



American
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Association

THE AUDITOR'S REPORT

Volume 34, No. 3
Summer 2011

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Report of the President

Steve Glover



Even during the summer, when many of us have additional opportunities to get out of the office to spend more time with friends and family, there is seemingly never a dull moment in the profession with so much going on with standard setting, regulation, current trends, and events. From speeches such as the one delivered recently by PCAOB Chairman Doty on, "Rethinking the Relevance, Credibility, and Transparency of Audits," to concept releases on the auditors reporting model, to IFRS convergence (or

endorsement or "condorsement"), to the ASB's clarity standards, to continuing fallout from the liquidity crisis, and to PCAOB's attempt to bring audits of global SEC issuers under common auditing standards it continues to be a time of change and much activity. The Section has likewise been busy on a number of fronts as outlined below. I continue to be impressed with the energy, dedication, and talent of so many of our members as they provide outstanding service on a volunteer basis.

The Section's publications are always a great source of relevant and useful information. Let me draw your attention to a recent publication in Current Issues in Auditing that provides the first public glimpse of the nonpublic portion of the PCAOB inspection reports, "Increasing Transparency: A Prototype of the Nonpublic Portions of PCAOB Large-Firm Inspection Reports," co-authored by Rachel Evans, Ron Boster and Bill Gradison.

Webinar

In June the Section sponsored a very informative webinar entitled, "The ASB Clarity Project: Historical Perspective, Clarity Conventions, and the coming Adoption." This change by the ASB will impact everyone teaching auditing in 2012.

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The program featured the following presenters:

- Ahava Goldman, AICPA Senior Technical Manager
- Darrell Shubert, Partner in the Professional Practice Group of Ernst & Young's National Office and Chair of the Auditing Standards Board
- Professor Mark Taylor, Case Western Reserve University and Member of the Auditing Standards Board

The program was hosted by the Wiley Faculty Network. It was a great session. We would like to thank the presenters, our CPE Committee, and in particular our CPE Committee Chair, Rick Lillie. If you have suggestions for webinar topics, please contact Rick Lillie, Chair of the CPE Committee at rlillie@csusb.edu or (909) 537-5726.

Audit Educator's Bootcamp

The third Audit Educator's Bootcamp was successfully held in June in the Grant Thornton office in Chicago. The two primary presenters were Christine Earley, Providence College, and Frank Buckless, North Carolina State University. A number of high-level practitioners also presented. Scott Showalter, our incoming President, participated in the bootcamp as a bridge between practice and the classroom. Based on participant course ratings and feedback, the workshop was very well received. One of the participants indicated, "Lots of useful teaching tips and resources, and practical information from practitioners. [This was the] most directly useful meeting I have attended in a long time." We appreciate Grant Thornton for hosting the workshop and for the efforts of Jay Rich, Jay Thibodeau, and AAA staff in organizing the workshop as well as Christine and Frank and a number of practitioners for presenting.

PCAOB Synthesis Projects

As announced in April, the Section is assembling teams of researchers to develop syntheses of existing research related to key PCAOB standards-setting projects. As you may know, the Auditing Section, in coordination with Gary Holstrum and staff of the PCAOB, facilitated a similar synthesis effort with 9 research teams in 2005. It is a credit to Gary and the scholars participating in the first round of synthesis papers that we are embarking on a second round. We appreciate the strong interest and even though the number of topics has expanded to 13 and the team sizes also expanded, unfortunately we were not able to accommodate all applicants. We appreciate the PCAOB's support and assistance with the topics and look forward to seeing the resulting papers. This is an outstanding example of pursuing our strategy to be thought leaders influencing practice.

2011 Annual Meeting, Denver, Colorado, August 6-10
We look forward to seeing you in Denver. Karla Johnstone and Marsha

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Fall 2011 Issue Deadline

The deadline for material to be included in the Fall 2011 issue of *The Auditor's Report* is August 31, 2011. The preferred format is a Word file attached to an e-mail message. We are also open to any proposals for materials that anyone would like to submit. Please send all material and proposals to the incoming Editor at the address below by August 31, 2011, to ensure timely publication of the issue:

Gary Peters, Editor
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Keune, our Section's meeting directors, have put together an outstanding program with over 130 papers and five panel sessions. You can review the Auditing Section's part of the annual meeting program by [clicking here](#) and selecting "Auditing Section" from the drop down menu.

Please plan to join us for the Auditing Section's luncheon on August 8th for an update on Section activities, to hear from our guest speaker Bob Moritz, the Chairman and Senior Partner of PwC, and to reconnect with old, and not-so-old friends. If you haven't registered for the meeting yet, you can do so by [clicking here](#).

Strategic Planning

We continue to make progress on our Strategic Plan and related initiatives that were communicated during the Midyear Conference. The input provided during lunch has been very helpful in moving our strategic initiatives forward. We appreciate all the time and effort team members are donating to advance the initiatives. We will provide an update on our efforts at the luncheon in August.

The Passing of the Gavel

At our lunch meeting in August, I'll be passing the gavel and section presidency to Scott Showalter of North Carolina State University. It has been my pleasure to work with Scott on the Section's Executive Committee and let me assure you that the Section could not be in better hands. I'm amazed at Scott's energy, commitment, insight, talent, and ability to deliver. He is an exceptional leader and as a bonus he also happens to be a really great person; as are all of the members of the Section's Executive Committee. Speaking of the gavel, I should note that my son believes our Section's presidential gavel is due for an upgrade so watch for that in August.

The Executive Committee service terms of Urton Anderson, Past President, and Chris Hogan, Treasurer, will end in August. The Section owes a great debt of gratitude to Urton and Chris for their significant contributions and fine service. We will welcome to the Executive Committee, Karla Johnstone, Treasurer, and Roger Martin, Vice Chair Academic. We are grateful to Karla and Roger for their willingness to serve in these capacities.

It has been my privilege and honor to serve the Section. Serving as President this past year, I have seen the time and effort required by so many to successfully pursue the Section's vision and mission. I want to thank members of the executive committee, editors, associate editors, reviewers, committee chairs and committee members, task force members, moderators, presenters, discussants, and all of you for your contributions. We are fortunate to be able to rub shoulders with such an outstanding group of colleagues.



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Auditing Standards Board Update

Mark H. Taylor - Professor of Accountancy
Weatherhead School of Management
Case Western Reserve University
Cleveland, OH

The Auditing Standards Board (ASB) convened one meeting since the update that was included in the Spring 2011 edition of The Auditor's Report. The meeting was held in Las Vegas, NV May 3-5, 2011. Table 1 presents, for the May 2011 meeting, the Proposed SASs, Task Force Chairs who presented the Proposed SASs—if applicable—and outcomes of the deliberations. This table is much shorter than those presented in 2010 and earlier as the ASB has reverted to a shorter, and less frequent meeting schedule as the Clarity Project winds down to completion.

**Table 1. Proposed SAS, Task Force Chair, and Outcome
May 2011 ASB Meeting**

Proposed SAS	Task Force Chair	Outcome
<i>Interim Financial Information</i>	Rob Chevalier	Voted to ballot as final SAS.
<i>Reporting on Compliance With Aspects of Contractual Agreements or Regulatory Requirements in Connection With Audited Financial Statements</i>	Dan Montgomery	Voted to ballot as final SAS.
<i>Letters for Underwriters and Other Requesting Parties</i>	Phil Wedemeyer	Voted to ballot as final SAS.
<i>Financial Statements Prepared in Accordance With a Financial Reporting Framework Applicable in Another Country</i>	Wall Con	Remanded for changes to return at a future ASB meeting.

Toward the conclusion of the meeting, Chuck Landes reviewed the draft ASB strategic plan, including the members of the task force, and the proposed survey that is to be conducted. The Board will ultimately approve the plan and determining distribution. In the context of this discussion, the ASB discussed requested the task force to consider whether to add a user of assurance services to the task force, and whether to send the survey state societies.

Finally, complete meeting highlights of the May meeting will be posted on the AICPA website when they are approved at the July meeting. Previous and future meeting highlights can be found at http://www.aicpa.org/interest_areas/accounting_and_auditing/community/auditing_standards_board/ASBmeetings/pages/ASBmeetingmaterialsandhighlights.aspx.

Final Comment

The ASB's schedule for the remainder of 2011 includes meetings in July (Seattle), and October (New York). I invite all members of the Auditing Section to consider attending, along with students who are interested, all or part of any ASB meeting as observers. I also invite members to consider submitting comment letters on exposure drafts.

On Friday June 10th, the Section convened a webinar in which I hosted ASB Chair Darrel Schubert and AICPA Senior Technical Manager Ahava Goldman to discuss the Clarity Project status and coming adoption and release. Darrel and Ahava did a great job and we appreciate the time they put into preparing for and participating in the webinar, which was well attended. If you were unable to participate, I am informed that the webinar will be available on the Audit Section very soon.

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GAO Update

By Jeanette Franzel and Maxine Hattery

**Our Mission: Find Cost Savings in Duplication, Overlap, and Fragmentation
Government Wide**

GAO's engagements are often the result of mandates tucked into legislation to help Congress monitor the act's implementation. The mandate proposed by Sen. Tom Coburn as an amendment to 2010 legislation to raise the public debt limit, however, is broader than most. It covers the entire federal government and requires the comptroller general to report annually on programs, agencies, offices, and initiatives, within departments or governmentwide, that have duplicative goals or activities.

The first review identified unnecessary duplication, overlap, and, when multiple programs divide the effort, fragmentation. GAO looked for corrective actions with potential for financial and other benefits and also looked for potential cost savings in other areas or and for increasing revenue by improving collection.

The result, issued in March of this year, is a 339-page compendium of 81 areas from across the federal government that Congress can use as it searches for the best path to long-term sustainability of the federal government's fiscal policies.

In two sections, the report first identifies 34 areas where agencies, offices, or initiatives have similar or overlapping objectives or provide similar services to the same populations, or where government missions are fragmented across agencies or programs. In the second section, GAO has identified another 47 areas with potential for reducing the cost of government operations or improving revenue collection.

GAO is taking a strategic approach, planning to look at targets of opportunity across the federal government on a cyclical basis, rather than covering all federal programs in any one year. Comptroller General Gene Dodaro has said the agency plans to have covered issues of duplication, overlap, and fragmentation governmentwide by the third report in fiscal year 2013. In addition, GAO will examine areas where a mix of federal approaches is used, such as tax expenditures, direct spending, and federal loan programs.

GAO is already at work incorporating the issue of duplication, overlap, and fragmentation in planning individual engagements. These issues will be discussed in routine audit work throughout the year and summarized in next year's report.

What GAO Found

In testifying on the duplication review at a hearing of the Senate Committee on Homeland Security and Governmental Affairs on May 25 and Comptroller General Gene Dodaro highlighted some areas where change could make a big difference.

Job creation is widely regarded as a lagging indicator and an essential element of economic recovery. In fiscal year 2009, the federal government spent about \$18 billion on job training and employment. Of 47 programs that cover employment and training, GAO found 44 that overlap with at least one other program. Some states have tried to minimize inefficiencies from overlap in three large programs—Health and Human Service's Temporary Assistance for Needy Families (TANF) and the Department of Labor's Employment Service, and Workforce Investment Act (WIA) Adult programs—by co-locating them in one-stop centers. But there is too little information on the success of such strategies to build on. GAO recommends that Labor and HHS work together to develop information that could inform efficiency efforts, and the Administration has proposed changes that would consolidate nine programs into three.

Teacher quality has been the target of over \$4 billion in fiscal year 2009, through some 80 programs across 10 federal agencies to improve teacher quality. This fragmentation prevented states and school districts from making comprehensive improvements. The Department of Education has established working groups and an interagency framework for sharing information has found that coordination efforts cannot fully eliminate barriers to program alignment. Education has proposed combining 38 programs into 11 programs in its reauthorization proposal, which could free resources for monitoring program results and providing technical assistance.

Defense Department's Military Health System costs have more than doubled—from \$19 billion in fiscal year 2001 to \$49 billion in 2010—and are expected to increase to over \$62 billion by 2015. Responsibility for these funds is distributed, with no central accountable authority for minimizing costs and achieving efficiencies. Under the current structure, the Office of the Assistant Secretary of Defense for Health Affairs, the Army, the Navy, and the Air Force each has its own support functions. GAO recommended assessment of alternative structures, with the possibility of savings from \$281 million to \$460 million annually.

The Department of Transportation currently administers scores of surface transportation programs costing over \$58 billion annually. The federal approach to surface transportation remains, as it was established in 1956, based on the Interstate Highway System. Meanwhile, federal policies and programs have grown without a well-defined vision into more than 100 separate surface transportation programs with separate funding streams for highways, transit, rail, and safety functions. This fragmentation impedes comprehensive solutions to transportation's complex challenges. GAO recommends fundamental reform: a more goal-oriented approach, actions to improve performance, accountability for results, and removing barriers between agencies.

In addition to such program areas, GAO also reported potential savings in the broad areas of information technology and contracting. Expenditures on IT could be reduced by consolidating federal data centers, improving investment management and oversight, and using enterprise architectures. Improvements to federal contracting that could save billions include minimizing unnecessary duplication among interagency contracts.

GAO found that duplication and overlap occur for a variety of reasons: programs have been added over time to respond to changing needs; agencies often lack information on the effectiveness of programs as a basis for prioritizing resources; and agencies often do not have mechanisms for coordinating crosscutting

programs.

Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue (GAO-11-318SP) March 1, 2011

Navigating this report is made easier online with GAO's new Web-based electronic report format. Readers can scan tables for summary information on the mission and problem areas and the programs or agencies involved, and they can click on each problem area to jump to the right section for the whole story. Also available is a brief audio podcast by co-leader on the engagement, GAO's Chief Operating Officer, Patricia Dalton.

Government Performance Reform Act Modernization Act of 2010

In recent testimony before Congress and speaking to organizations in the accountability community, Comptroller General Gene Dodaro is also drawing attention to the recently enacted GPRA Modernization Act of 2010, which updates the almost two-decades-old Government Performance and Results Act and may help address some issues of duplication, overlap, and fragmentation.

Leading up to the new legislation was a 2004 congressional request that GAO assess GPRA after a decade of implementation. GAO concluded that GPRA had established a solid foundation for performance planning and management, but that there were weaknesses, such as the lack of important detail in planning requirements. The timing of required plan updates just before a presidential election had the agency developing a plan that might not fit the agenda of a new Congress and possibly a new president. GAO also found that agencies were not coordinating their efforts and that mission fragmentation and overlap among agencies made it difficult to address crosscutting national issues, such as homeland security, drug control, and the environment.

The Modernization Act addresses these issues by amending GPRA to require the Office of Management and Budget, in coordination with federal agencies, to set long-term goals every 4 years for a limited number of crosscutting policy areas, including financial management, human capital, information technology, procurement and acquisition, and real property. The legislation addresses other management weaknesses and takes steps to improve the usefulness and use of performance information. It also establishes a Chief Operating Officer within each agency; strengthens and aligns the position of Performance Improvement Officer with planning and reporting requirements provided in the legislation; and directs the interagency Performance Improvement Council to coordinate with other interagency management councils.

The act includes provisions requiring GAO to evaluate implementation over time. With the first deadline in June 2013, for reporting on implementation of the act's planning and reporting requirements, GAO is to evaluate how performance management is being used by federal agencies, and every 4 years evaluate implementation of the government's priority goals, performance plans, and reporting requirements.

Government Performance: GPRA Modernization Act Provides Opportunities to Help Address Fiscal, Performance, and Management Challenges, Statement of Gene L. Dodaro, Comptroller General of the United States (GAO-11-466T) March 16, 2011

Other Recent Reports of Interest: TARP & the Recovery Act

Troubled Asset Relief Program: Results of Housing Counselors Survey on Borrowers' Experiences with the Home Affordable Modification Program ([GAO-11-367R](#)), May 26, 2011

TARP: Treasury's Exit from GM and Chrysler Highlights Competing Goals, and Results of Support to Auto Communities Are Unclear ([GAO-11-471](#)), May 10, 2011

Troubled Asset Relief Program: Status of Programs and Implementation of GAO Recommendations ([GAO-11-476T](#)), Mar 17, 2011

Troubled Asset Relief Program: Treasury Continues to Face Implementation Challenges and Data Weaknesses in Its Making Home Affordable Program ([GAO-11-288](#)), Mar 17, 2011

Troubled Asset Relief Program: Actions Needed by Treasury to Address Challenges in Implementing Making Home Affordable Programs ([GAO-11-338T](#)), Mar 2, 2011

RecoveryAct: Thousands of Recovery Act Contract and Grant Recipients Owe Hundreds of Millions in Federal Taxes ([GAO-11-686T](#)), May 24, 2011

Tax Refunds: Enhanced Prerefund Compliance Checks Could Yield Significant Benefits ([GAO-11-691T](#)), May 25, 2011.

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PCAOB Update

By Martin F. Baumann, Gregory Scates,
and Dima Andriyenko¹

Introduction

This update addresses selected PCAOB developments since the Spring 2011 Update that are likely to be of interest to accounting and auditing researchers, educators, and students. The developments discussed include: publication of the Board's Research Note on Chinese reverse mergers; a meeting of the PCAOB Investor Advisory Group; PCAOB open meeting regarding the auditor's reporting model; a meeting of the PCAOB Standing Advisory Group; the announcement of a settled disciplinary order against five PricewaterhouseCoopers international firms in India for audit violations related to Satyam; signing of a cooperative agreement with the Swiss audit regulator; and the seventh PCAOB Academic Conference.

March 2011

PCAOB Research Note on Chinese Reverse Mergers: On March 15, 2011, the PCAOB issued its first public Research Note, which provides new data on the growth of reverse merger transactions involving companies from the China region.

The Research Note, entitled, "Activity Summary and Audit Implications for Reverse Mergers Involving Companies from the China Region (January 1, 2007 through March 31, 2010)," was prepared by the PCAOB Office of Research and Analysis to provide further context to the issues discussed in Staff Audit Practice Alert No. 6, Auditor Considerations Regarding Using the Work of Other Auditors and Engaging Assistants from Outside the Firm, issued on July 12, 2010.

That Alert was based on observations from the PCAOB inspection process that some U.S. registered accounting firms may not be conducting audits of companies with operations outside of the U.S. in accordance with PCAOB standards.

A copy of the Research Note is available on the PCAOB website at: http://pcaobus.org/News/Releases/Pages/03152011_ResearchNote.aspx.

PCAOB Investor Advisory Group Meeting: On March 16, 2011, the PCAOB held its second Investor Advisory Group meeting. The PCAOB created the Investor Advisory Group to provide a forum specifically for the Board to obtain the views of, and advice from, the broad investor community on auditor oversight matters affecting investors. The meeting agenda and other related materials can be found on the PCAOB website at: http://pcaobus.org/News/Events/Pages/03162011_IAGMeeting.aspx.

PCAOB Open Meeting Regarding Auditor's Reporting Model: On March 22, 2011, the PCAOB heard a presentation from the Office of the Chief Auditor on its outreach efforts to investors and others about potential changes to the auditor's reporting model. Staff from the Office of the Chief Auditor reached out to investors, auditors, preparers of financial statements, audit committee members, and other interested parties to seek their views on potential changes to the auditor's report.

The meeting was an important step in the Board's effort to develop a proposal for change in a concept release. The Board's intention is to expose such a release in the second quarter of 2011. The meeting agenda and webcast are available on the PCAOB website at: http://pcaobus.org/News/Events/Pages/03222011_OpenBoardMeeting.aspx.

PCAOB Standing Advisory Group (SAG) Meeting: The Board's SAG held its first meeting of the year on March 24, 2011. The meeting agenda included: an update from the Office of Chief Auditor on its standard-setting agenda and other related developments; a FASB update by FASB member Lawrence Smith; a presentation by David Landsittel, Chairman of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and Miles Everson, member of the PricewaterhouseCoopers Project Team on COSO's project to update its Internal Control – Integrated Framework; and Office of the Chief Auditor staff-led discussions on auditing financial statement disclosures and the auditor's reporting model.

The meeting agenda, briefing papers, and meeting webcast can be found on the PCAOB website at: http://pcaobus.org/News/Events/Pages/03232011_SAGMeeting.aspx.

In addition, Martin F. Baumann, the Board's Chief Auditor, informed the SAG that a task force of the SAG, known as the Pricing Sources Task Force, had been formed to focus on the auditing of fair value of financial instruments that are not actively traded and on the use of third-party pricing sources. This task force will assist the Office of the Chief Auditor gain insight into current issues related to auditing the fair value of financial instruments, which may result in the development of new standards or guidance. The task force is comprised of several members of the SAG, as well as other investors, preparers and auditors, and representatives from pricing services and brokers. Additional information can be found on the PCAOB website at: <http://pcaobus.org/Standards/SAG/Pages/PricingSourcesTaskForce.aspx>.

April 2011

Announcement of Settled Disciplinary Order Against PricewaterhouseCoopers (PwC) International Firms in India for Audit Violations Related to Satyam: On April 5, 2011, the PCAOB announced a settled disciplinary order against five PwC International firms based in India (Price Waterhouse, Bangalore; Lovelock & Lewes; Price Waterhouse & Co., Bangalore; Price Waterhouse, Calcutta; and Price Waterhouse & Co., Calcutta), which included a \$1.5 million penalty against two of those firms, the Board's largest civil money penalty to date, for violations of PCAOB rules and standards in connection with the audit of India IT service provider, Satyam Computer Services.

The PCAOB penalty was in addition to the \$6 million penalty imposed on the same day by the SEC against the five firms in its own proceeding. The combined \$7.5 million U.S.-regulatory penalty imposed in this matter is the largest penalty that the SEC and PCAOB have assessed against any registered foreign accounting firm.

PCAOB First Cooperative Agreement with Swiss Regulators: On April 6, 2011, the PCAOB announced

that it had entered into a Statement of Protocol with Swiss regulators, establishing a cooperative framework for supervisory oversight of auditors that practice in each country. The agreement with the Swiss Federal Audit Oversight Authority and Financial Market Supervisory Authority allows the Board to commence joint inspections of accounting firms in Switzerland that audit, or participate in audits, of companies whose securities trade on U.S. markets.

The Sarbanes-Oxley Act directs the PCAOB to oversee and periodically inspect all accounting firms that regularly audit companies whose securities trade on U.S. markets. More than 900 audit firms currently registered with the PCAOB are located outside of the United States, spanning 84 countries. Eight of these firms are located in Switzerland.

2011 PCAOB Academic Conference: On April 14 –15, 2011, the PCAOB held its seventh annual Academic Conference, which was planned jointly by the staff of the PCAOB and members of the Auditing Section of the American Accounting Association. The conference was attended by over 70 auditing researchers and educators from 53 universities, as well as PCAOB Board members and staff, and FASB and SEC staff.

The conference agenda included a panel discussion with PCAOB Board Members; presentations by and discussions with the leaders and representatives of the PCAOB Office of the Chief Auditor, Division of Registration and Inspections, Office of Research and Analysis, and Division of Enforcement and Investigations; a panel discussion regarding the auditor's reporting model; and an update on the FASB convergence projects by Peter Proestakes, FASB Assistant Director for Technical Activities.

Additionally, the staff of the Office of the Chief Auditor and members of the Auditing Section announced the commencement of the second PCAOB Research Synthesis project on twelve topics relevant to PCAOB standard-setting activities, and solicited participation in this project.

¹ *Martin F. Baumann is PCAOB Chief Auditor and Director of Professional Standards. Gregory Scates is PCAOB Deputy Chief Auditor. Dima Andriyenko is PCAOB Associate Chief Auditor.*

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Publication Highlight

The Latest Articles and Commentaries
in ***Current Issues in Auditing***

Current Issues in Auditing, published by the Auditing Section of the American Accounting Association. (<http://www.aaapubs.org/cia/>), contains articles and commentaries of interest to both the academic and practitioner community. We include in *The Auditor's Report* a summary of recently published articles, as well as a summary of accepted and soon to be published articles. Articles are published soon after they are accepted, so please examine the website often to view newly published articles. Also, please consider submitting your work to *Current Issues in Auditing* (website for authors: <http://ciia.peerx-press.org/cgi-bin/main.plex>).

Published and available on website:

"Increasing Transparency: A Prototype of the Nonpublic Portions of PCAOB Large-Firm Inspection Reports" By R. Evans, R. Boster, and B. Gradison. 2011 Issue 5 (1): A1-A21.

The Sarbanes-Oxley Act of 2002 created the Public Company Accounting Oversight Board (PCAOB) and requires it to conduct annual inspections of accounting firms that regularly provide audit reports for more than 100 public companies (issuers). Certain information in these reports is, by law, nonpublic—in particular, findings of "quality control" (QC) deficiencies. Having access to nonpublic portions of PCAOB inspection reports, the authors create an illustrative example of a nonpublic portion of a large-firm inspection report, albeit with specific firms and issuers de-identified.

"Fraudulent Tax Refunds: The Notorious Career of Harriette Walters" By P. Jacoby, S. Lorigo, and B. McCallum.

Harriette Walters embezzled over \$48 million from the District of Columbia by processing fraudulent real estate tax refunds. This paper describes the Walters scheme and discusses, from the perspective of the COSO framework, internal control weaknesses that enabled the fraud to go undetected for over 20 years. This article's analysis of the Walters fraud is of interest to both accounting academics and audit professionals, as well as particularly helpful to students, financial managers, and inexperienced auditors in understanding the importance of effective internal controls for preventing and detecting fraud in a wide variety of organizational settings.

"Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on the European Commission Green Paper on Audit Policy: Lessons from the Crisis" By J. Brazel, J. Bierstaker, J. Choi, S. Glover, and L. Myers. 2011 Issue 5 (1): C1-C7.

Accepted and soon to be published (2011, Issue 5):

"Addressing the Accounting and Auditing Faculty Shortage: Practitioners' Perceptions of Academia" By D. Boyle, D. Hermanson, and M. Mensah.

The authors interviewed 30 current practitioners in public accounting or industry to examine their perceptions of academic careers. They find that most interviewees have considered an academic career, and believe that there are many important advantages of such careers. However, most interviewees see the Ph.D. as a substantial hurdle, and many question the value of the Ph.D. The interviewees significantly underestimate the typical compensation for accounting professors, and they indicate the need for very high levels of financial support in order to pursue a Ph.D. full-time. The authors consider implications of these findings for attracting practitioners into doctoral programs and academic careers.

"New Leadership Tracks in Accounting Firms: An Alternative to the Partnership" By E. Almer, M. Lightbody, L. Single, and B. Vigilante.

Public accounting careers traditionally have followed an "up or out" progression from staff to senior to manager to senior manager to partner. Recent AICPA data suggests that senior managers increasingly are promoted to non-equity "post-senior manager" positions rather than directly to partner (AICPA 2006). However, the accounting literature provides few insights into the factors underlying the creation of such positions by firms, or of the roles of the people holding these positions. This study provides the first set of detailed descriptive data on the position based on survey responses from the largest 100 public accounting firm human resource directors and interview data from two partners who have held senior leadership roles in their firms.

"Original and Revised Auditor Fee Data" By R. Rosner and A. Markelevich.

A significant number of companies report revised auditor fees (audit, non-audit services, and total) in subsequent SEC filings. The authors report that revised audit fees and total fees are significantly higher, and non-audit services (NAS) fees are significantly lower than the originally reported fees. The authors report other detailed information about the fee revisions, which likely result from the changes in the SEC's fee disclosure reporting requirements from 2001 to 2003, as well as ambiguity related to the new requirements. This study alerts managers and practitioners to the subtleties of the fee disclosure requirements relative to fees billed/paid, the disparity in fee reporting, and the necessity for reporting revised fees if appropriate. The authors advise audit committee members, analysts, researchers, and other users of audit fee data to use revised fee numbers and exercise caution when using originally reported fees as they often are revised.

Commentaries:

"Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on Proposed International Standards on Auditing Revisions to ISA 315 and ISA 610" By J. Bierstaker, L. Abbott, P. Caster, S. Parker, and P. Reckers.

"Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on PCAOB Rulemaking Docket Matter No. 31: PCAOB Release No. 2010-005 Application of the "Failure to Supervise" Provision of the Sarbanes-Oxley Act of 2002 and Solicitation of Comment on Rulemaking Concepts" By J. Brazel, J. Bierstaker, P. Caster, and B. Reed.

"Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on PCAOB Rulemaking Docket Matter No. 028: PCAOB Release No. 2010-003 Proposed Auditing Standard Related to Confirmation and Related Amendments to PCAOB Standards" By R. Elder, J. Bierstaker, P. Caster, and D. Janvrin.

"Comments by the Auditing Standards Committee of the Auditing Section of the American Accounting Association on the Securities and Exchange Commission Proposed Rules for Implementing the Whistleblower Provisions of Section 21F of the Securities Exchange Act of 1934" By E. Taylor, J. Bierstaker, and J. Brazel.

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AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Have you Seen... ?

Larry Abbott, University of Wisconsin – Milwaukee
Tamara Lambert, University of Massachusetts Amherst
Yinqi Zhang, American University

"The effects of disclosure type and audit committee expertise on Chief Audit Executives' tolerance for financial misstatements" By C. Norman, J. Rose, and I Suh. *Accounting, Organizations and Society* 2011 (36): 102-108.

This study examines factors affecting internal auditors' decisions to require misstatement adjustments. Using Chief Audit Executives and deputy Chief Audit Executives as participants, the authors manipulate the financial reporting location of a misstatement (i.e., whether the misstatement involves recognition as a capital lease vs. disclosure as an operating lease) and the level of audit committee expertise (high vs. low). They find that internal auditors require smaller amounts of misstatement correction for disclosed misstatements than for recognized misstatements. Contrary to expectations, they do not find that internal auditors require greater misstatement corrections when the audit committee has more financial expertise than less expertise. The researchers conclude that internal auditors face strong incentives to allow error/bias in disclosed amounts and that audit committee characteristics may have little effect on such incentives.

"Norms, Conformity, and Controls" By W. Taylor and R. Bloomfield. *Journal of Accounting Research* 2011 (49): 753-790.

This study experimentally examines how formal controls influence people's norms. The authors use a modified public goods game to represent a variety of accounting settings and manipulate the presence of controls. They manipulate initial control presence (audit probability = 100% vs. 0%), a social welfare modifier (low vs. high), current control strength (weak vs. strong), and lag of current control strength round (i.e., each participant experiences each control strength twice during the experimental session). Results suggest that formal controls directly influence people's sense of what behaviors are appropriate in the setting (personal norms), and indirectly alter people's tendency to conform to the behavior of those around them (descriptive norms). Effects persist after the controls are changed. The authors conclude that the effects of current controls can be strongly influenced by past control strength and that principal-agent models should be further modified to incorporate correlations between personal norms and conformity to descriptive norms.

"Organisational commitment, role tension and affective states in audit firms" By A.

Garcia and O. Herrbach. Managerial Auditing Journal 2010 (25): 226-239.

This paper investigates the relationships between auditors' organizational commitment, role tension and affective states at work. Using a two-wave longitudinal survey on practicing Big 4 auditors in France, the authors find that respondents experience significant positive affect (e.g., pride, excitement) and negative affect (e.g., irritability, guilt) in the workplace. They also find that experiencing more frequent positive affect at work is correlated with organizational commitment while experiencing more frequent negative affect is associated with role conflict. The authors conclude that affective experiences of auditors are important because of their impact on judgment/interpersonal behavior and their consequences on individual well-being, which may affect intentions to remain with the firm and/or profession.

"Nationality and differences in auditor risk assessment: A research note with experimental evidence" By E. O'Donnell and J. Prather-Kinsey. Accounting, Organizations and Society 2010 (35): 558-564.

This study examines whether auditors from different countries come to different conclusions when they perform analytical procedures to assess the risk of misstatement in accounts. Using practicing auditors who were trained by and worked for the same international auditing firm as participants, the authors compared responses of respondents from the U.K., France and the U.S. to an analytical procedures task in which they assessed misstatement risk. Their findings provide evidence that nationality can cause auditors from different countries to reach different conclusions about the risk of misstatement in accounts even though they evaluate the same evidence, hold the same rank, and were trained by the same firm. The authors suggest that future research should explore how, why, and under what circumstances nationality can influence auditor judgment.

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Have You Seen These Instructional Resources?

By the 2010-2011 Education Committee
of the Auditing Section of the AAA

Jay Rich, Co-Chair – Illinois State University
Jason MacGregor, Co-Chair – Baylor University
Mark Peecher – University of Illinois
Paul Polinski – University of Illinois
Richard Riley - West Virginia University
Ray Whittington – Depaul University

"Taxonomy of Fraud" Serious Fraud Office (SFO), UK Criminal Justice System, Spring 2011.

The SFO developed a taxonomy that identifies seven main groups of fraud. Each of these groups are further broken down into categories consisting of a number of defined fraud types. The taxonomy was developed to help discover the many types of fraud committed. The web document can be downloaded from: <http://www.sfo.gov.uk/taxonomy.swf>

"PCAOB May Require Mandatory Audit Firm Rotation" by Michael Cohn, Accounting Today, June 2011.

In a speech on June 2nd at the University of Southern California's Leventhal School of Accounting in Pasadena, Calif., PCAOB Chairman James R. Doty talked about some of the changes in the auditor's reporting model that the PCAOB is planning to propose. The article can be obtained from <http://www.accountingtoday.com/news/PCAOB-May-Require-Mandatory-Audit-Firm-Rotation-58660-1.html>

"Clarified Auditing Standards: The Quiet Revolution" by J. Taylor and C. W. Thomas, Journal of Accountancy, June 2011.

Over the past few years, much attention has been paid to the issue of global harmonization of generally accepted accounting principles while, at the same time, a much quieter revolution has been taking place in generally accepted auditing standards (GAAS). The result will make GAAS for nonpublic companies easier to understand and apply, as well as more consistent across international borders. The article can be obtained from <http://www.journalofaccountancy.com/Issues/2011/Jun/20113792.htm>

"Using Debate to Enhance Critical Thinking in the Accounting Classroom: The Sarbanes-Oxley Act and U.S. Tax Policy" by J. M. Camp and A. L. Schnader (Volume 25 Issue 4). 2010.

While critical thinking is necessary for accountants in today's business world, cultivating students' critical thinking skills in an accounting classroom can be a challenge. The extant literature suggests that debate is a well-established pedagogical tool for enhancing student critical thinking skills, yet debate is not often used effectively in accounting classrooms. We provide suggestions for developing debates for use in the accounting classroom and two examples of debates used by the authors. The first requires students to argue for or against the extension of tax provisions currently being deliberated by Congress. The second requires students to examine the provisions of Sarbanes-Oxley and propose amendments to the bill.

"AuditEducation.info" by Paul Clikeman, University of Richmond 2011.

This website developed by Paul Clikeman contains information related to the study and teaching of financial statement auditing. Links are provided to articles, cases, classroom exercises, videos, academic research, textbooks, practice sets, accounting blogs and other related sites of interest. Professor Clikeman's website also allows users to search for educational materials, read other professors' comments, and leave their own suggestions. The website can be accessed at <http://auditeducation.info/index.html>

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2012 Auditing Section Midyear Conference and Doctoral Consortium

January 12–14, 2012

Call for Submissions and Volunteers

Eighteenth Annual Midyear Auditing Section Conference — Savannah, GA

Mark your calendars now for the Eighteenth Annual Midyear Auditing Section Conference that will be held January 12–14, 2012 at the Savannah Marriott Riverfront. A Doctoral Consortium will be held on January 12, and we will also be offering another Excellence in Audit Education workshop as part of the conference. The remainder of the conference will consist of keynote speakers, panel discussions, and concurrent sessions dealing with a wide variety of contemporary topics related to audit, attestation and assurance practices, education, and research. Awards will be given for the Best Ph.D. Student Paper submitted to the conference and for the Best Manuscript submitted to the conference. While all papers will be considered for the Best Manuscript award, authors must indicate that they would like to be considered for the Best Ph.D. Student Paper award at the time of submission.

You are encouraged to contribute to the program through submissions of auditing, attestation, and assurance research, education research (including instructional cases), and special session proposals. In addition, the Section will rely on your help in planning and conducting the conference and in providing suggestions for session topics, panels, and/or workshops. Please consider volunteering to participate as a reviewer, discussant, and/or moderator. Details on how to do so will be posted to the Auditing Section website.

SUBMISSION GUIDELINES

Research papers should follow the style and submission guidelines of *Auditing: A Journal of Practice & Theory*, including the requirement to submit separate electronic files containing the cover page and the paper itself.¹ Instructional cases should be in a format similar to that used in *Issues in Accounting Education*. Submissions are not eligible for consideration if they have been published or accepted for publication, were presented at the 2011 AAA Annual Meeting, or were presented at more than one AAA regional meeting or other academic conference. Papers presented at the Research Forum of the AAA Annual Meeting are eligible for consideration. It should be noted that papers accepted for presentation at the 2012 Midyear Auditing Section Conference may also be submitted for presentation at the AAA Annual Meeting scheduled for August 2012.

SUBMISSION DEADLINE

Submissions must be received by August 31, 2011 to be considered for the program. Early submission is highly encouraged. Any questions should be addressed to Joe Brazel (North Carolina State University) or Keith Jones (George Mason University) through the following email address: kjonesm@gmu.edu.

¹ Also, please be sure to remove all identification of the authors, including changing the document "Properties" to "anonymous."

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Auditing: A Journal of Practice and Theory **Special Calls**

Calls for Papers: Research Forum on Conservatism in Auditing

The purpose of this Forum is to encourage research on the topic of conservatism in auditing. Submissions are invited that focus on "conservatism" versus "accuracy" as well as the causes and effects of this potential bias. Submitted papers may address a variety of research questions related to this topic and may use any method that appropriately addresses these questions. Some illustrative examples of potential research questions are listed below, although other related topics will be considered:

- Will audit quality improve or decline with financial reporting standards that focus on accurate rather than conservative reporting?
- Should the audit report change such that it indicates how conservative, versus aggressive, the registrant's reporting is?
- How will auditors' incentives change under financial reporting standards that focus on accurate rather than conservative reporting?
- Does a conservative bias benefit some financial statement users over others?

Submissions to this Research Forum will be handled by Rick Hatfield (University of Alabama) and Kathryn Kadous (Emory University). Initial submissions should be received by September 1, 2012 and will be subject to the normal review process of *Auditing: A Journal of Practice & Theory*.

Call for Papers: Research Forum on Research on Environmental Assurance and Auditing

The purpose of this Forum is to encourage research on environmental assurance and auditing issues. The unifying theme of the Forum is the focus on the environment and we are open to multiple research methods which address relevant topics. Specifically, we would like to encourage multi-disciplinary research related to reporting on GhG (greenhouse gas) metrics, experimental work that is aimed at improving the quality of decision-making for these engagements and ethnographic research on these types of engagements that gives insight into the effect of these assurance services on potential stakeholders. We would like to also encourage archival work that examines the factors that enhance the likelihood and effectiveness of these types of engagements. Note: papers that simply examine CSR or the Carbon Disclosure project on a country-specific basis will be of less interest to this Forum. Some

illustrative research questions that would be appropriate for the Forum include:

- Does assurance influence the quality and reliability of CSR/Environmental disclosures?
- Does assurance related to CSR provide substantive value to stakeholders?
- What is the nature of auditor specialization related to "green" auditing?
- How do financial analysts and investors view assurance related to CSR? Does such assurance influence their investment judgments?
- What is the nature of a "green" audit?
- How does the engagement team form a "green" audit opinion?

Submissions to this Research Forum will be handled by Jeff Cohen (Boston College) and Roger Simnett (University of New South Wales). Initial submissions should be received by November 1, 2012 and will be subject to the normal review process of *Auditing: A Journal of Practice & Theory*.

Call for Papers: Research Forum on Qualitative Studies in Auditing

The purpose of this Forum is to encourage research that delves into the black box of auditing and to develop a richer understanding of the audit process and the nature of auditor work in either the public or private sector. We encourage submission of qualitative analyses grounded in a variety of established approaches. More specifically, we invite studies of auditing in concrete organizational settings which draw on established empirical and theoretical research traditions, such as anthropology, ethnography and organizational sociology. Such studies will be an important complement to existing experimental and archival work on auditing. Potential examples of the type of research questions we would like to consider include:

- Auditor-client interactions as key accounting sign-off issues are debated.
- Audit tender process and firm/auditor behavior.
- The nature of the dynamic relationship between audit committees and auditors, both internal and external.
- The nature of standard-setting and its impact on auditor processes and behavior.

Submissions to this Research Forum will be handled by Yves Gendron (Université Laval) and Michael Power (London School of Economics and Political Science). Initial submissions should be received by October 1, 2012 and will be subject to the normal review process of *Auditing: A Journal of Practice & Theory*.

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Auditing Section Sessions

American Accounting Association Annual Meeting – Denver 2011

2011 Annual Meeting Coordinators – Karla Johnstone and Marsha Keune

Monday August 8, 2011 — 10:15 am-11:45 am

1.8 Exploring the Role of the Auditor - Center for Audit Quality
(NASBA Field of Study: Auditing)

Moderator: Cindy Fornelli, Center for Audit Quality

Panelists:

Bob Moritz, PwC

Sam Ranzilla, KPMG

1.9 Ethics and Auditing

(NASBA Field of Study: Auditing)

Moderator: John O. Mason, University of Alabama

Auditors, Ethics & Repos: A Case History of the Lehman Brothers Debacle

Michael C. Knapp, University of Oklahoma; Carol A. Knapp, University of Oklahoma;

Discussant: Mark Taylor, Case Western Reserve University

The Effect of Personal Values on Auditors' Moral Philosophies and Ethical Beliefs

Cheng-Li Huang, Tamkang University, Taiwan; Fan-Hua Kung, Tamkang University; Chia-Ling Cheng, Fu Jen Catholic University, Taiwan ;

Discussant: Martin Surya Mulyadi, BINUS University

The Effects of Advice Source and Advisor Assurance on Auditors' Propensity to Report Questionable Acts Involving Superiors

El'fred H. Y. Boo, Nanyang Technological University; Terence B. P. Ng, Nanyang Technological University; PremilaGowri Shankar, Nanyang Technological University;

Discussant: Yi-Jing Wu, Case Western Reserve University

1.10 Audit Fee Determinants

(NASBA Field of Study: Auditing)

Moderator: Leah Elena Muriel, University of Tennessee

[*Did audit fee cuts in 2009 impair earnings quality?*](#)

Long Chen, George Mason University; Gopal Krishnan, Lehigh University; Wei Yu, Lehigh University;

Discussant: Carol Dee, University of Colorado Denver

[*Managerial incentives and Auditor Pricing*](#)

Yezen H. Kannan, Duquesne University; Terrence Skantz, University of Texas at Arlington; Julia L. Higgs, Florida Atlantic University;

Discussant: Thomas D. Dowdell, North Dakota State University

[*Peer groups in audit pricing*](#)

Junxiong Fang, Fudan University; Haiyan Zhou, University of Texas Pan American;

Discussant: Julia Higgs, Florida Atlantic University

1.11 Audit Partner Signature, Rotation, and Characteristics

(NASBA Field of Study: Auditing)

Moderator: Debbie Lindberg, Illinois State University

[*Audit Quality Effects of an Individual Audit Engagement Partner Signature Mandate*](#)

Allen D. Blay, Florida State University; Matthew Notbohm, University of North Dakota; Caren Schelleman, Maastricht University; Adrian Valencia, Florida State University;

Discussant: Barbara Grein, Drexel University

[*Is Audit Quality Associated with Auditor Tenure and Auditor Specialization? Evidence from Partner-Level Perspective*](#)

Lin Ruihao, National Taiwan University; Wu Chung-Fern, Professor of Department of Accounting, National Taiwan University;

Discussant: Sarah E. Stein, University of Missouri-Columbia

[*Rotate Back or Not after Mandatory Audit Partner Rotation?*](#)

Michael Firth, Lingnan University; Oliver Rui, Chinese University of Hong Kong; Xi Wu, Central University of Finance and Economics;

Discussant: Marcus M. Doxey, University of Kentucky

1.12 Auditor Independence

(NASBA Field of Study: Auditing)

Moderator: Derek D. Barr, University of Mississippi

[*Auditor Objectivity and Independence: A matter of Big Picture or Check-List Technicality*](#)

Sunita Ahlawat, The College of New Jersey; Hossein Nouri, The College of New Jersey;

Discussant: Tracie Majors, The University of Texas at Austin

[*Non-audit Fees, Auditor Tenure, and Auditor Independence*](#)

Ferdinand A. Gul, Monash University Sunway Campus; Ilias G. Basioudis, University of Aston, Aston Business School; Anthony C. Ng, The Hong Kong Polytechnic University;

Discussant: Kim Ittonen, University of Vaasa

[*Post-SOX Management Influence on Auditor Appointment Decisions and Subsequent Impairments of Auditor Independence*](#)

Dan S Dhaliwal, University of Arizona; Phillip T. Lamoreaux, University of Arizona; Landon Mark Mauler, University of Arizona;

Discussant: HUICHI HUANG, Syracuse University

Monday August 8, 2011 — 2:00 pm-3:30 pm

2.10 Elevating Professional Judgment in Auditing and Accounting: The KPMG Professional Judgment Framework

(NASBA Field of Study: Auditing)

Moderator: Steven M. Glover, Brigham Young University

Panelists:

Rob Chevalier, KPMG LLP

George Herrmann, KPMG LLP

Douglas Prawitt, Brigham Young University

2.11 Audit Judgment

(NASBA Field of Study: Auditing)

Moderator: K. Kelli Saunders, University of South Carolina

Does ambiguity in an auditing standard matter? Evidence from nonaudit fees and SOX404 reporting decisions

Chan Li, University of Pittsburgh; K. K. Raman, University of North Texas; Lili Sun, University of North Texas ;

Discussant: Han Yi, The University of Oklahoma

Mitigating the Hindsight Bias for Auditors' Judgments: Disclosure of Judgment Process Information

Arnold Wright, Northeastern University; Sally Wright, University of Massachusetts-Boston;

Discussant: Christine E. Earley, Providence College

The Effects of Situated Client Identity and Professional Identity Salience on Auditor Judgments

Tim D. Bauer, University of Waterloo;

Discussant: Marsha Keune, University of South Carolina

2.12 Regulation, Pricing, and Reporting: Evidence from the Governmental and International Sectors

(NASBA Field of Study: Auditing (Governmental))

Moderator: George Gonzalez, University of Pittsburgh

Are Higher Risk Audits Priced Accordingly: Evidence from Audits of Public Housing Authorities

Stefanie L Tate, University of Massachusetts Lowell; Barbara Grein, Drexel University;

Discussant: Adam Micah Vitalis, University of Wisconsin - Madison

Expanding the Sarbanes-Oxley Act to the Government Sector

Alan Reinstein, Wayne State University; Mohammed Abdolmohammadi, Bentley University; Cathleen L. Miller, Wayne State University;

Discussant: Natalia Mintchik, University of Missouri-St. Louis

The Communicative Value of the Auditor's Report

Paul J. Coram, The University of Melbourne; Theodore J. Mock, University of California, Riverside; Jerry L. Turner, Texas Christian University; Glen L. Gray, California State University, Northridge;

Discussant: Lori Shefchik, Georgia Institute of Technology

2.13 Auditing, Financial Reporting, and IFRS (NASBA Field of Study: Auditing)

Moderator: Jonathan H. Grenier, Miami University

[Auditor's Industry Specialization and Disclosure Quality of IAS 39 Related Accounts](#)

Hsiangtsai Chiang, Feng Chia University (Taiwan); Shulin Lin, Feng Chia University;

Discussant: Brett Kawada, University of Missouri

[The adoption of IFRS-related accounting standards and choice of specialist auditors](#)

Li-Jen He, Asia University; Ling-Tai Lynette Chou, National Chengchi University; Chen-Lung Chin, National Chengchi University, Taiwan;

Discussant: Paul N. Michas, University of Missouri-Columbia

[The Impact of IFRS Accounting Complexity and Audit Committee on the Audit and non Audit Fee: Evidence from Australia](#)

Isabel Gordon, University of Sydney; Jenny (Jung-wha) Lee, Australian National University;

Discussant: James C. Hansen, University of New Mexico

2.14 Auditor Regulation and Its Effects (NASBA Field of Study: Auditing)

Moderator: Chad A. Simon, University of Nevada, Las Vegas

[Investor Reactions to PCAOB Inspection Reports](#)

Mona Offermanns, Maastricht University; Erik Peek, Rotterdam School of Management, Erasmus University;

Discussant: Paul Polinski, University of Illinois

[PCAOB Quality Control Reports: New Insights on Audit Quality and Auditor Switching](#)

William L. Buslepp, Texas Tech University; Lisa M. Victoravich, University of Denver;

Discussant: Eric Tobin Rapley, Oklahoma State University

[Contrasting Recommendations of the Advisory Committee on the Audit Profession to Existing Audit Research: Research Gaps and Opportunities](#)

Nicole V. S. Ratzinger, Ulm University, Germany; Glen L. Gray, California State University, Northridge;

Discussant: Brian Daugherty, University of Wisconsin - Milwaukee

Monday August 8, 2011 — 4:00 pm-5:30 pm

3.10 Auditor Monitoring (NASBA Field of Study: Auditing)

Moderator: Carl Hollingsworth, Clemson University

[Auditor Monitoring and Dividend Payout Policy](#)

Bradley P. Lawson, Texas A&M University; Dechun Wang, Texas A&M University;

Discussant: Mike Willenborg, University of Connecticut

[Independent audit oversight authorities: a comparative study of the United States, the United Kingdom and France](#)

MounaHazgui, IAE Paris, Sorbonne Graduate Business School; Cédric Lesage, Professor, HEC Paris; Christine Pochet, Professor, IAE Paris Sorbonne Graduate Business School;

Discussant: Steven Cahan, University of Auckland

[The Impact of Regulatory Enforcement and the Adoption of Principles-based Accounting on Financial Reporting Quality: Evidence from Auditors' Judgments](#)

Jeff Cohen, Boston College; Ganesh Krishnamoorthy, Northeastern University; Marietta Peytcheva, Lehigh University; Arnold Wright, Northeastern University;

Discussant: Tamara A. Lambert, University of Massachusetts Amherst

3.11 Internal Control Issues and Auditing

(NASBA Field of Study: Auditing)

Moderator: Louise Hayes, University of Waterloo

[After Controlling for Materiality, Are Abnormal Accruals Larger for Entities with Material Internal Control Weaknesses than Entities with Effective Internal Controls?](#)

Benjamin P. Foster, University of Louisville; Trim Shastri, University of Louisville;

Discussant: Chan Li, University of Pittsburgh

[Corporate Ownership Characteristics and Timeliness in Remediation of Internal Control Weaknesses](#)

SantanuMitra, Wayne State University; Mahmud Hossain, University of Memphis; Barry R. Marks, University of Houston at Clear Lake;

Discussant: Kathleen Rupley, Portland State University

3.12 Earnings Management, Real Activity Management, and Auditing

(NASBA Field of Study: Auditing)

Moderator: Dennis M. Lopez, University of Texas - San Antonio

[Auditing and Earnings Management in Brazilian HMOs](#)

Felipe Ramos Ferreira, Fucape Business School; Ricardo Lopes Cardoso, The Brazilian School of Public and Business Administration, Getulio Vargas Foundation; Antonio Lopo Martinez, Fucape Business School; Poueri do CarmoMário, Federal University of Minas Gerais;

Discussant: Karen Ton, University of Southern California

[Auditor Tenure, Industry Specialization and Real Activity Management](#)

Jennifer Kao, University of Alberta; Jenny Zhang, Dalhousie University;

Discussant: Dechun Wang, Texas A&M University

[Do Auditors Value Client Conservatism?](#)

Mark L. DeFond, University of Southern California; CheeYeow Lim, Singapore Management University; YoonseokZang, Singapore Management University;

Discussant: Long Chen, George Mason University

3.13 Audit Judgment and Strategy Choice

(NASBA Field of Study: Auditing)

Moderator: Jason L. Smith, University of Nevada, Las Vegas

[Optimal Strategy of Performance Creation: Evidence from the Chinese Audit Firms](#)

Yahn-Shir Chen, Department of Accounting, National Yunlin University of Science and Technology, Taiwan; Yu-Shu Cheng, Kainan University, Taoyuan, Taiwan; Yi-Pei Liu, Providence University;

Discussant: Gin Chong, Prairie View A&M University

The Impact of Error-Management Climate, Error Type and Error Originator on Auditors' Reporting Errors Discovered on Audit Working Papers

Anna Gold, VU University Amsterdam; Ulfert Gronewold, University of Potsdam; Steven E. Salterio, Queen's University;

Discussant: Jonathan Grenier, Miami University

Trust Matters: How a Client Manager Can Gain and Use the Auditor's Trust to Influence Subsequent Audit Judgments

William F. Messier, Jr., University of Nevada, Las Vegas (UNLV) and Norwegian School of Economics and Business Administration; Jesse C. Robertson, University of North Texas; Chad A. Simon, University of Nevada, Las Vegas;

Discussant: Tammie J. Rech-Schaefer, University of South Carolina

Tuesday August 9, 2011 — 10:15 am-11:45 am

4.9 The Future of Audit Quality Research in Auditing—A Perspective from the Research Committee of the Auditing Section
(NASBA Field of Study: Auditing)

Moderator: Uma Velury, University of Delaware

Panelists:

Terri Iannaconi, KPMG

Greg Kane, University of Delaware

Gopal Krishnan, Lehigh University

4.10 Auditing and Fair Value Measures

(NASBA Field of Study: Auditing)

Moderator: John L. Abernathy, Oklahoma State University

Fair Value and Audit Fees

Igor Goncharov, WHU – Otto Beisheim School of Management; Edward J. Riedl, Harvard Business School; Thorsten Sellhorn, WHU – Otto Beisheim School of Management;

Discussant: Brian W. Mayhew, University of Wisconsin - Madison

Financial Restatement and Fair Value Measurement

Hua-Wei Solomon Huang, State University of New York at Old Westbury; Steve W. Lin, Florida International University;

Discussant: Michael A Mayberry, Texas A&M

Extreme Estimation Uncertainty in Fair Value Estimates: The Implications for Audit Assurance

Brant Christensen, Brigham Young University ; Steven M. Glover, Brigham Young University; David A. Wood, Brigham Young University;

Discussant: Jeremy B. Griffin, University of Notre Dame

4.11 Compensation, Risk, and Incentives in Auditing

(NASBA Field of Study: Auditing)

Moderator: Karen Ton, University of Southern California

[*CEO Equity Incentives and Audit Fees*](#)

Yongtae Kim, Santa Clara University; Haidan Li, Santa Clara University; Siqi Li, Santa Clara University;

Discussant: Rani Hoitash, Bentley University

[*Audit quality and bank risks under heterogeneous regulations*](#)

Angela K. Pettinicchio, Cass Business School; Lorenzo Pozza, UniversitàBocconi; Angelo Provasoli,

UniversitàBocconi; Maxim Zaganov, ÉcoleSupérieure de Commerce de Toulouse;

Discussant: Sean A. Dennis, University of Wisconsin-Madison

[*How Does Compensation Affect Audit Committee's Decisions on Auditor Choices and Audit Fees?*](#)

Yu-Chun Lin, National Chengchi University; Hung-Chao Yu, National Chengchi University;

Discussant: Chad A. Simon, University of Nevada, Las Vegas

4.12 Mergers/Acquisitions/Takeovers and Auditing

(NASBA Field of Study: Auditing)

Moderator: Jason W. Matthews, The University of Georgia

[*How does target firm auditor reputation affect M&As?*](#)

AndreyGolubov , University of Surrey, UK; DimitrisPetmezas , University of Surrey, UK; Theodore

Sougiannis, University of Illinois and ALBA; NickolaosTravlos , ALBA Graduate Business School, Greece;

Discussant: Daniel Wangerin, Michigan State University

[*The impact of auditor duality on acquisition characteristics*](#)

Ahmed M. Abdel-Meguid, The American University in Cairo; Kofi AppiahOkyere, Syracuse University; Jeff

Oxman, University of St. Thomas; YildirayYildirim, Syracuse University;

*Discussant:*Seong-Yeon Cho, Oakland University

[*The Value of Big N Target Auditors in Corporate Takeovers*](#)

Yuan Xie, Fordham University; Han Yi, University of Oklahoma; Yinqi Zhang, American University;

Discussant: Matthew L Hoag, California State University, Sacramento

4.41 What Makes Financial Statements Reliable? A Perspective from the Institute of Chartered Accountants in England and Wales

(NASBA Field of Study: Auditing)

Moderator: Robert Hodgkinson, ICAEW

Panelists:

Jean C. Bedard, Bentley University

Joseph Carcello, University of Tennessee

Lynn E. Turner, LECG

Tuesday August 9, 2011 — 2:00 pm-3:30 pm

5.9 Auditor Industry Expertise

(NASBA Field of Study: Auditing)

Moderator: Chris E. Hogan, Michigan State University

[*Auditor Industry Expertise and Firm-Level Investment Efficiency*](#)

Jere R. Francis, University of Missouri-Columbia; Paul N. Michas, University of Missouri-Columbia; Sarah E. Stein, University of Missouri-Columbia;

Discussant: Chris E. Hogan, Michigan State University

[*Earnings Quality, Audits by Industry Specialists, and Ineffective Internal Controls*](#)

SantanuMitra, Wayne State University; BikkiJaggi, Rutgers, The State University of New Jersey; Mahmud Hossain, University of Memphis;

Discussant: Colleen M. Boland, Michigan State University

[*Industry Complexity and the Importance of Industry Expertise Versus Engagement Office Size on the Quality of Audit Outcomes*](#)

Jere R. Francis, University of Missouri - Columbia; Scott E. Seavey, University of Nebraska - Lincoln;

Discussant: Miguel Minutti-Meza, University of Toronto

5.10 Audit Fees

(NASBA Field of Study: Auditing)

Moderator: Nathaniel M. Stephens, Utah State University

[*Relevant but delayed information in negotiated audit fees*](#)

Karl Hackenbrack, Vanderbilt University; Nicole Thorne Jenkins, Vanderbilt University; Mikhail Pevzner, George Mason University;

Discussant: Joy L. Embree, University of Nebraska - Lincoln

[*The Association between Audit Fees and Client-Firms' Attributes of Earnings*](#)

Jong-Hag Choi, Seoul National University; Chansog (Francis) Kim, City University of Hong Kong; Jeong-Bon Kim, City University of Hong Kong; YoonseokZang, Singapore Management University;

Discussant: Karen McDougal, St. Joseph's University

[*Does Audit Market Equality Affect Audit Fees?*](#)

Kimberly Dunn, Florida Atlantic University; Mark Kohlbeck, Florida Atlantic University; Brian W. Mayhew, University of Wisconsin - Madison;

Discussant: Joseph H. Schroeder, Michigan State University

5.11 Audit Resource Decisions and Fee Pressure

(NASBA Field of Study: Auditing)

Moderator: Marsha Keune, University of South Carolina

[*Fee Pressure and Audit Quality during the 'Great Recession' of 2007-2009*](#)

Michael Ettredge, University of Kansas; Chan Li, University of Pittsburgh; Elizabeth Emeigh, University of Kansas;

Discussant: Padmakumar M Sivadasan, University of Illinois

[*The Interactive Effect of Intentional Misstatement Risk and Risk Magnitude on Risk-Based Auditing Resource Decisions*](#)

Steven Kachelmeier, The University of Texas at Austin; Tracie Majors, The University of Texas at Austin; Michael Williamson, The University of Texas at Austin;

Discussant: Margaret H. Christ, University of Georgia

[*When Do Audit Managers Prefer Staff to Underreport Time?*](#)

Christopher P. Agoglia, University of Massachusetts Amherst; Richard C. Hatfield, The University of Alabama; Tamara A. Lambert, University of Massachusetts Amherst;

Discussant: David A. Wood, Brigham Young University

5.12 Auditor Changes

(NASBA Field of Study: Auditing)

Moderator: Gopal Krishnan, Lehigh University

[*Do Financial Restatements Lead to Auditor Changes?*](#)

Vivek Mande, California State University, Fullerton; Myungsoo Son, California State University, Fullerton;

Discussant: Srinivasan Ragothaman, University of South Dakota

[*Mandatory Audit Firm Rotation and Audit Quality: Evidence from the Korean Audit Market*](#)

Soo Young Kwon, Korea University; Youngdeok Lim, University of New South Wales; Roger Simnett, University of New South Wales;

Discussant: Brian Todd Carver, Mississippi State University

[*Voluntary Disclosure of Reasons for Auditor Changes and Capital Market Reaction: An Empirical Study*](#)

Mahmud Hossain, University of Memphis; Santanu Mitra, Wayne State University; Zabihollah Rezaee, University of Memphis;

Discussant: Brian R. Rountree, Rice University

Tuesday August 9, 2011 — 4:00 pm-5:30 pm

6.8 Audit Quality

(NASBA Field of Study: Auditing)

Moderator: Bradley P. Lawson, Texas A&M University

[*Audit Quality, Agency Costs, and Firm Value: The Case of Value of Cash and Capital Expenditures*](#)

Jeong-Bon Kim, City University of Hong Kong; Jay Junghun Lee, Hong Kong Baptist University; Jong Chool Park, Old Dominion University;

Discussant: Yoshie Saito, Eastern Illinois University

[*Auditor Capacity Stress and Investor Assessments of Audit Quality: Market-based Evidence from the Aftermath of Andersen's Indictment*](#)

Stephen C. Hansen, The George Washington University; Krishna R. Kumar, The George Washington University; Mary W. Sullivan, Federal Trade Commission;

Discussant: Troy Janes, Rutgers School of Business-Camden

[*Direct and Mediating Effects of Auditor Quality on Auditor Size and Performance*](#)

Yu-Shu Cheng, Kainan University, Taoyuan, Taiwan; Yahn-Shir Chen, Department of Accounting, College of Management, National Yunlin University of Science and Technology, Taiwan; Yu-Cheng Chen, National Chung Hsing University, Taiwan;

Discussant: Stephen P Rowe, University of Illinois at Urbana Champaign

6.9 Fraud and Auditing

(NASBA Field of Study: Auditing)

Moderator: G. Bradley Bennett, University of Alabama

[*Acquisition of Auditing Skills: Enhancing Skepticism, problem solving and beyond on the fraud continuum*](#)

Bernadette McCormack, University of Wollongong; Ted Watts, University of Wollongong;

Discussant: G. Bradley Bennett, University of Alabama

[How Does Rationalization and its Interactions with Pressure and Opportunity Affect the Likelihood of Earnings Management?](#)

Naman Desai, University of Central Florida; Greg Trompeter, University of Central Florida; Arnold Wright, Northeastern University;

Discussant: Tim D. Bauer, University of Waterloo

[Manager Narcissism as an Indicator of Fraud Attitude](#)

Eric N. Johnson, Indiana University-Indianapolis; John R. Kuhn, Jr., University of Louisville; Barbara Apostolou, West Virginia University; John Hassell, Indiana University-Indianapolis;

Discussant: Christine Nolder, Bentley University

6.10 SOX Effects

(NASBA Field of Study: Auditing)

Moderator: Keith T. Jones, University of North Alabama

[An Examination of Big 4 SEC Registrant Portfolio Characteristics Pre- and Post- the Adoption of PCAOB Auditing Standards No. 5](#)

Joseph H. Schroeder, Michigan State University; Chris E. Hogan, Michigan State University;

Discussant: Kimberly Dunn, Florida Atlantic University

[Does Sarbanes Oxley Section 404\(b\) lead to net benefits for small firms?](#)

Amy Dunbar, University of Connecticut; Li Qu, University of Connecticut;

Discussant: Marcy Shepardson, University of Texas at Austin

6.11 International Perspectives in Auditing

(NASBA Field of Study: Auditing)

Moderator: Kelsey Brasel, University of Alabama

[Client Importance and Auditor Opinions: International Evidence outside U.S.](#)

Gaoguang (Stephen) Zhou, The Hong Kong Polytechnic University; Xindong (Kevin) Zhu, Renmin University of China;

Discussant: Philip T. Lin, Queensland University of Technology

[Japanese Big 3 firms' response to clients' business risk: Greater audit effort or higher fees?](#)

Hyonok Kim, Tokyo Keizai University; Hironori Fukukawa, Hitotsubashi University;

Discussant: AyalewLulseged, University of North Carolina at Greensboro

[The effect of ownership structure on audit hours and audit fees: Evidence from Korea](#)

Soo Young Kwon, Korea University; Donghun Lee, Korea University; Eunsuh Lee, Korea University;

Discussant: BahramSoltani, University of Paris 1 Sorbonne

Wednesday August 10, 2011 — 10:15 am-11:45 am

7.8 Audit Committees

(NASBA Field of Study: Auditing)

Moderator: Carolyn Westfall, University of South Carolina

[Does Audit Committee Industry Expertise Affect the Likelihood of Financial Restatements?](#)

Jeff Cohen, Boston College; UdiHoitash, Northeastern University; Ganesh Krishnamoorthy, Northeastern

University; Arnold Wright, Northeastern University;

Discussant: Timothy J. Fogarty, Case Western Reserve University

[*Independent Audit Committee Characteristics and Real Earnings Management: Evidence after the Sarbanes-Oxley Act*](#)

Jerry Sun, University of Windsor; George Lan, University of Windsor; Guoping Liu, Ryerson University;

Discussant: Santanu Mitra, Wayne State University

7.9 Auditor Liability and Accountability

(NASBA Field of Study: Auditing)

Moderator: Kendall Bowlin, The University of Mississippi

[*Accounting Restatements and Auditor Accountability*](#)

Karen M. Hennes, University of Oklahoma; Andrew J. Leone, University of Miami; Brian P. Miller, Indiana University;

Discussant: Bradley P. Lawson, Texas A&M University

[*The Convergence of Auditing Standards: Implications of Auditor Liabilities and Audit Effort Costs*](#)

Minlei Ye, University of Toronto; Ping Zhang, University of Toronto;

Discussant: Martin Guohai Wu, University of Illinois

[*The Economics of Auditor Liability: The Impacts of Auditor Liability on Audit Value and Quality*](#)

Martin Guohai Wu, University of Illinois;

Discussant: Kendall Bowlin, The University of Mississippi

7.10 Audit Fees and Reputation

(NASBA Field of Study: Auditing)

Moderator: Thomas D. Dowdell, North Dakota State University

[*Does Reputation Discipline Big 4 Audit Firms?*](#)

Yanmin Gao, University of Alberta; Karim Jamal, University of Alberta; Qiliang Liu, Wuhan University; Le Luo, Peking University;

Discussant: Stephen L. Taylor, University of Technology-Sydney

[*Product Market Competition and Audit Fees*](#)

Yuequan Wang, The Hong Kong Polytechnic University;

Discussant: Bei Yang, Xi'an Jiaotong University

[*The Contagion Effect of Office-Level Audit Failures*](#)

Jere R. Francis, University of Missouri-Columbia; Paul N. Michas, University of Missouri-Columbia;

Discussant: Elisabeth Peltier Wagner, Baruch College-CUNY

7.11 Fraudulent Financial Reporting and Forensic Auditing

(NASBA Field of Study: Auditing)

Moderator: Michael Chris Knapp, University of Oklahoma

[*Differentiating Actors from Non-actors: The Case of Fraudulent Financial Reporting*](#)

Vasant Raval, Creighton University;

Discussant: Lawrence Chui, University of St. Thomas

[Modeling fraud detection and the incorporation of forensic specialists in the audit process](#)

Dominyka Sakalauskaite, Aarhus University;

Discussant: Andrew Reffett, Miami University

Wednesday August 10, 2011 — 2:00 pm-3:30 pm

8.9 Audit Report Timing

(NASBA Field of Study: Auditing)

Moderator: Carol C. Bishop, Kennesaw State University

[Audit Committee Directors' Financial Expertise and Audit Report Lag](#)

John L. Abernathy, Oklahoma State University; Brooke Beyer, Oklahoma State University; Chad Matthew Stefaniak, Oklahoma State University;

Discussant: Jason W. Matthews, The University of Georgia

[Causes and Consequences of Abnormally Long Audit Reporting Lags](#)

Doug Carmichael, Baruch College (CUNY); Alope (Al) Ghosh, Baruch College; Hakyin Lee, Baruch College (CUNY);

Discussant: scottbronson, university of kansas

[The Impact of Internal Audit Function Quality and Contribution on Audit Delays](#)

Mina Pizzini, Southern Methodist University; Shu Lin, University of California, Fresno; Mark E. Vargus, Drexel University; Douglass Ziegenfuss, Old Dominion University;

Discussant: Jason L. Smith, University of Nevada, Las Vegas

8.10 A Dialogue about Determinants of Audit Quality and Earnings Management

(NASBA Field of Study: Auditing)

Moderator: Kim Ittonen, University of Vaasa

[Earnings management and the auditing value in China](#)

Yi-Pei Liu, Providence University; Yu-Shu Cheng, Kainan University, Taoyuan, Taiwan;

[Female auditors and earnings management](#)

Kim Ittonen, University of Vaasa; Emilia Peni, University of Vaasa; Sami Vähämaa, University of Vaasa;

[Gender & Gender Composition of Auditors and Audit Quality& Audit Fees: Empirical Evidence from China](#)

Dan Shi, Guanghua School of Management, Peking University, Beijing, China; ChunFei Wang, Guanghua School of Management, Peking University, Beijing, China;

[The Role of Reputable Auditors and Underwriters in the Design of Bond Contracts](#)

Yun Lou, London Business School; Florin Vasvari, London Business School;

8.11 A Dialogue about Audit Committee Characteristics and Outcomes

(NASBA Field of Study: Auditing)

Moderator: Nathan H Cannon, Bentley University

[Accounting choices and audit committee members interlock](#)

Ravi Dharwadkar, Syracuse University; David Harris, Syracuse University; Linna Shi, Syracuse University;

[Audit Committee Characteristic and Loss Reserve Error](#)

Fang Sun, Hunter College, CUNY; Xiangjing Wei, Wilson College; Yang Xu, University of Kansas;

[Audit Committee Financial Experts and Insider Trading](#)

Scott Duellman, Saint Louis University; Jun Guo, State University of New York at Binghamton; Yan Zhang, State University of New York at Binghamton; Nan Zhou, State University of New York at Binghamton;

[What happen to auditor's fees where there are multiple links between audit committee members and audit partners?](#)

CM SarowarHossain, The University of New South Wales; Gary S. Monroe, University of New South Wales;

8.12 A Dialogue about Auditing and Internal Control Issues

(NASBA Field of Study: Auditing)

Moderator: Adam Micah Vitalis, University of Wisconsin - Madison

[A Re-examination of Voluntary Reporting on Internal Control: Evidence from China](#)

Fang Lou, Shanghai University of Finance and Economics; Rong Yang, SUNY, Brockport; Hongqi Yuan, Fudan University;

[The Effect of Compliance with Sarbanes-Oxley Act Section 404 on Earnings Quality of Small Companies](#)

Alexey Lyubimov, University of Central Florida; Greg Trompeter, University of Central Florida;

[The Effect of the Type and Number of Internal Control Weaknesses and their Remediation on Audit Fees](#)

Matthew J. Keane, Providence College; Randal Elder, Syracuse University; Susan M. Albring, Syracuse University;

[The Effect of Voluntary Internal Control Audits on the Cost of Capital](#)

Cory A. Cassell, University of Arkansas; Linda A. Myers, University of Arkansas; Jian Zhou, University of Hawaii at Manoa;

Wednesday August 10, 2011 — 4:00 pm-5:30 pm

9.4 A Dialogue about Auditor-Client Relationships and Effects

(NASBA Field of Study: Auditing)

Moderator: Tammie J. Rech-Schaefer, University of South Carolina

[Accountability within the review process: Exploring the effects of the auditor-client and auditor-auditor relationships](#)

Nicole R. McCoy, Louisiana Tech University ;

[Agency Conflicts and the Choice of Specialist Audit Firms and Individual Auditors: Signaling or Substantial Monitoring](#)

Hsiang-Tsai Chiang, Feng Chia University (Taiwan); Li-Jen He, Asia University;

[An empirical study of Canadian companies to determine the clients' preferred relationship approach with their financial auditor.](#)

Richard Fontaine, University of Quebec in Montreal ; Claude Pilote, University of Quebec in Montreal;

[An Experiential Investigation of Audit Professionals' Responses to Challenges Encountered in an Audit Engagement](#)

Donna D. Bobek Schmitt, University of Central Florida; Brian Daugherty, University of Wisconsin - Milwaukee; Robin R. Radtke, Florida Atlantic University;

[Global Audit Firm Networks and Their Credibility Impairment: Evidence from Japan and the U.S.](#)

Yoshie Saito , Eastern Illinois University; Fumiko Takeda, University of Tokyo;

9.5 A Dialogue about Audit Fees

(NASBA Field of Study: Auditing)

Moderator: Elisabeth Peltier Wagner, Baruch College-CUNY

[*Agency Conflicts and Audit Fees: An International Study*](#)

Chiraz Ben Ali, ESC Amiens; Cedric Lesage, HEC Paris;

[*Auditor Attributes and their Association with Audit Fees in Australia: An Empirical Study*](#)

Harjinder Singh, Curtin University; Rick Newby, University of Western Australia; J-L.W. Mitchell Van der Zahn, Curtin University;

[*Factors affecting audit fees in Europe: France, Germany, and the UK*](#)

Bahram Soltani, University of Paris 1 Sorbonne; Chedia Rekik, University of Paris 1 Sorbonne; Jean-

Francois Casta, University of Paris Dauphine;

[*The Effect of Private and Public Equity Ownership on Litigation Risk and Audit Fees*](#)

Brad A. Badertscher, University of Notre Dame; Bjorn N. Jorgensen, University of Colorado at Boulder; Sharon P. Katz, Columbia Business School;

9.6 A Dialogue about Internal and Forensic Auditing

(NASBA Field of Study: Auditing)

Moderator: Priscilla A. Burnaby, Bentley University

[*Internal Auditing in the Americas*](#)

Susan Hass, Simmons College; Priscilla A. Burnaby, Bentley University ;

[*Role of Internal Auditor Turnover and Its Information Content*](#)

Rajiv D. Banker, Temple University; Jagan Krishnan, Temple University; Fang-Chun Liu, Temple University; Chin-Shyh Ou, National Chung Cheng University;

[*The Value of a Certification in Fraud Examination: Users' Perceptions*](#)

Hyonsong Chong, Assistant Professor of Accounting; Quinton Booker, Bankplus Accounting Department Chair; Mark Morgan, Assistant Professor of Accounting;

9.7 The Role of Auditors in the Financial Crisis: Analysis, Discussion, and Possible Solutions

(NASBA Field of Study: Auditing)

Moderator: Tony Tinker, Baruch College, CUNY

Panelists:

George Mickhail, University of Wollongong

Akintola Owolabi, Pan-African University, Nigeria

Aida Sy, Manhattan College

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