

AUDITING SECTION BUSINESS MEETING
Saturday, January 19, 2008
8:30 a.m. – 9:45 a.m.
Sheraton Austin Hotel – Capital E Room

1. **Welcome and announcements:** Mark Peecher opened the meeting at 8:30 and welcomed attendees to the business meeting.
2. **Mid Year Meeting Update/Statistics:** Gary Peters reported the results of the mid-year meeting. The meeting had 271 preregistered attendees and 50 doctoral students registered for the consortium.
3. **Excellence in Audit Education Workshop Update/Statistics:** Mark Beasley reported on the workshop. Registration included 52 members and 18 speakers or panelists. Mark briefly described the program and indicated that another program would be held the following year.
4. **Doctoral Consortium Update/Statistics:** Mark Peecher presented the report on behalf of Vicky Hoffman and thanked her for her work in coordinating the doctoral consortium. Mark thanked and recognized the speakers and panelists participating this year. The program was oversubscribed and some of the participants were turned away, and Mark Peecher indicated that the section will discuss increasing the capacity of the consortium. Mark thanked the KPMG Foundation for its ongoing generous support of the consortium. Mark Zimbelman will coordinate the consortium the following year.
5. **Results of officer election:** Julia Higgs announced the election results. Urton Anderson was elected Vice President/-- Academic and Jay Thibodeau was elected Secretary. Bill Dilla and Gary Peters were thanked for their willingness to be on the ballot for the offices of Vice President –Academic and Secretary, respectively.
6. **AJPT Editor's Update:** Dan Simunic reported on the joint *Auditing: A Journal of Practice and Theory/Journal of Contemporary Accounting and Economics* symposium held a few weeks before in Singapore. Twenty-five papers were submitted through AJPT and four were selected for the AJPT slots allocated for the conference. Simunic announced these papers which will be published subject to the regular editorial process. Simunic reported that he has the other 21 papers in the review process and asked authors to understand possible delays in reviewing due to the high number of submissions. Overall, the journal observed an approximate 20 percent acceptance rate. Other comments in the report:
 - The cover page for the May 2008 issue was presented.
 - A number of practice and research notes were submitted.
 - The journal also includes research syntheses.
 - Dan Simunic is working on the editorial transition with Ken Trotman and probably foresees handling the papers that were in the pipeline when he accepted the editor's job.

7. **CIIA Editor's Update:** Dana Hermanson reported on the progress of the journal. He noted that all conference attendees should have received a *Current Issues in Auditing* mouse Pad. Dana thanked Scott Showalter, the co-editor, and members of the editorial board. To date, there have been 17 submissions with 7 rejections, and 6 acceptances and the remaining in the review process. There have been two commissioned papers. The new submission site is up and running and members were encouraged to submit papers. Tracey Sutherland thanked the auditing section for its work in launching the journal and assisting the association with understanding the new platform. The work on the platform initiated by the section and CIIA has improved the journal process for all AAA journals. Dana Hermanson noted that of the submissions, the commentaries and one paper were from practitioners. Joe Carcello asked if the editor could do anything to solicit additional articles from practitioners and the matter was discussed. Arnie Wright asked if there was a sense of whether practitioners were reading the journal. It was noted that it is not clear whether we can track the hits to the webpage. On a related note, Mark Peecher pointed out that members can use the RSS button on the CIIA page to be notified of changes to the page.
8. **Auditor's Report Editor's Update and Communication committee:** Jennifer Mueller was unable to travel to the meeting and Mark Peecher reported on her behalf. He indicated that there is a January 30 deadline for *The Auditor's Report*. Web site suggestions or updates should be communicated to Jennifer Mueller. There are efforts to update past award winners on the web page.
9. **Treasurer's Report:** Mark Taylor presented the treasurer's report with the 2006 and 2007 year end results. Total receipts are up \$2,000 from the prior year but some decreases in receipts for membership dues were noted, partially due to timing differences. Journal subscription receipts are down for library subscriptions. Expenses were down in 2007 resulting in a cash increase for the year of \$43,985.47. Mark Taylor indicated that he was not going to present a quarterly report because the timing difference on that report made the results difficult to interpret. Going forward, there won't be quarterly reports at the business meeting. Mark thanked KPMG for support of the meeting. A discussion from the floor was had about the growing cash flows. Joe Carcello asked about the increasing cash balance and noted that the cash balance of the section is far greater than the other sections. He noted that it might be appropriate to offer additional services to members. Ray Whittington noted the he had made a concerted effort to use the cash including launching the new journal and a commitment to spend more on technology in the mid-year meeting. Jay Thibodeau asked if we could offer complimentary memberships to practitioners.
10. **Report of the Auditing Standards Committee:** Tom Kozloski reported that the committee had been active in sponsoring a panel session at the mid-year meeting and responding to some exposure drafts of standard setting bodies.

11. **Report of the Education Committee:** Richard Riley reported that because of the audit education workshop, there was not a separate panel sponsored by the committee for the mid-year meeting. He indicated that the committee was planning a panel on auditing fair values for the annual meeting. Bob Ramsey asked that there be a summary of the Thursday's conference for either the Auditor's Report or CIIA. The committee will be active in coordinating the Excellence in Audit Education Conference in the future.
12. **Report of the Membership and Regional Coordinators Committee:** Tom Kozloski reported for Kevin Brown. The section membership is up 7%, and there has been a large increase in student memberships partially due to the free membership students get for attending the consortium. The committee will be reviewing the AAA membership at large to search for AAA members who are not members of the section who may have an interest in section activities.
13. **Report of the Research Committee:** Joe Brazel reported that two more people will be joining the committee. The PCAOB research syntheses continue to move along and some of the projects were presented at the PCAOB research conference.
14. **Report of the 2007 Annual Meeting Program Committee and the 2008 midyear conference:** Chris Hogan reported on the upcoming annual meeting in Anaheim as well as the 2009 mid-year meeting. There are 152 submissions for the annual meeting and she asked members to sign up as reviewers. She requested suggestions for panels for the annual meeting. For next year's mid-year meeting, the dates are January 15-17th. The location has not been finalized. The hope is that Washington, DC will be the location. Tim Louwers is co-chair for the 2008 annual meeting and Brian Ballou is the co-chair for the 2009 mid-year meeting.
15. **Remarks by President-Elect:** Audrey Gramling noted that as the incoming president she formed several impressions about the section including: the level of energy and enthusiasm of the members, the number of changes facing the profession moving forward, and the changes facing audit education.
16. **Other business** Mark Peecher opened the floor to other business. Topics included:
 - A discussion of the cash balance. Ray Whittington noted that his campaign promise was to spend some of the money and these initiatives included the online journal and the use of more technology in the midyear meeting. Mark Peecher noted that two items adopted recently will increase future costs: (1) Editorship of Ken Trotman will require some costs related to travel and (2) Washington DC will be a good location but may be a more expensive mid-year meeting.
 - Expanding the number of awards given. Mark Peecher noted that the executive committee had discussed expanding the outstanding auditing educator award. A discussion was held as to why and if there is a constraint of only having one winner? Peecher noted that there were many

outstanding nominees and that was a reasonable justification to have one for instruction and one for research. Discussion from the floor was favorable. Bill Felix said is a great idea. He also suggested that the nomination process be formalized, especially for the instruction award, and that the section ensure calls for nominations are adequately advertised. Jay Thibodeau said that the initiative is consistent with the Shared Vision document of the AAA. Arnie Wright is supportive of the idea. Joel Pike asked if separating the award would marginalize someone who was excellent at both. Andy Bailey mentioned whether the discussion should be expanded to the Service award. Bill Dilla mentioned that there is Innovation in Audit Education award and that there needs to be a better articulation about what each award is about and that the documentation and communication process needs to be improved. Jean Bedard suggested including a cash award.

- Using cash for some award winners. Mark Peecher indicated that there were three ways to expend cash for awards that were discussed by the executive committee. One is to begin a cash award to the Innovation in Auditing and Assurance Education Award as that award has few nominees and the cash might increase interest. The second use of cash recommended was for the Outstanding Dissertation Award which also has few nominees. Finally, the idea was suggested to have a cash award for the Best Paper submitted to the Mid-year meeting by a doctoral student. Bill Felix likes the idea of the Best Paper Award and suggested that the award include funding for travel and section membership to encourage international participation.
- Implementing a Best Reviewer Award. Bill Dilla and others noted that many other organizations offer such an award.
- Webcasts of meetings. Joe Carcello suggests that we have webcasts of meeting to expand the contents to members who cannot attend the meetings.

President Mark Peecher thanked everyone for attending and participating and the meeting was concluded at 9:45.