addition, the new CEO needs time, especially as a result of the pandemic, to evaluate both the budget and the best structure for DEI in the organization. Finally, as indicated in the next item below, the Director focusing on DEI should also be in place and ready to support the professional staff.

II. *The AAA should have an elected BOD position with the focus on DEI. It is recommended that this be a Vice-President.*

The Board has bylaw authority to change the focus of Board positions designated as "Director." The Board has approved changing the Director focused on Intellectual Properties to the Director focused on DEI (with the Vice President of Research taking

over the Intellectual Property requirements). The Board is proposing making this a Vice-President position, but doing so requires a bylaws change. The Governance Committee is working on a number of bylaws changes and we expect to put something forward for vote by the membership later this calendar year.

III. *The AAA should have a permanent DEI Standing Committee. This Committee should be composed of nine members and chaired by the Board Director focusing on DEI.*

President-Elect Bob Allen is instituting a DEI Committee with nine members (see the addendum below for the charge and structure). To make this a standing committee requires a bylaws change, which will be included in the bylaws change discussed above.

IV. *The AAA should have training (likely self-paced) for the Board of Directors and AAA staff, segment leaders (as well as for committee and task force members), journal editors, and council members as an element of their onboarding process. Committee Chairs and President-elects should also be the point person for DEI in their segment, committee or task force and be the liaison to the BOD regarding DEI activities. The training should focus on DEI issues for an academic association. The objective of the training is to enhance all AAA decision makers' ability to use a DEI lens in making decisions. Specifically, the training should be oriented towards prompting members to ask themselves and others whether DEI issues have been considered when making and communicating decisions such as selecting committee members, editors, editorial board members, reviewers, panel participants, consortium leaders, meeting chairs, staff positions, etc. This training will enhance decision makers' sensitivity to the diverse backgrounds of AAA members and use the diversity of backgrounds to improve outcomes.*

We have identified an expert in academic DEI training, Dr. Barbee Oakes, who will begin training with the Board (including recently elected members who will be incoming in August) and the AAA staff management team. Prior to the May Strategic Retreat, all incoming and current Board members and AAA staff management team members will take the Intercultural Development Inventory (IDI) assessment of our current state of competence. In the May Strategic Retreat, we will receive group training and will follow up with individual, self-paced, training based on each individual's confidential assessment. Further training will be part of the Strategic Plan. We do note that the Council provided feedback that the Board should take a leading role in training, followed by Council. This training should then provide guidance for segments.

4. *Governance - The Task Force did not assess the overall governance of the AAA but recommends that governance assures that policies related to the selection of leaders, committees, journal editors, editorial boards, reviewers, etc. are clearly articulated and communicated via websites, newsletters and other internal communication methods. The process for selecting these positions should be transparent and decision makers should be held accountable for their selection. As previously mentioned, it is expected that DEI will be considered in the selection and recruitment of members for these positions.*

The Governance Committee is charged with reviewing the policies related to selection of leaders and committees. We will update our policies as needed. We note that committee structures are currently detailed on our web site, but we need a better communication strategy. The CEO has added an easy mechanism to volunteer for committees and several emails have been sent regarding volunteering for committees. On April 8, we sent a dedicated, more detailed email identifying committees with open positions. Volunteers will be considered by the Management Team when populating committees. The Management Team is committed to being inclusive in committee invitations. The Publications Committee, subject to Board oversight, is charged with developing/changing policies related to journal editors, editorial boards, reviewers, etc., for the three association wide journals. These policies will then be communicated to the segments with journals.

In addition, the CEO has identified an organization (The Diversity Movement) focusing on DEI consulting. They are currently being hired to evaluate all policies and procedures from a DEI lens. They will also conduct a DEI Climate survey among our membership and will hold focus groups and report back to the AAA Leadership on findings and suggestions prior to the Annual Meeting.

5. *The Task Force recommends that research related to DEI be encouraged and published in AAA journals. AAA journal editors are encouraged to publish all types of research using accepted research methods that relate to DEI issues and advance the understanding and impact of DEI on accounting related subjects. Cases and instructional materials also will have a significant impact in advancing the teaching of DEI related accounting curricula. Association wide journals as well as section journals need to examine their respective editorial policies and determine where DEI focused research or instructional articles could be considered for publication in their journals.*

*AAA journals, both association-wide and section, need to recruit and select a diverse set of interested parties for editorial and reviewer positions. The policies and processes for the selection of editorial and reviewer positions should be clearly articulated, transparent and widely communicated. The AAA should offer workshops or seminars to interested individuals that provide information on the pathway that leads to editorial and reviewer positions. The AAA BOD should collect information regarding the diversity of journal editorial and reviewer positions to determine if they are meeting the Association's mission and goals.*

The Publications Committee is charged with responding to this recommendation and providing input to the Board. The Annual Meeting will feature a workshop on the pathway to reviewer/editor positions that could provide an example for sections with journals to also provide workshops in their midyear meetings. We are currently looking into the feasibility of surveying all those engaged in the publications process to better understand diversity among editors, reviewers and authors.

6. *Communications - The Task Force recommends that the AAA regularly (semi-annually or quarterly) send out communications on its DEI initiatives. This should be in addition to*

*regular updates to the AAA's DEI webpage. These communications may include information toward the progress on goals, relevant citations to articles, DEI-related instructional materials, information on DEI workshops, seminars, conferences, DEI best practices found in universities, etc. We emphasize that the communications be regular and consistent. The AAA should make sure that prior to dissemination all association-wide and section DEI communications are appropriately vetted and meet association policies. Responsibility for these communications may be that of the BOD member focusing on DEI and/or with designated AAA staff.*

We expect to provide regular updates on DEI initiatives in both the Fall and Spring Newsletters as well as in selected multi-topic biweekly emails. Responsibility will be placed with AAA CEO and staff member, Nancy Maciag, working with the DEI Committee.

- 7. Other--strategic plan, change management, partnerships - The Task Force recommends that an overall DEI strategy be articulated in the Association's strategic plan. The strategic plan should articulate goals of the AAA toward DEI issues, as well as the policies and processes that will enable the AAA to meet the DEI goals. The Task Force believes for the AAA's DEI strategy to succeed it needs to be supported and be a high priority commitment by the staff, BOD and other members in leadership positions. It will require ongoing DEI-related education of staff and members. In addition, the AAA should develop a toolkit for allowing staff and members to accomplish AAA DEI goals. In order to determine success, it requires that the appropriate staff and member leadership positions be held accountable for DEI goals, including well-defined metrics that are communicated to the membership. Change management is a constant process, and the AAA will need to regularly assess its successes as well as any lack of progress toward its DEI goals.*

We are beginning the process with strategic planning in May 2021.

*Since the segments of the AAA are somewhat autonomous, the Task Force recommends that each segment also incorporate DEI goals and processes and policies to accomplish these DEI goals in their own strategic plans.*

Based on Council feedback, many of the segments are interested in DEI and would welcome Board leadership in this area. An initial focus of the Director focusing on DEI will be to communicate with leadership of each segment to determine what they are doing and where they need assistance.

*The Task Force recommends that the AAA institute a program of regular climate check of its members. Regular, brief surveys are a possible method for gaining insights into the progress on DEI goals.*

The Board plans to conduct these brief surveys twice a year and is in communication with the Diversity Movement to conduct the surveys. In addition, the Board has approved a larger, initial climate survey and focus groups to be conducted prior to the 2021 Annual Meeting. This will provide deeper insights into where our members are in their DEI awareness and work and will inform on questions to be included in the brief pulse surveys.

*The Task Force recommends that the AAA work in conjunction with professional accounting organizations (such as the AICPA, IMA, Center for Audit Quality, etc.) that also have an agenda to advance DEI in order to have a broader and more comprehensive societal impact.*

The CEO is in communication with other professional organizations.

# 2021-2022 Diversity, Equity & Inclusion (DEI) Committee

## Charge

The DEI Committee will support the American Accounting Association's efforts to become an inclusive academy and will continue to develop the vision of being inclusive Thought Leaders in Accounting. The charge includes:

- Assess and support DEI initiatives for the AAA membership at large.
- Share information on Best Practices in implementing DEI initiatives.
- Work with Board, Segment Leadership and the AAA Professional staff to carry out the DEI strategy as established by the organization.
- Evaluate survey results regarding membership climate to determine progress AAA is making toward becoming a more inclusive Association.
- Assist in designing and implementing DEI workshops for segments and committees. Provide feedback on training.

## Membership

- Committee members should have passion for advancing DEI initiatives at the AAA.
- New Committee members are appointed prior to the Annual Meeting by the [AAA Management Team](#) with terms of three years for continuity purposes. Recommendations for committee members will be sought from the Diversity Section leadership.
- The Committee consists of the AAA Chief Executive Officer (CEO), the Director focusing on DEI, a Past President, and six members, serving staggered three-year terms. The Director focusing on DEI will Chair the committee. For the initial three years of the committee, two of the six members will have three-year terms, two will have two-year terms, and two will have one-year terms.
- Three members of the committee will also serve on the DEI Resources sub-committee, along with an *ex officio* member from the AAA professional staff who focuses on the AAA website and DEI.

## Estimated Time Commitment

- The Committee meets monthly and other times as needed at the discretion of the Chair.

## Responsibilities

- Fulfill the Committee charge as above. If the Chair has any questions about the charge or responsibilities of this committee, they should contact the CEO, the President, or the Director Focusing on DEI.
- The Chair will have the opportunity three times every term-year to prepare and send a progress report which will be available for the [Board of Directors](#) to review at their next meeting. This report should include accomplishments and suggested modifications and should be sent to the AAA President, the Director focusing on DEI, and Governance Manager, Barbara Gutierrez ([barbara.gutierrez@aaahq.org](mailto:barbara.gutierrez@aaahq.org)).