

## **FASB Research Fellow Position**

### 1. Use of Formal Research at the FASB

Certain research-related activities could prove useful in enhancing our mission. These activities could be performed by a research fellow in coordination with the academic board member and staff directors.

- Review existing research (by academics, regulators [e.g., Fed, SEC], and businesses [analysts, proxy firms]) pertinent to Board projects and mission: identify quality research and translate in our terms.
- Act as liaison with key constituencies performing research (academics, regulators, and businesses) to inform them about our issues and to gain knowledge of (an influence) related research currently underway
- Coordinate sessions inviting lead researchers with cutting edge ideas to present their work to Board and staff; work with presenters beforehand to improve communication
- Evaluate circumstances where new research could inform our process. Act as catalyst to encourage such research by others or to perform research on own. This research could include
  - Accumulating descriptive statistics to help us understand the significance and/or pervasiveness of an issue
  - Working with research project teams to facilitate timely completion of relevant research (e.g., conducting rigorous field studies assessing the costs-benefits of a new standard in facilitating security prices and eliciting feedback from constituents in how the proposed standard could be improved)
- Report on results of Board-related research activities to key constituents (including FASAC and other advisory bodies) to help frame dialogue with the Board

### 2. Overview of the Research Fellow Position

The Research Fellowship is a 12-month appointment that would typically begin in the middle of the summer. The Fellow would have an office at the FASB in Norwalk, CT and would be expected to be in the office on a regular basis so that he/she could act as a research resource to the FASB and its Staff. The Fellow likely would be assigned to one project team dealing with a hot topic of interest to the Fellow, but he/she would provide advice and academic perspectives/research evidence on other projects as needed. In addition, the Fellow would engage in the activities listed in (1) above. He/she also would be active with other FASB academic research initiatives, including being a liaison for the Financial Accounting Standards Research Initiative (FASRI) team and the FASB Research Synthesis Program.

A Fellow can expect to have time on evenings and weekends to engage in some activities on behalf of his/her institution (e.g., serving on PhD committees, mentoring

junior faculty) and to continue working on research projects that are not directly related to his/her Fellow assignments. However, retaining significant institutional responsibilities such as teaching classes, serving as department head or associate dean, or the like would be inconsistent with the full-time nature of the Research Fellow position.

The Research Fellow position differs from the traditional FASB Academic Fellow position, in that the latter mirrors closely the Practice and Professional Fellow positions. In particular, the Academic Fellowship runs from two years with assignments that are similar to assignments given to Fellow from Practice or Industry, which would include taking the lead on one or more projects. In contrast, the Research Fellow's involvement in Board projects is more like a consultant who provides the insights from research to the project teams on an as needed basis. However, the specific duties assigned to the Research Fellow will vary depending on issues facing the Board.

### 3. Some Logistics about the Research Fellow Position

The FASB will recruit the Research Fellow in late fall or early winter. The recruiting process is fairly unstructured, and the steps in the process will depend in part on prior familiarity between the recruit and the Board and its Staff. Questions about recruiting should be directed to the current Research Fellow or the academic Board Member.

The recruit will need to discuss the Fellowship opportunity with administrators in his/her university and academic unit to be certain that the administrators will allow the recruit to live and work full-time in Connecticut for the coming year. Also, the administrators should not expect the recruit to engage in any significant teaching or service duties during the Fellowship year. When in doubt, the recruit should discuss possible conflicts with the current Academic Fellow and/or the academic Board Member.

Once the Board selects the Fellow and the Fellow accepts, FASB administrative staff will work with the external grant/contracting office at the Fellow's institution to develop a contract covering payment for the Fellow's services. The FASB typically will pay the institution 12/9ths of the Fellow's 9 month salary plus the appropriate benefits percentage. A moving allowance also can be included in the contract amount. The Fellow remains a full-time employee of his/her institution for the year, participating in the institution's retirement and health care programs. In essence, the FASB rents the Fellow from his/her institution.

At most universities, the Fellow's academic unit continues to receive funds for covering the Fellow's salary and benefits in its regular budget, even though the FASB grant money will be used to pay salary and benefits during the Fellowship year. What this means is that the budgeted funds that would have been used to compensate the Fellow are now available for other uses. Most academic units use some of the budgeted funds to cover the classes the Fellow would have taught. The use of any remaining funds is left to the discretion of the academic unit.

Living expenses in Connecticut are the responsibility of the Fellow. Some of these expenses may be deductible for income tax purposes. The Fellow should consult his/her tax preparer for details.