

AC Insights

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AC Insights provides audit committee members with a summary of financial reporting and regulatory developments for public companies using US GAAP, how those developments might affect your company and things you may want to think about when reviewing financial reports.

In this edition

The FASB completed its maintenance projects related to nonemployee share-based payments and the elimination of the special guidance on deferred income taxes for depository and lending institutions. These changes are outlined in this edition of *AC Insights*.

The FASB expects to complete its work on long-duration insurance contracts by the end of the next quarter. One other major project is in progress dealing with the classification of financial instruments as liabilities or equity. The FASB has several maintenance projects and expects to complete several of them in the next quarter including targeted amendments, technical corrections and improvements to the leasing standard.

In CSA developments, we cover two reports issued by the CSA on (a) excess distributions and non-GAAP measures for the real estate industry, and (b) climate change disclosures made by public companies. Also, the AMF has issued its enforcement report, which highlights actions taken during 2017. Finally, we highlight the latest CSA guidance on coin and token offerings to address their concerns. The SEC has issued certain amendments to its rules to reduce the reporting burden on some companies and to facilitate XBRL reporting that is useful to investors.

In auditing developments, we highlight the final report by CPAB on its audit quality indicators project, some AICPA audit committee tools on cybersecurity and the new leases accounting standard, and COSO developments on its Enterprise Risk Management Framework.

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US GAAP developments

Share-based payments aligned for employees and nonemployees

In May 2018, FASB issued ASU 2018-07: *Improvements to nonemployee share-based payment accounting* to simplify the accounting for options and similar stock awards to nonemployees, such as service providers, suppliers, and other external parties.

When applied?

All companies will apply the amendments when they issue share-based awards to acquire goods and services used or consumed in their operations. The amendments will not apply to awards granted to lenders or investors in a financing or customers when selling them goods and services. Awards to customers for distinct goods and services to be used or consumed by the company are subject to the ASU.

What has changed?

The ASU aligns the accounting for share-based payments made to nonemployees with the accounting for similar awards to employees. The guidance for nonemployees is integrated with guidance for employees and the subsection with special rules for nonemployee share-based payments will be eliminated on the effective date.

All awards issued to nonemployees will be measured at the fair value of the award, rather than the fair value of consideration received or the fair value of equity instruments issued. The fair value of the awards are measured as follows:

- If classified as equity, at fair value on the grant date, rather than at the date of a performance commitment with the counterparty or the date when the counterparty's performance is complete; and
- If classified as a liability, at fair value when the liability is incurred.

Nonemployee share-based payments with performance conditions will be measured considering the probability of satisfying the performance conditions.

Consistent with existing guidance, when estimating the fair value of the awards, entities may elect, on an award by award basis, to use the contractual term as the expected term.

The cost of the awards are recognized when the goods or the services are received. Forfeitures can either be estimated and revised to reflect expected vesting or can be reflected as they occur. If the awards are fully vested before the goods or services are received, the corresponding cost is either an immediate expense or a prepaid asset. The pattern of cost recognition for fully vested equity awards should be the same as if the goods or services were acquired for cash. These requirements are essentially similar to previous guidance.

The classification of awards will now be subject to the same guidance as for employee awards, rather than the guidance in other GAAP. Other GAAP will only apply if the awards are modified after the goods or services have been received, any conditions necessary to the right to benefit from the awards have been satisfied, and the nonemployee is no longer providing goods or services. This change eliminates the need to reassess the classification of awards on vesting.

When effective?

The amendments will be effective for fiscal years beginning after December 15, 2018. Earlier adoption is permitted, but not before the company adopts the new standard for revenue recognition. Certain transitional rules will apply when adopting the new standard.

What's next?

Companies are now able to apply one set of requirements to accounting for all share-based payments. These simplifications should reduce the

burden of accounting for stock options and similar awards granted to nonemployees.

Removing outdated guidance

The FASB removed outdated guidance on the accounting for net deferred tax charges for depository and lending institutions resulting from the rescission

of guidance by the US Office of the Comptroller of the Currency. The removal of the guidance was through ASU 2018-06: *Codification improvements to Topic 942, Financial Services – Depository and Lending* and is effective immediately.

CSA developments

Non-GAAP financial measures for real estate entities

Recently, the CSA completed the review of certain disclosures of 47 real estate investment trusts (REITs) and real estate operating companies (REOCs). These reviews focused on distributions by and non-GAAP measures provided by these real estate entities. The purpose of the review was to assess compliance with National Policy 41-201: *Income trusts and other indirect offerings* and CSA Staff Notice 52-306: *Non-GAAP financial measures*. CSA Staff Notice 52-329: *Distribution disclosures and non-GAAP financial measures in the real estate industry* sets out the findings of the review and provides guidance on the CSA expectations about disclosures in this area.

The findings in the report indicate that improvements are needed in the quality of disclosures related to excess distributions and non-GAAP financial measures. Six percent of those issuers reviewed were required to amend their MD&A and 62% agreed to make disclosure improvements in subsequent filings.

Issuers were also reminded that the guidelines for non-GAAP financial measures apply to information posted on the issuer's website or included in investors' presentations, social media, and news releases.

Excess distributions

Forty-five percent of the real estate issuers reviewed had excess distributions. Excess distributions occur when distributions declared during a period exceed the cash flows from operating activities. While the majority of issuers provided reasons for the excess distributions, the report indicated that more entity-specific information would be helpful in understanding the reasons. The majority of issuers

did not disclose a description of the sources of cash to be used to fund the excess distributions or only provided boilerplate disclosures.

Some issuers indicated that there were no excess distributions when the level of distributions were compared to available cash flow from operations (ACFO) or other non-GAAP financial measures. Issuers were reminded to provide disclosures that quantify and explain the excess distribution as required by the National Policy, with equal or greater prominence.

Non-GAAP financial measures

A significant number of disclosures about non-GAAP financial measures were identified for improvement to:

- Explanations of adjustments made to compute the non-GAAP measures [such as Adjusted Funds from Operations (AFFO) or ACFO], including why and how the adjustment was determined;
- Explanations of how management uses the non-GAAP measures;
- Identification of the most directly comparable GAAP measure; and
- Presentation of GAAP financial information more prominently than non-GAAP information.

Further, when estimates are used to make adjustments, the assumptions used should be explained. One area of concern is the determination of maintenance capital expenditures for computing distributions and AFFO.

Capital maintenance expenditures

The report notes that there is diversity in practice among issuers in the methods used to determine capital maintenance expenditures. IFRSs do not distinguish between capital maintenance and growth expenditures. Some issuers use estimates while

others use actual figures. When estimating amounts, issuers may use a percentage of revenue or net operating income, dollar amounts per square foot or metre, independent estimates, or forecasted numbers.

The majority of issuers using estimates did not provide disclosures of how their estimates compared to actual capital maintenance expenditures. The report indicated such disclosures would give investors a better understanding of the business.

When issuers use a reserve method to estimate capital maintenance expenditures, additional information should be provided on the method used to determine the reserve, including why it is appropriate, how the reserve compares to actual expenditures, and why the estimate is more relevant than actual amounts.

In some cases, issuers aggregated information about maintenance capital expenditures with other information such as tenant inducements, tenant expenditures, and leasing costs. Issuers are expected to disaggregate this information to provide useful information about its capital expenditure requirements.

The Notice provides an example of enhanced disclosures about capital maintenance expenditures to illustrate the CSA's expectations.

Working capital adjustments

Working capital adjustments are often made in determining non-GAAP financial measures to eliminated fluctuations in receivables, payables and other items that are not reflective of sustainable cash flow. Issuers were reminded to consider working capital adjustments in developing non-GAAP financial measures to indicate sustainable cash available for distributions.

The CSA staff noted issuers often reflect the full amount of change in working capital as the adjustment and have questioned whether this is consistent with estimating the level of sustainable working capital. Issuers have been asked to explain how they determined the working capital adjustment, why the amounts were not indicative of sustainable

cash flows, and the process used to determine the level of sustainable working capital.

The Notice includes an example to illustrate disclosure that would meet the CSA guidance.

Presentation of information about joint ventures

The CSA staff observed some issuers that have joint ventures accounted for using the equity method present a full set of financial statements showing the issuer's pro rata share of the joint ventures' assets, liabilities, revenues and expenses. This presentation is considered to be non-GAAP financial information for each financial statement line item presented. When this presentation has been used, the CSA staff have issued comments about the lack of disclosures of the most directly comparable GAAP measures with equal or greater prominence than the non-GAAP information. It was also noted that the MD&A discussion is often focused on the non-GAAP pro-rata financial results with little or no discussion of the comparable GAAP metrics. In some cases, the CSA required the MD&A to be restated to provide greater prominence to GAAP measures.

Issuers were also reminded to appropriately label the pro-rata financial information with appropriate line item descriptors to distinguish them from GAAP information. Further, certain issuers were required to clarify their disclosures to indicate they did not control the joint ventures and the presentation of pro-rata financial information may not depict the legal and economic status of the issuer's interest in the joint ventures.

AFFO

There is diversity in the use of AFFO as either an earnings measure (35% of issuers reviewed), cash flows measure (21%), or both (44%). It was also noted that the disclosures about the purpose and use of AFFO was boilerplate. The disclosure of the purpose and use of AFFO is important to determine the most comparable GAAP measure to which AFFO is reconciled.

Issuers were cautioned to use appropriate labels if AFFO excludes normal, recurring operating expenses necessary to operate the business.

Next steps

The Notice provides an opportunity for real estate issuers to review their disclosures about excess distributions and non-GAAP financial measures and consider whether their disclosures provide an understanding of their business and its performance.

Token offerings may involve securities

Securities regulatory authorities continue to monitor token offerings and the application of securities legislation to these offerings. CSA Staff Notice 46-307: *Cryptocurrency offerings* issued in 2017 noted that many crypto offerings, including initial coin offerings and initial token offerings, involve the sale of securities.

Based on discussions with many businesses wishing to conduct token offerings, the CSA continues to believe most of these offerings involve the sale of securities. To respond to evolving developments in this market, the CSA issued CSA Staff Notice 46-308: *Securities law implications for offerings of tokens*. This Notice supplements the original staff notice and covers utility tokens.

Utility tokens

Utility tokens may be offered by businesses, which allow the token to be used for one or more specific functions, such as allowing access to or purchase of services or assets based on block chain technology. These tokens may also be used to raise capital for the development of software and applications.

When are token offerings an offering of securities?

In assessing whether a token offering is a distribution of securities, companies and their advisors should consider whether the offering involves a distribution of an investment contract and/or securities as defined under securities requirements.

A critical element of the assessment is the consideration of case laws in interpreting “investment contract”, looking at whether the

offering involves an investment of money in a common enterprise with the expectation of profit coming significantly from the efforts of others. The CSA staff have indicated this analysis needs to consider the economic substance of the offering. The fact that a token may have utility does not, in itself, mean it is not a distribution of securities.

The CSA Notice provides several examples of token offerings and the possible implications. Situations discussed, among others, include whether:

- The software, the application, or the goods and services exist or are available;
- The utility tokens are also used to compensate promoters and management;
- Representations or comments are made about the utility of tokens beyond the issuer’s business or the potential increase in the value of the tokens;
- The number of tokens to be issued is fixed or variable;
- The value of the tokens reflect their utility;
- The tokens are marketed to parties who would not use the software, application, goods or services; and
- The tokens are marketed with a reasonable expectation that the tokens will trade on one or more crypto asset trading platforms.

CSA staff have observed some offerings of tokens are structured in multiple steps. For example, purchasers may agree to contribute money for a right to receive tokens at a future date, with the tokens being delivered when the software, application, goods or services are available. The Notice indicated these structured transactions might still involve an investment contract; restrict future sales when prospectus exemptions used for the initial step; require dealer registrations to make sales of the tokens; and cause a default under securities law requirements.

Enforcement and compliance

The CSA is actively monitoring token offerings and has taken and intends to take regulatory or enforcement action against companies not complying with securities law.

Companies planning to conduct token offerings are encouraged to consult with qualified securities legal counsel and also discuss potential offerings with the securities regulatory authorities.

Next steps

These assessments of whether tokens are securities and whether offerings of tokens are offerings of securities are a matter of legal interpretation and companies should seek appropriate advice on the nature of their token offerings to comply with securities requirements.

CSA Regulatory Sandbox

The CSA has established the CSA Regulatory Sandbox as an initiative to support digital innovation including support for fintech businesses. The Sandbox allows firms to register and/or obtain exemptive relief from securities requirements using alternative processes that are faster and more flexible. The initiative allows these firms to test their products, services and application in the Canadian market place on a time-limited basis.

Climate change disclosures

Climate change has been a significant point of discussion in many circles. Public companies are required to provide certain disclosures in their MD&A and AIF to address risks of climate change and their risk management and oversight. Some companies also provide voluntary disclosures using various frameworks.

To understand the risks and opportunities issuers face related to climate change, the CSA conducted research and analysis as to:

- Whether current securities requirements were sufficient to understand the disclosure requirements about climate change;
- What information investors need to make informed voting and investment decisions; and
- Whether current disclosures were appropriate.

The findings from this research and analysis have been included in the CSA Staff Notice 51-354: *Report*

on climate change-related disclosure project. In addition to the findings, the Report outlines the CSA plans for future work.

Research and analysis

The CSA's research and analysis of the disclosure issues for climate change-related impacts included:

- A review of the disclosure requirements of the securities regulatory authorities in the USA, the UK, and Australia, as well as four voluntary frameworks for sustainability reports or voluntary disclosure of climate change-related risks and financial impacts.
- A review of the required and voluntary disclosures made by 78 issuers from the S&P/TSX Composite Index.
- A survey of all TSX-listed issuers soliciting candid responses on disclosures about climate change. Ninety-seven issuers responded to the request.
- Fifty consultations (one-on-one and focus groups) with investors, reporting issuers, professional advisors and other experts, non-governmental agencies, investor advocates, and others to understand the users' needs, issuers' current practices and challenges, and other perspectives on presentation and disclosure matters.

Key findings

The CSA's research and analysis highlighted the following key themes.

Current disclosure practices

In the review of company filings, the CSA staff noted variations in disclosures and concluded there was a need for improvement by several issuers. About 56% of the issuers reviewed made entity-specific disclosures, while the remaining population provided boilerplate or no disclosures. There was a marked improvement in voluntary disclosures where 85% of the issuers reviewed provided voluntary reports.

The climate change risk most frequently discussed was regulatory risk, followed by physical risks, market risks, reputational risks, and technology risks. However, few issuers discussed their governance and risk management related to climate change. Some issuers not providing information concluded that (a) climate change risks were not material; (b) reasonable measurement basis of impacts of climate change were not available; or (c) there was no significant interest by stakeholders for this type of disclosures.

The CSA also noted that the extent and quality of disclosure increased with the size of the issuers. Also, disclosures were more developed in certain industries such as oil and gas.

Companies making voluntary disclosures often used the framework most commonly used in their industry. Most issuers applied the *Global Standards for Sustainability Reporting* published by the Global Reporting Initiative.

Users' perspectives

Users generally viewed climate change risks as conventional business issues and wanted to see more and better information about climate change risks, governance and oversight. Users generally agreed disclosures about governance and risk management of climate change risks were required; further education of the boards and management of companies about the nature and extent of these risks was appropriate; and disclosure requirements should be tailored by size and industry of the issuer.

Issuers' perspectives

Issuers considered some climate change information such as risk factors and regulatory factors to be material, but noted that other information is either (a) not material; or (b) the timing or measurement of any impacts of climate change were uncertain or remote. Further, while larger issuers have received requests for climate change information, many issuers have not.

Issuers generally favour flexibility in disclosure requirements. Issuers raised concerns that mandatory disclosure requirements:

- May result in disproportionate emphasis on climate change risks relative to other significant risks;
- May increase the costs of compliance;
- Are driven by political and regulatory concerns, rather than investment considerations; and
- Would have limited usefulness as the current frameworks and measurement standards are not fully developed.

Current disclosure requirements

Regulatory disclosure requirements vary by jurisdiction, although Canadian and US requirements are similar. The voluntary disclosure frameworks also vary in the extent of disclosures required. The CSA staff believe that disclosure practices will likely converge as disclosures of the risks and financial impacts mature and investors make known their demands for information necessary to make their investment decisions.

Areas of focus

In the near term, the CSA plans to focus their efforts in two areas:

- Guidance and education for issuers on the business risks and opportunities and potential financial effects of climate change. Potential guidelines may be developed on entity-specific risk factors related to climate change, trends and uncertainties associated with climate change, application of materiality to climate change-related disclosures, and corporate governance and oversight of climate change risks.
- Consideration of new disclosure requirements related to corporate governance practices related to material business risks and opportunities. This work would consider the processes to identify, assess and manage material risks, including those arising from climate change, barriers to free trade, cybersecurity, and disruptive technologies.

The CSA plans to continue to monitor issuers' climate change disclosures and developments in reporting frameworks, disclosure practices, and investors' needs.

More information

The Report is extensive and we have summarized certain key findings in this article. For more information, please obtain a copy of the report from the website of your provincial or territorial securities regulatory authority.

AMF's positive enforcement outcomes in 2017

In May 2018, the AMF reported on its enforcement activities for 2017 and the positive outcomes from these activities. These outcomes include:

- Prohibiting the sale of binary options with terms to maturity of less than 30 days to consumers;
- Raising the public awareness about cryptocurrency offerings and issuing orders to prohibit certain companies from soliciting investors in Quebec;
- Launching 82 actions before the courts or the securities regulatory authority against 124 individuals and firms for various offences, the most common being the distribution of securities without a prospectus; and
- Imposing fines and administrative penalties of approximately \$44 million.

SEC developments

SEC adopts series of rules to simplify reporting

On June 28, 2018, the SEC adopted certain amendments to its rules to reduce the reporting burden on some companies and to enhance XBRL reporting.

More companies qualify for smaller company scaled disclosures

In June 2018, the SEC adopted amendments to the “smaller reporting company” (SRC) definition that will allow more companies to qualify for certain scaled disclosure accommodations. It is estimated this change will reduce the burden of about 1,000 companies.

Smaller reporting companies now include:

- Companies with a public float of equity securities of less than US\$250 million (compared to previous threshold of US\$75 million); and
- Companies with (a) no public float (no public equity securities outstanding or no market price for their public equity) or a public float less than US\$700 million, and (b) revenues less than US\$100 million. After qualifying for the smaller reporting company status, the company retains such status provided it has (a) no public float or the public float is less than US\$560 million, and (b) revenues are less than US\$80 million.
- The amendments however do not change the current thresholds for accelerated filers and large accelerated filers. This means SRCs with a public float of US\$75 million or more will

still be subject to the accelerated filing dates and the requirements to provide auditor attestation of management’s assessment of internal control over financial reporting. The SEC is currently working on a project to potentially revise these thresholds and reduce the number of companies meeting the accelerated filer status.

Business acquisition reporting thresholds relaxed

The rules requiring financial statements of acquired businesses have been relaxed to require only two years of financial statements of an acquired business if the net revenues of the acquired business are less than US\$100 million compared to the current threshold of US\$50 million.

Inline XBRL filing will soon be required

Inline XBRL embeds the XBRL data directly into the filing so the disclosure document is both human- and machine-readable. In June 2018, the SEC modified the XBRL requirement to phase in Inline XBRL. Companies will be required to comply with these new requirements as follows:

- Large accelerated filers using US GAAP for fiscal years ending on or after June 15, 2019;
- Accelerated filers using US GAAP for fiscal years ending on or after June 15, 2020; and
- All other filers for fiscal years ending on or after June 15, 2021.

Companies will no longer be required to post their XBRL data on their company websites when these amendments are effective.

Auditing developments

Audit quality indicators

In June 2018, CPAB issued its Final Report on its Audit Quality Indicators (AQI). CPAB began a project in 2016 on AQIs with six audit committees of Canadian companies, their management and external auditors. In 2017, the project was expanded to include 18 reporting issuers. AQIs are seen as a way to measure and evaluate audit quality, and provide quantitative measures about the external audit process. CPAB believes that “AQIs have significant potential to positively impact audit quality”.

The Final Report outlines the benefits and challenges of AQIs. The project identified several benefits of AQIs through a better understanding of expectations among the audit committee, management and the auditors; improving the coordination and cooperation in the audit; and engaging the audit committee. There were challenges in applying AQIs in selecting measures that work for the committee and evaluating and interpreting the measures.

CPAB’s report outlines that a collaborative process among the audit committee, management, and the auditors is needed to implement AQIs. Some key steps in the process include:

- Determining the objectives of using AQIs – The objectives will often vary and influence the selection of AQIs.
- Selecting AQIs – The average number of AQIs selected was eight, which required a thoughtful and focused approach and consideration of the cost/benefit of each potential AQI. Several examples of AQIs by type are included in the report.
- Reporting AQIs – The frequency of reporting can vary, but regular communication during the audit cycle was preferable to year-end reporting only. Most companies tracked AQI information in a standalone report, while some considered

integrating AQIs in their audit plan and other reports in the future.

- Evaluating AQIs – Development of evaluation criteria was a significant challenge for most participants in the project, primarily due to the lack of historical and benchmark data.

The project highlighted that “there are no silver bullet AQIs”. There were diverse views on the usefulness of some AQIs, which reflected the unique needs and circumstances of the respective audit committees. Many audit committees focused on engagement team-related AQIs, acknowledging that the composition and strength of the audit engagement team was most beneficial to bring the appropriate level of scepticism and judgment to the audit. In addition, tracking milestones or phases of the audit was useful to highlight the importance of project management to audit quality. There was support for management-related AQIs related to project management, quality of internal controls, and remediation of control deficiencies.

CPAB sees the use of AQIs as evolving taking into account changes at the audit firm, the business environment, audit risks, and the needs of the audit committee.

The report includes two resources that may be helpful to audit committees using AQIs:

- ***Audit Committee Guide to Audit Quality Indicators*** – A publication by CPAB, CPA Canada, and the Institute of Corporate Directors to assist audit committees in implementing AQIs for the first time; and
- ***AQI Network*** – A network to share information and provide support to current and future AQI users. More information on the network is available at www.cpab-crc.ca/en/topics/aqi/Pages/aqi.aspx.

The full report on AQIs can be obtained on the CPAB website (www.cpab-ccrc.ca) or from a PwC engagement team member.

AICPA Tools for audit committees

In the second quarter of 2018, the AICPA's Center for Audit Quality issued two publications to assist audit committees and boards of directors with their oversight of cybersecurity risks and the implementation of the new leases accounting standard.

Cybersecurity Risk Management Oversight: A tool for Board members

provides board members with key questions that can be used to discuss cybersecurity risks and disclosures with management and the auditors. The tool focuses on four areas:

- The auditor's consideration of cybersecurity risk;
- The role and responsibility of management and the auditor related to cybersecurity disclosures;
- Management's approach to cybersecurity risk management; and
- Resources from CPA firms to assist the Board in their oversight role.

Preparing for the new leases accounting standard focuses on the efforts companies will have to make to understand and implement the new leases standard. While the tool focuses on US GAAP, the guidance is also beneficial to audit committees overseeing the implementation of the new IFRS on leases. This tool provides an overview of the new standard and questions the audit committee members might consider in the following areas:

- The accounting for leases;
- The impact of the new standard on the company;

- The company's implementation plan for the new standard; and
- Other considerations such as transition options and disclosures.

The new leases standard may require companies to reassess their accounting policies, make new estimates and judgments, and consider its disclosures.

These two publications may be beneficial to audit committees in assessing these issues and can be obtained from the AICPA Center for Audit Quality or your PwC engagement team.

COSO Enterprise Risk Management

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) announced two developments with respect to its Enterprise Risk Management (ERM) initiatives – illustrative examples to assist in applying the ERM Framework and a certification program for ERM specialists.

Examples to apply ERM Framework

The Compendium of Examples, authored by PwC under the direction of the COSO Board, supplements to COSO's framework in *Enterprise Risk Management – Integrating with Strategy and Performance*. The supplement provides detailed examples for applying the principles of the ERM Framework on a day-to-day basis. The examples are based on industry practices identified through extensive research, including interviews and case studies.

Each example focuses on a specific industry, but the insights for these examples can be applied to other industries. Case studies illustrate how the entities tailored the ERM principles to consider their mission, vision, core values, strategic goals and directions, and action steps. Each example provides extensive details to understand the processes and analysis completed by the company in considering ERM.

The guidance can be obtained from the COSO website at www.coso.org.

ERM certification

COSO has also launched an educational program that will grant professionals on successful completion the COSO Enterprise Risk Management Certificate. The Certificate is designed for professionals involved in risk management activities directly, as consultants, or in an oversight capacity. The program includes self-study, a hands-on workshop, and an online exam.

Upon successful completion, participants will receive the COSO ERM Framework Certificate and Digital Badge.

This course will be available through the American Accounting Association, the American Institute of Certified Public Accountants, the Financial Executives International, the Institute of Management Accountants, and The Institute of Internal Auditors. For additional information, check the details at www.coso.org.

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