



Report of the President

Roger Martin



Greetings. I hope this finds you enjoying a combination of refreshment and productivity as the summer progresses.

We are planning for the AAA Annual Meeting next month in Anaheim, and hope to see many of you there. Chan Li, Mark Zimbleman and Raghu Raghunandan have been working for months on the Section's portion of the meeting, and I hope you will join me in thanking them for their work. The details they deal with are seemingly countless! Our

Section luncheon will be Monday, August 5th, and Stephen Chipman, CEO of Grant Thornton, LLP will be our guest speaker. I look forward to seeing you there to join in this great event.

I am always impressed with how Section business marches onward – but only because of the constant contributions made by its members. Even in the summer months, progress is evident:/p>

- The Center for Audit Quality and AAA Access to Audit Personnel Program announced four projects that were selected from nearly 50 proposals for this new program. The large number and high quality of submissions affirms the need for this innovative program, and we hope this is only a starting point. Thanks to all who submitted proposals, congratulations to those whose projects were selected, and a very special thank you to members of the Practice and Academic Review Committees who have worked so hard in the last year to move this effort forward.
• A Supplement issue of Auditing: A Journal of Practice and Theory has come out that contains eleven articles from the most recent PCAOB Synthesis Projects. Providing these articles in a single issue of AJPT will hopefully increase their exposure and influence for years to come. Thanks to all of the author teams for their work on these projects, and to Jeff Cohen and many reviewers for their work in putting together the Supplement.
• The 2013 Audit Educators' Boot Camp was held in the KPMG Chicago office in June. The event was fully subscribed (again!) and participants enjoyed a great opportunity to refresh and learn strategies for delivering current and high quality auditing courses back on their home campuses. Thanks to Frank Buckless and Christine Earley for their continued

INSIDE

Features

- PCAOB Standards Update
• GAO Update
• Publication Highlight: Current Issues in Auditing
• Have You Seen These Instructional Resources?
• Have You Seen?
• Have You Seen – Audit Section Sessions – 2013 AAA Annual Meeting

Calls and Announcements

- Center for Audit Quality Releases An Analysis of Alleged Auditor Deficiencies in SEC Fraud Investigations: 1998 – 2010
• Call for Submissions 2014 Auditing Section Conference
• 18th Annual Ethics Research Symposium
• 27th World Continuous Auditing and Reporting Symposium

leadership for this great resource to Section members.

The Annual Meeting marks the official transition date for Section officers each year, but work on managing that transition started many months ago. Mark Taylor, who will be President of the Auditing Section next year, has nearly completed the "staffing" of Section committees for the next year, and is already working with the incoming Committee Chairs to plan for initiatives and activities in the year to come. Thanks to all who volunteered for these roles – nearly a hundred different people are involved each year with standing committees, award selection committees and other service roles in the Section, and it is only through that collective effort and selfless contribution that the Section enjoys so much success.

Scott Showalter and Karla Johnstone will end their terms as officers of the Section in August, and I hope you will go out of your way to thank them for all they have done. Their contributions to the Section over the course of their careers are too numerous to list here, but we have been very fortunate to have their generosity and talents on the Executive Committee. I believe strongly that the Auditing Section continues to grow in its influence and value because we have such a wide range of active members – the seasoned veterans who contribute their leadership and innovation over and over again, the mid-career members who carry so much of the load in terms of service to the Section, and the great number of early-career members who not only get to benefit from all the Section does, but also get to observe just how important it is to work together to make the success of the Section possible. I hope this tradition continues for all to enjoy as much as I have throughout my career.

Good luck, enjoy the rest of the summer, and I hope to see you in Anaheim.

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\(for printing\)](#)

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Archive](#)

[Auditing Home Page](#)

Fall 2013 Issue Deadline

The deadline for material to be included in the Fall 2013 issue of *The Auditor's Report* is September 20, 2013. 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 September 10, 2013, to ensure timely publication of the issue:

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PCAOB Update — Summer 2013

Martin F. Baumann, PCAOB Chief Auditor
Gregory Scates, PCAOB Deputy Chief Auditor
Dima Andriyenko, PCAOB Associate Chief Auditor

Introduction

This Update addresses selected PCAOB developments since the Spring 2013 Update that are likely to be of interest to accounting and auditing researchers, educators, and students. The developments discussed include:

- Report on 2007-2010 Inspections of Domestic Firms That Audit 100 or Fewer Public Companies
- Announcement of Investor Advisory Group Members
- Proposal for the Reorganization of Auditing Standards
- Policy Statement on Extraordinary Cooperation in Connection with Board Investigations
- Reproposed Auditing Standard on Related Parties and Amendments Related to Significant Unusual Transactions
- PCAOB Standing Advisory Group Meeting
- Enforcement Cooperation Agreement with Chinese Regulators
- Adequacy and Equivalence Decisions of the European Commission
- 2013 PCAOB Scholarships

February 2013

Report on 2007-2010 Inspections of Domestic Firms That Audit 100 or Fewer Public Companies: On February 25, 2013, the Board released a report summarizing inspection observations identified in inspections of U.S. firms that audit 100 or fewer public companies. The report includes observations from 748 inspections of 578 domestic triennial firms conducted in the 2007-2010 period, and encompasses Inspection staff reviews of aspects of 1,801 audits.

Audit areas with frequent inspection findings included in the report related to:

- Auditing revenue recognition, share-based payments and equity financing instruments, convertible debt instruments, fair value measurements, business combinations and impairment of intangible and long-lived assets, accounting estimates, and related party transactions;
- Use of analytical procedures as substantive tests; and
- Audit procedures to respond to the risk of material misstatement due to fraud.

The report is available on the PCAOB website at:

http://pcaobus.org/Inspections/Documents/02252013_Release_2013_001.pdf.

March 2013

Announcement of Investor Advisory Group Members: On March 1, 2013 the Board announced 20 new and reappointed members of its Investor Advisory Group (IAG). These

members will serve three-year terms ending in October 2015.

The Board established the IAG in July 2009 as a forum for the investor community to provide views and advice on matters affecting investors and the work of the PCAOB.

Member biographies and information about the group are available on the PCAOB website at: <http://pcaobus.org/About/Advisory/Pages/IAG.aspx>.

Proposal for the Reorganization of Auditing Standards: On March 26, 2013, the Board issued for public comment a proposal for the reorganization of PCAOB auditing standards, as well as certain related amendments to its rules and standards.

The proposed reorganization is intended to present the standards in a logical order that generally follows the flow of the audit process. According to the proposal, all PCAOB auditing standards (interim and PCAOB-issued) would be grouped into the following categories with a single integrated numbering system: general auditing standards, audit procedures, auditor reporting, matters relating to filings under federal securities laws, and other matters associated with audits.

The proposed reorganization and related amendments are available on the PCAOB website at: http://pcaobus.org/Rules/Rulemaking/Docket040/Release_2013_002_Proposed_Framework.pdf.

April 2013

Policy Statement on Extraordinary Cooperation in Connection with Board Investigations: On April 24, 2013, the Board published a formal statement concerning the benefits that may be available to registered public accounting firms and individuals who provide extraordinary cooperation in PCAOB investigations.

According to the policy statement, extraordinary cooperation is voluntary and timely action beyond compliance with legal or regulatory obligations. Credit for cooperation may result in reduced charges or sanctions in a disciplinary proceeding. In some cases, extraordinary cooperation may lead to language in settlement documents noting the cooperation and its effect. In exceptional cases, extraordinary cooperation could lead to no disciplinary action at all.

The policy statement is available on the PCAOB website at: http://pcaobus.org/Enforcement/Documents/Release_2013_003.pdf.

May 2013

Reproposed Auditing Standard on Related Parties and Amendments Related to Significant Unusual Transactions: On May 7, 2013, the Board reproposed for public comment an auditing standard, *Related Parties*, and related amendments to other standards to address areas that have been contributing factors in a number of financial reporting frauds.

The reproposed standard, if adopted, would increase the auditor's focus on the evaluation of a company's identification of, accounting for, and disclosure of its relationships and transactions with related parties. In addition, the reproposed amendments, if adopted, would enhance the auditor's identification and evaluation of a company's significant unusual transactions. The reproposed amendments also would require that the auditor perform procedures to obtain an understanding of a company's financial relationships and transactions with executive officers.

The reproposed auditing standard would supersede the Board's existing auditing standard AU sec. 334, *Related Parties*. The reproposed amendments would amend other auditing standards, including AU sec. 316, *Consideration of Fraud in a Financial Statement Audit*, and Auditing Standard No. 12, *Identifying and Assessing Risks of Material Misstatement*.

The reproposed standard and related amendments are available on the PCAOB website at: http://pcaobus.org/Rules/Rulemaking/Docket038/Release%202013-04_Related%20Parties.pdf.

PCAOB Standing Advisory Group (SAG) Meeting: On May 15-16, 2013, the Board's SAG

held its first meeting of the year. The meeting agenda included updates from Chairman Doty on PCAOB developments and Chief Auditor Martin Baumann on PCAOB standard-setting activities. Meeting participants and PCAOB staff also held discussions on the repropoed standard and amendments on related parties and significant unusual transactions, the Board's future general reports, audit quality indicators, and outreach with audit committees about PCAOB activities.

With respect to the Board's future general reports, this discussion was focused on matters for the Board to consider in improving the usefulness of its publicly issued reports which are the primary medium for discussing audit quality issues. The discussion on audit quality indicators sought SAG members' views regarding which measures of audit quality might be most helpful to audit committees and investors when evaluating audit services at the engagement team or firm level. Finally, the discussion on PCAOB outreach to audit committees centered on potential enhancements to the PCAOB's outreach to and interaction with members of audit committees.

The meeting materials, including the agenda, briefing papers, slides, and meeting webcast and podcast can be found on the PCAOB website at:

http://pcaobus.org/News/Events/Pages/05152013_SAG.aspx.

Enforcement Cooperation Agreement with Chinese Regulators: On May 24, 2013, the Board announced that it had entered into a Memorandum of Understanding (MOU) on Enforcement Cooperation with the China Securities Regulatory Commission (CSRC) and the Ministry of Finance (MOF).

The MOU establishes a cooperative framework between the parties for the production and exchange of audit documents relevant to investigations in both countries' respective jurisdictions. More specifically, it provides a mechanism for the parties to request and receive from each other assistance in obtaining documents and information in furtherance of their investigative duties.

In addition to developing the enforcement MOU, the PCAOB has been engaged in continuing discussions with the CSRC and MOF to permit joint inspections in China of audit firms that are registered with the PCAOB and audit Chinese companies that trade on U.S. exchanges.

The MOU is available on the PCAOB's website at:

http://pcaobus.org/International/Documents/MOU_China.pdf.

June 2013

Adequacy and Equivalence Decisions of the European Commission: On June 11, 2013, the European Commission ("EC") adopted renewed Adequacy and Equivalence Decisions regarding the PCAOB which are effective through July 31, 2016.

The Adequacy Decision deems the PCAOB and SEC "adequate" for purposes of protecting the confidentiality of personal data, business sensitive information, and professional secrecy such that audit regulators in the European Union ("EU") can conclude bilateral Statements of Protocol (SOPs) and permit audit firms in their jurisdictions to transfer audit work papers to the PCAOB and SEC in connection with inspections and investigations. As a result, the PCAOB and its EU counterparts are seeking to extend the existing six SOPs that the Board has with EU member state regulators (UK, Germany, Netherlands, Spain, France, and Finland). The PCAOB also can now conclude SOPs with the other EU member state regulators with whom the Board must conclude such SOPs to inspect in those jurisdictions.

The Equivalency Decision is a separate and distinct decision that impacts EU member state regulators rather than the PCAOB. The Equivalency Decision states that the United States has a public oversight, quality assurance (inspections), investigation, and penalty system for auditors and audit entities that operates under similar rules to those in effect in the EU, thus permitting audit regulators in EU member states to exempt from registration and oversight audit firms from the United States that conduct audits of companies whose securities trade in EU markets.

Both decisions are available on the European Commission's website at:
http://ec.europa.eu/internal_market/auditing/relations/index_en.htm.

2013 PCAOB Scholarships: On June 24, 2013, the PCAOB announced that one student at each of 77 selected colleges and universities have been awarded a scholarship of \$10,000. This is the Board's third year granting scholarships. Students eligible to receive a PCAOB scholarship must:

- Be enrolled in a bachelor's or master's degree program in accounting
- Demonstrate interest and aptitude in accounting and auditing
- Demonstrate high ethical standards
- Not be a PCAOB employee or a child or spouse of a PCAOB employee

The PCAOB scholarship program is merit-based, and educational institutions are encouraged to give consideration to students from populations that have been historically underrepresented in the accounting profession.

A description of the PCAOB scholarship program, along with information on the nomination process, the selection of nominating institutions and other program details can be found on the PCAOB website at: <http://pcaobus.org/Research/Pages/AcademicScholarship.aspx>.

[Back to Contents Page](#)

[Next](#)



GAO Update

Steve Sebastian and Maxine Hattery

31 New Areas for Greater Efficiency and Effectiveness

Comptroller General (CG) Gene Dodaro testified for nearly two hours before the House Committee on Oversight and Government Reform on GAO's third major report on opportunities for efficiency, cost savings, and revenue enhancement. Accompanying the CG were managing directors of several of the teams across GAO who contributed to the report in their areas of expertise.

Congress mandated the annual report in 2010 legislation raising the public debt limit. It requires GAO to report annually on federal programs, agencies, offices, and initiatives, either within departments or governmentwide, that have duplicative goals or activities.

In its 2013 report, GAO identified 81 actions in 31 areas by the executive branch or Congress. More than half are areas of fragmentation, overlap, or duplication where multiple programs and activities may be creating inefficiencies.

Through the three reports so far, GAO has identified approximately 380 actions. The 162 areas GAO has identified cover activities within all 15 cabinet-level executive departments and 17 other federal entities. "Collectively, if the actions GAO suggests are implemented," the CG testified, "the government could potentially save tens of billions of dollars annually."

Website Visitors Can Follow the Action

Because GAO continues to monitor the progress executive branch agencies and Congress have made in addressing the areas identified in the previous reports, a new addition to the Duplication and Cost Savings Page has drawn attention. GAO's Action Tracker is being widely used to access information about its recommendations and actions taken to reduce overlap and duplication and to save costs and enhance revenue.

GAO makes it easy to keep tabs on all the suggested improvement actions from its duplication and savings reports. Users can scroll through all the actions in all the areas or filter by "fragmentation, overlap, or duplication" or "cost savings or revenue enhancement" or area. Under the cross-agency area of "General Government," for example, GAO suggests several actions IRS could take to improve tax collections and enforcement, including two targeted to "networks of businesses" for an agencywide approach to "addressing tax evasion among the at least 1 million networks of businesses and related entities." Finally, the user can find out whether an agency has addressed, not addressed, or partially addressed the suggestions, and, more specifically, what progress has been made. For example, IRS has partially addressed the suggested actions for certain networks of businesses issues. While IRS "has not yet created a documented, agencywide strategy to manage network noncompliance efforts," the Tracker says, "it has developed elements of a strategy, as GAO recommended in September 2010."

The multimedia Action Tracker provides 14 graphic elements that tell the story with graphics and a podcast with GAO Managing Director Orice Williams Brown outlining the findings of this year's annual report.

Access GAO's Action Tracker from the GAO.gov homepage; just click on the "Duplication & Cost Savings" medallion.

Duplication Report & Testimony

Information Technology: OMB and Agencies Need to Focus Continued Attention on Eliminating Duplicative Investments, [GAO-13-685T](#), June 11

Government Efficiency and Effectiveness: Opportunities to Reduce Fragmentation, Overlap, and Duplication through Enhanced Performance Management and Oversight, by CG Gene Dodaro before the Senate Committee On Homeland Security and Governmental Affairs, [GAO-13-590T](#), May 22.

Department of Homeland Security: Opportunities Exist to Strengthen Efficiency and Effectiveness, Achieve Cost Savings, and Improve Management Functions, [GAO-13-547T](#), April 26

Agricultural Research: Two USDA Agencies Can Enhance Safeguards against Project Duplication and Strengthen Collaborative Planning, [GAO-13-255](#), April 12

Science, Technology, Engineering, and Mathematics Education: Governmentwide Strategy Needed to Better Manage Overlapping Programs by George Scott, EWIS, before the House Education and Early Childhood, Elementary, and Secondary Education Subcommittee, the House Workforce Committee, [GAO-13-529T](#), April 10

2013 Annual Report: Actions Needed to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits, [GAO-13-279SP](#), April 9

See also: Podcast: [Reducing Government Duplication and Saving Tax Dollars](#) and Video: [Comptroller General Testifies to U.S. House on Government Efficiency and Effectiveness](#)

Diversity and Inclusion Month: Auditor Fellows Discuss Life Abroad at Cross-Cultural Open House

GAO employees had an opportunity to meet 20 auditors from 15 countries who are participating in the 2013 International Auditor Fellowship Program at a cross-cultural open house along GAO headquarters' main corridor. The participants have been at GAO since March 27 and are well into an intensive four-month training program designed to strengthen the capacity of Supreme Audit Institutions (SAI) as they fulfill their missions and improve accountability and governance worldwide. This year's fellows represent the SAIs of Brazil, China, Hungary, India, Kenya, Kuwait, Nigeria, Rwanda, South Africa, Tanzania, Thailand, Uganda, United Arab Emirates, Yemen, and Zambia

At the open house, a highlight of GAO's Diversity Month activities, the fellows shared information about their countries through colorful displays of their diverse geography, people, culture, and crafts. The wall of the main corridor was covered with beautiful scenery, forests, oceans, mountains, cities with ultramodern soaring skyscrapers and elaborate ancient palaces, and, from India, Bollywood stars. On tables were works of art and craft and tasty treats, including candy from the less-well-known Brazilian June festival and chewing gum from the sap of Yemeni frankincense trees.

Between tables and wall, these visiting auditors, many in traditional dress, welcomed fellows and GAO staff with fascinating facts and insights about their homelands. The 4-month program is at its midpoint, and the fellows are working on papers they will submit to their respective SAI with recommendations that stem from what they have learned in the U.S. The training delivers more than just auditing, according to Alphonso Malambo, a principal auditor from Zambia's SAI. He said that he has also

learned about management and more. The experience has broadened his thinking, he said, and made him a new person.

GAO's Telework Pilot Receives Award

GAO was among eight federal agencies to receive a Mobile Work Exchange 2013 Tele-Vision Award. The Tele-Vision Awards recognize excellence in government telework and mobility programs and their accomplishments.

GAO was recognized with an Honorable Mention Award for introducing the enhanced telework and workspace sharing pilot program to the Boston and San Francisco field offices.

GAO introduced the telework and work-space-sharing pilot program to the Boston and San Francisco field offices in fiscal year 2012 with governing principles to maintain GAO's historical levels of quality and productivity, reduce infrastructure and transit costs, and provide enhanced flexibility for employee's work/life balance. The program gave participating employees teleworking 50 percent or more of their schedule the option to receive a suite of tools at their alternate worksites and training to ensure employees were comfortable and competent using a hoteling reservation system, desktop video conferencing, and VoIP.

The pilot helped GAO realize a cost savings of \$1.2 million in lease and security costs. In addition to these savings, the pilot program reduced the offices' physical footprint by nearly half, and reduced transit benefits in San Francisco (9.2 percent) and in Boston (12.9 percent). The program also reported a 6.5 percent increase in average telework participation – rising to three or more days per pay period.

A survey found that employees who participated in the pilot experienced no change in the productivity or quality of their work product. Additionally, 98 percent of employees from work teams that included an expanded teleworker reported positive or the same feedback on employees participating in the pilot. As a result of this success, GAO is currently expanding these pilots to 5 additional field locations.

The Mobile Work Exchange, the new Telework Exchange, is a public-private partnership focused on demonstrating the value of mobility and telework, and serving the emerging educational and communication requirements of the federal mobile/telework community.

New Mobile Android App Now Available

Since GAO released a mobile application for iPhones last year, Android traffic to GAO.gov has increased 27%. The Product Line Steering Committee has continued to work on developing an app for Android devices as a part of GAO's continuing effort to meet users where they are, on whatever device they are using, and to disseminate its work through a broad range of channels. The free app provides direct, simple, mobile access to new reports, testimonies, videos, and podcasts.

"The development of this Android application helps us further meet the needs of those who access our reports, podcasts, and videos on mobile devices," said CG Gene Dodaro, "The agency remains committed to ensuring that Congress and the American people have easy access to our report findings and recommendations for improving government performance."

Users can download the Android application from the Google Play store.

Recent Reports and Testimony

Managing For Results: Executive Branch Should More Fully Implement the GPRA Modernization Act to Address Pressing Governance Challenges, [GAO-13-518](#), Jun 26, 2013

Haiti Reconstruction: USAID Infrastructure Projects Have Had Mixed Results and Face

Sustainability Challenges, [GAO-13-558](#), Jun 18, 2013

Defense Contractors: Information on the Impact of Reducing the Cap on Employee Compensation Costs, [GAO-13-566](#), Jun 19, 2013

Patient Protection and Affordable Care Act: Status of CMS Efforts to Establish Federally Facilitated Health Insurance Exchanges, [GAO-13-601](#), Jun 19, 2013

Export-Import Bank: Recent Growth Underscores Need for Improved Risk Management and Reporting, [GAO-13-703T](#), Jun 13, 2013

Financial Institutions: Causes and Consequences of Recent Community Bank Failures, [GAO-13-704T](#), Jun 13, 2013

DOD Financial Management: Significant Improvements Needed in Efforts to Address Improper Payment Requirements, [GAO-13-227](#), June 6, 2013

Tax Refunds: IRS Is Exploring Verification Improvements, but Needs to Better Manage Risks, [GAO-13-515](#), June 4, 2013

[Back to Contents Page](#)

[Next](#)



American
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THE AUDITOR'S REPORT

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AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Current Issues in Auditing

Rich Houston

Current Issues in Auditing, published by the Auditing Section of the American Accounting Association. (<http://aaapubs.org/loi/ciia/>), contains articles, commentaries, and practitioner summaries of interest to both the academic and practitioner community. Articles are published online very soon after they are accepted, so please check the website often to view newly published articles.

Also, please consider submitting your work to *Current Issues in Auditing* (website for authors: <http://ciia.allentrack.net/cgi-bin/main.plex>). We invite regular articles and commentaries (including those related to the various projects currently being considered by the PCAOB) as well as practitioner summaries and educational resources.

We also invite you to access recently accepted articles not yet online in the journal at: <http://aaapubs.org/toc/ciia/0/0>.

Before I provide information about recently accepted articles, I'd like to say that this is the last time I will write this update—my term as editor expired on June 30. I have loved editing the journal and I've learned a great deal about the editorial process and about auditing. I thank everyone who has submitted articles and performed reviews, as well as the staff at AAA, who are great. I'd also like to thank Dana Hermanson, as well as Scott Showalter and Dorsey Baskin—I've learned a lot from each of them. Finally, I wish Greg Jenkins, the incoming editor the best of luck—I have no doubt that he will do a great job.

Thank you,
Rich Houston.

Published and recently accepted articles include:

Multiple Auditing Standards and Standard Setting: Implications for Practice and Education, by Charles P. Cullinan, Christine E. Earley, and Pamela B. Roush. Available at: <http://aaajournals.org/doi/pdf/10.2308/ciia-50344>

An Interview Study to Understand the Reasons Clients Change Audit Firms and the Client's Perceived Value of the Audit Service, by Richard Fontaine, Soumaya Ben Lataifa, and David N. Herda. Available at: <http://aaajournals.org/doi/pdf/10.2308/ciia-50476>

Do Auditing Standards Matter?, by W. Robert Knechel. Available at: <http://aaajournals.org/doi/pdf/10.2308/ciia-50499>

We have several articles in the review process, and some may be available on the website fairly soon. Submissions have been up thus far this year—please continue to submit your work to CIIA.

Commentaries.

We also have recently accepted for publication commentaries from the Section's

Auditing Standards Committee. We refer you to <http://aaajournals.org/doi/pdf/10.2308/ciia-50478>, <http://aaajournals.org/doi/pdf/10.2308/ciia-50475>, <http://aaajournals.org/doi/pdf/10.2308/ciia-50336>, and <http://aaajournals.org/doi/pdf/10.2308/ciia-50389>.

Practitioner Summaries of Academic Research.

We have published and recently accepted several such summaries, which we believe will be of great interest to academics, practitioners, and regulators. The most recent are included at <http://aaajournals.org/toc/ciia/7/1>.

Educational Resources. Finally, we have introduced another section of the journal that will include brief audit cases. Our intention is to consider cases and other materials that are perhaps not as detailed as those published in other journals, and our intention is to process them quickly in order to disseminate them to educators and practitioners on a timely basis. To give you an idea of the intended content of the section (we have not yet accepted any articles for this section), we provide the following summary:

Instructional Resources will include cases derived from actual or simulated business activity that are in line with the objectives of CIIA and are designed to provide timely instructional resources to auditing instructors. The instructional resources also include specific classroom exercises that are designed to enhance student understanding of current auditing issues. Thus, the resources should address current issues facing the auditing practice community (e.g., new opportunities and challenges, emerging areas, global developments, effects of new regulations or pronouncements, and effects of technological or market developments on audit processes). We define "auditing practice" broadly to include practice-related issues in external auditing, internal auditing, government auditing, IT auditing, assurance services, and related fields. Instructional resources, inclusive of implementation guidance, should follow the editorial guidelines of CIIA and should be a maximum of 2,500 words. The resources should be designed for immediate use by accounting faculty and should have two self-contained parts: the resource material itself (denoted "Instructional Resource"), and a separate instructor's implementation guide (denoted "Instructional Resource Implementation Guide"). Each section should be submitted in a separate file and should have its own references and footnotes.

We have several articles, commentaries, and practitioner summaries that soon will be available. Thanks for you continued support of *Current Issues in Auditing* and, again, we invite you to submit your work.

[Back to Contents Page](#)

[Next](#)

Have You Seen These Instructional Resources?

By the 2013-2014 Education Committee of the Auditing Section of the AAA

Karen L. Hooks - Florida Atlantic University, Chair

Allen Blay - Florida State University

Barry Bryan – Southern Methodist University

Kathy Hurtt - Baylor University

Thomas Kozloski - Saint Mary's University

Michael K. Shaub - Texas A&M University

Jason Smith - University of Nevada

Topic/Title	Source	Description	Link
General			
Issues of Importance to Accounting Profession	AICPA	White papers - Providing commentary and insight on topics of importance to the accounting profession.	http://www.aicpa.org/Research/WhitePapers/Pages/AICPA-WhitePapers.aspx
Various documents of possible interest to educators	Clifton Gunderson	Articles and white papers.	http://www.cliftoncpa.com/Resources/Whitepapers/?Service=Audit
Various documents of possible interest to educators	Eisner Amper	Articles	http://www.eisneramper.com/resource-center/articles/?search=true&p1=249
Auditing and Accounting	Marks Paneth & Shron	Various auditing and accounting alerts: convergence of US GAAP and IFRS	http://www.markspaneth.com/library/by-service
Liability or equity?	Grant Thornton	The guide contains an overview of IAS 32 and its classification process,	http://www.grantthornton.ca/resources/insights/adviser_alerts/Liability%20or%20equity%20guide%20to%20IAS%2032%20March%202013_en.pdf
Topic/Title	Source	Description	Link
Accounting Education – Faculty	AICPA	AICPA resources for use by accounting educators	http://www.aicpa.org/INTERESTAREAS/ACCOUNTINGEDUCATION/RESOURC

Resources		including career awareness materials, curriculum tools, scholarship and award program applications, and student competency assessment framework.	ES/Pages/default.aspx
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Auditing and Assurance

Why global businesses need a global audit network	PWC	Importance of large multi-disciplinary networks to create high-quality audits.	http://www.pwc.com/gx/en/audit-services/publications/assets/pwc-mapping-complexity-case-study-october-2012-final.pdf
Auditing firm rotation, financial reporting and independence	PWC	Finding other ways to create independence between companies and audit firms other than through audit firm rotation.	http://www.pwc.com/gx/en/audit-services/publications/regulatory-debate/mandatory-firm-rotation.jhtml
Competition and choice in the audit market	PWC	Addressing the issues of regulation on auditing firms to create more competition among audit firms by allowing smaller audit firms to grow.	http://www.pwc.com/gx/en/audit-services/publications/regulatory-debate/competition-choice-audit-market.jhtml
Assurance Services	Cherry Bekaert	Kits and Tools on accounting services, assurance services, and audit services.	http://www.cbh.com/guidance/kits-tools/assurance-services/
Latest news, events, research and insights for Audit and Accounting	Parente Beard	Weekly Audit & Accounting e-alert	http://www.parentebeard.com/category/e-alerts/audit-accounting-e-alerts/
Topic/Title	Source	Description	Link
Center for Audit Quality - Resources	AICPA	Web resources and publications relevant to performing public company audit.	http://www.aicpa.org/INTERESTAREAS/CENTERFORAUDITQUALITY/RESOURCES/Pages/Resources.aspx
Government Audit	AICPA	The Governmental Audit Quality Center (GAQC)	http://www.aicpa.org/INTERESTAREAS

Quality Center		promotes the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. News, publications, and resources.	S/GOVERNMENTALAUDITQUALITY/Pages/GAQC.aspx
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Governance and Audit Committees

Governance, transparency and the audit committee	PWC	The importance of audit committees to the integrity and quality of audits, continuously keeping them up to date with information, and providing regulators with more transparent reports.	http://www.pwc.com/gx/en/audit-services/publications/regulatory-debate/governance-transparency.jhtml
Revised communications with audit committees of public companies	McGladery	Summary - Public Company Accounting Oversight Board (PCAOB) Auditing Standard (AS) No.16	https://mcgladrey.com/Assurance/Revised-communications-with-audit-committees-of-public-companies
Global Boardroom Insights - Top Challenges for 2013: The Audit Committee Perspective	KPMG	Point of view on strengthening audit committee/auditor communications and the impact of technology.	http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Pages/aci-global-boardroom-insights-2013.aspx
Topic/Title	Source	Description	Link
Audit Committee Priorities for 2013	KPMG	Covers areas of audit committee involvement to help support the board on governance issues.	http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Pages/audit-committee-priorities-2013.aspx
KPMG's Global Audit Committee Survey	KPMG	Reference base for audit committees on current practices, finding improvements, dealing with risk, and new ways audit committees and boards are working together.	http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Pages/global-audit-committee-survey-2013.aspx

Audit Committees - raising the bar on audit quality (Web Cast)	Deloitte	Focus on the quality of financial reporting and disclosure and the assurance of audit quality from the audit committee.	http://www.corpgov.deloitte.com/site/caneng//board-and-committees/board/the-directors-series/webcast/jan-10-2013
Audit Committee Brief	Deloitte	Publications of recommendations, overviews of corporate governance resources, regulatory and legislative environment outlooks, and technical updates.	http://www.corpgov.deloitte.com/site/CanEng/deloitte-periodicals/audit-committee-brief/
Audit Committee Guide for Financial Institutions	McGladery	Guidance on financial reporting process, control environment, risk assessment, including fraud risk, external audit, internal audit, regulatory and compliance issues, and conflicts of interest.	https://mcgladrey.com/Banking-Financial-Institutions/Audit-Committee-Guide-for-Financial-Institutions
International Auditing	ICAS	Publications: Balanced and Reasonable, Professional Judgment Framework, Future of Assurance	http://icas.org.uk/Auditing/Publications/
Topic/Title	Source	Description	Link
Audit Standards	ICAEW	Find guides, comparisons between local GAAP and international standards, links to standards online, books and articles and other resources.	http://www.icaew.com/en/library/subject-gateways/auditing
Audit and Assurance Faculty - Audit and beyond	ICAEW	Newsletters with best practices and topical issues in auditing.	http://www.icaew.com/en/technical/audit-and-assurance/faculty/audit-and-beyond
Audit and Assurance Faculty - Technical Updates	ICAEW	Covers publications by the Accounting Standards Board, International Accounting Standards Board, Auditing Practices Board, International Auditing and Assurance Standards Board, and	http://www.icaew.com/en/technical/audit-and-assurance/faculty/technical-update

		associated bodies.	
Audit and Assurance Faculty - Publications	ICAEW	Technical guidance and best practice publications for auditors.	http://www.icaew.com/en/technical/audit-and-assurance/faculty/audit-and-assurance-faculty-publications
Audit and Assurance - Webinars	ICAEW	Various webinars from the Audit and Assurance Faculty	http://www.icaew.com/en/technical/audit-and-assurance/faculty/webcasts
Assurance and accounting library	BDO Dunwoody	Assurance and accounting publications including: IFRS, ASPE, ASNPO, and PSAB.	http://www.bdo.ca/en/Library/Services/assurance-and-accounting/pages/default.aspx
Audit and Assurance - The future of audit	ICAEW	ICAEW sees a need for revaluing the role audit and assurance has on firms and ways to enhance these benefits in the future.	http://www.icaew.com/en/technical/audit-and-assurance/the-future-of-audit
Topic/Title	Source	Description	Link
Auditing Standards - Canada	Financial Reporting & Assurance Standards Canada	Breakdown of auditing standards in Canada.	http://www.frascanada.ca/canadian-auditing-standards/resources/basis-for-conclusions/index.aspx
Auditing	ICAS	Various submissions and publications on auditing topics.	http://icas.org.uk/Auditing/Submissions/
Forensic			
Forensic and Valuation Services - Resources	AICPA	Provides resources, tools, and information about forensic and valuation services.	http://www.aicpa.org/InterestAreas/ForensicAndValuation/Pages/ForensicValuationHome.aspx
Valuation and Forensic Services Practice Whitepaper: "True Economic Income: Going beyond the audited statement"	Citrin Cooperman	Describes how a forensic audit is different from a conventional audit and how it uncovers true economic income.	http://www.citrincooperman.com/news-events/399/



**American
Accounting
Association**

THE AUDITOR'S REPORT

**Volume 36, No. 3
Summer 2013**

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Have You Seen?

Tamara Lambert
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Benjamin Luippold
Georgia State University

James D. Whitworth
University of North Carolina-Wilmington

"Exploration of Skepticism, Client-specific Experiences, and Audit Judgments."
By Velina Popova. *Managerial Auditing Journal* 2013 28 (2): 88-113.

This study examines two elements of professional skepticism (as defined by Nelson 2009) and their impact on auditor fraud judgments: skepticism arising from personal traits and skepticism from previous experiences with a client. The author posits that auditors are more likely to initially consider an unexplained variance as fraudulent when they have had more negative experiences with the client (H1) and have higher levels of trait skepticism (H2). Also she expects that differences in fraud judgments given previous client experiences will be significant for auditors with low levels of trait skepticism (H3). Upper level accounting students participated in an experiment involving two stages (one week apart). In stage one, participants responded to the professional skepticism scale developed by Hurtt (2010) – which enabled participants to be classified as having low or high trait skepticism. In stage two, participants were presented with a misstatement discovered during an audit of a client where the previous experience with this client was manipulated at three levels (positive, negative or none) and made an initial assessment of whether the misstatement was fraud or error. They then received additional evidence with items suggesting both fraud and unintentional error and made a final assessment of the cause of the misstatement. The results of the experiment suggest that client specific experiences influence an auditor's fraud decision – particularly when trait skepticism is low. That is, when auditors have negative experiences with a client, they are more likely to initially judge misstatements as fraudulent activity compared to auditors with positive client experiences. Additional analyses suggest that these findings are fully mediated by the level of perceived trustworthiness of the client.

"Auditor Liability: A Comparison of Judge and Juror Verdicts." By Barbara Arel, Marianne Jennings, Kurt Pany and Phil Reckers. *Journal of Accounting and Public Policy* 2012 (31): 516-532

This study investigates how auditor liability judgments rendered by either judges or jurors are different given the auditor's choice to rely on outsourced work (i.e., either the client's internal audit or an outsourced external auditor). Legal research suggests that judges may be able to better differentiate levels of causality and sufficiency of professional care because their expertise has enabled them to develop more sophisticated causal frameworks with which to render decisions (Jennings et al. 1998).

Jurors, who likely lack such expertise and causal frameworks, are more likely to rely on their overall attitudes of the auditing profession. The authors hypothesize that judges' liability assessments will be sensitive to the auditors' reliance on outsourced work (with the most liability extending to auditors who rely on internal audit), while jurors' liability judgments will be insensitive to auditors' outsourcing choices. In addition, they also hypothesize that attitudes toward auditors will partially mediate this predicted interactive effect. The experiment involved a 3x2 between participant design which manipulated the auditor reliance at three levels (rely on internal audit, rely on outsourced external audit, no reliance). The second variable was measured participant type (either judges or jurors). Participants read a hypothetical case where an auditor was sued for not identifying a material weakness in internal controls that led to a material misstatement. The results show that jurors assign a high level of liability to auditors regardless of who performed the work; while judges assign the most blame to auditors who rely on internal auditors, less to auditors who rely on outsourced auditors, and the least to auditors who perform the work themselves. These results are partially mediated by the participants' attitudes towards auditors. Overall the authors conclude that jurors may apply a strict liability perspective when making liability judgments, while judges consider other factors.

"The Effects of Time Budget Pressure and Intentionality on Audit Supervisors' Response to Audit Staff False Sign-off." By Troy Hyatt and Mark Taylor. *International Journal of Auditing* 2013 (17): 38-53.

Previous research has found that auditors sometimes falsely sign-off on audit steps (Coram et al. 2008) and supervisors who detect false sign-off do not necessarily report it (Kaplan 1995). To extend this line of research, this study examines whether time budget pressure and intentionality of false sign-off are factors that impact a supervisor's decision whether or not to report such misconduct. Relying on psychology literature on retributive justice (e.g., Miller and Vidmar 1981), the authors hypothesize that audit supervisors will be more likely to report staff members' false sign-off when the staff member experiences low time budget pressure (H1) and when the false sign-off is intentional (H2). Audit supervisors completed a hypothetical case where they were reviewing the work of a staff member and determined that the staff member falsely signed-off on an audit step. They manipulated whether the time budget pressure was high or low and whether they determined the false sign-off to be intentional or unintentional. The results suggest that audit supervisors are more likely to report the false sign-off when time budget pressure is low and when the false sign-off appears intentional. Furthermore, several participants indicated actual experience in uncovering both intentional and unintentional false sign-off on previous audit engagements, which suggests that this issue is a continuing problem in the audit profession.

"Empirical Evidence on the Implicit Determinants of Compensation in Big Four Audit Partnerships" by W. Robert Knechel, Lasse Niemi, and Mikko Zerni. *Journal of Accounting Research* 2013 51 (2): 349 – 387.

Using a unique dataset of Big 4 audit partner data from Sweden, the authors analyze the determinants of audit partner compensation, generally finding that pay for performance is a more prevalent theme than equal shares among partners. The authors find a firm-specific component to partner compensation, a weak geographic component to partner compensation, and a litany of partner-specific elements to partner compensation. The partner-level inputs include industry expertise, public-company expertise, the size of the partner's client roster and any additions or losses to it, career length, and partner audit report accuracy. Interestingly, partners are rewarded more heavily for bringing in new clients later in their careers, consistent with career concern models.

"Non-audit Services and Financial Reporting Quality: Evidence from 1978 to 1980" by Kevin Koh, Shiva Rajgopal, and Suraj Srinivasan. *Review of Accounting Studies* 18 (1): 1-33.

Stepping outside the contemporary sample period, this study utilizes non-audit

services data from the late 1970's to examine the influence of non-audit fees on audit quality in a different regulatory era. This time period included aggressive competition and price-cutting for audit services, as well as the required disclosure of non-audit services being repealed. The authors find that non-audit services provided by the auditor are positively associated with higher accounting quality, consistent with a spillover effect of client knowledge. Additionally, the authors find that accounting quality remained stable after the non-audit services disclosure repeal, and that a small positive stock market response followed the disclosure repeal.

"Qualitative Audit Materiality and Earnings Management" by Joseph Legoria, Kevin Melendrez, and J. Kenneth Reynolds. *Review of Accounting Studies* 18 (2): 414-442.

This study examines the attention auditors are expected to pay to non-quantitative thresholds when considering materiality, such as meeting or beating the consensus analyst forecast. The authors find that the change in effective tax rate from the 3rd to 4th quarter is negative in years in which the firm narrowly meets the analyst forecast, particularly when the magnitude of the decrease is below the quantitative materiality threshold. These results suggest that the auditor is emphasizing quantitative materiality thresholds at the expense of qualitative materiality concerns. The authors find a greater emphasis on qualitative materiality following the SAB 99 guidance and Sarbanes-Oxley.

[Back to Contents Page](#)

[Next](#)



American
Accounting
Association

THE AUDITOR'S REPORT

Volume 36, No. 3
Summer 2013

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Have You Seen These AAA Annual Meeting Auditing Section Session Opportunities?

**2013 Annual Meeting Coordinators
Chan Li, Kannan Raghunandan and Mark Zimbelman**

The Audit Section has an outstanding program for the AAA Annual Meeting being held in Anaheim, CA on August 3-7, 2013.

[CLICK HERE](#) to review the Auditing Section program.

The program consists of five panel sessions, approximately **100 paper presentations** in 29 concurrent sessions and 9 dialogue sessions.

[Back to Contents Page](#)

[Next](#)



American
Accounting
Association

THE AUDITOR'S REPORT

Volume 36, No. 3
Summer 2013

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

New Report on Financial Reporting Fraud Released Role of External Auditor Examined

Washington, D.C. – A new research report issued today examines auditor involvement in fraudulent financial reporting cases cited in U.S. Securities and Exchange Commission (SEC) enforcement actions issued from 1998-2010. During the 13-year period, there were 87 sanctions against external auditors in SEC fraud investigations involving publicly traded companies. Approximately 9,500 entities file financial statements with the SEC on an annual basis.

An Analysis of Alleged Auditor Deficiencies in SEC Fraud Investigations: 1998 – 2010 highlights insights for the audit profession related to the 87 instances of alleged auditor deficiencies involving fraudulent financial reporting. The study notes that 11 of the 87 cases involved fraudulent reporting in periods of 2003 or later, which represents years following the passage of the Sarbanes-Oxley Act (SOX) in July 2002. There is a time lag between when an infraction occurred and when the SEC releases an enforcement action, thus the number of deficiencies is subject to change.

"The auditing profession, the CAQ and our member firms have been, and continue to be, actively engaged in efforts to mitigate the threat of fraud, which is why we commissioned this study," said Center for Audit Quality (CAQ) Executive Director Cindy Fornelli. "I believe the fact that SEC allegations of financial reporting frauds are rare, albeit serious, events and that the large majority do not involve sanctions against public company auditors is noteworthy. Our first concern is investor confidence in the credibility of the capital markets. It is important that public company auditors and other members of the financial reporting supply chain take their responsibilities in this regard seriously and commit to seizing opportunities for improvement."

Among the 87 instances examined, the size of the public companies involved was small, with median assets and revenues under \$40 million, and the companies span a number of industries. The public company auditing profession commissioned the study in an effort to provide a critical look for auditors and others concerned with improving audit quality and the detection of financial statement misstatements due to fraud.

The study identifies the root cause issues related to audit deficiencies involving fraudulent financial reporting cases citing the auditor and contains a number of insights to enhance understanding of the audit process and strengthen the execution of procedures performed to lower the incidence of undetected fraudulent financial reporting. In recent years, the CAQ and the profession have pursued efforts that address a number of the opportunities for improvement identified in the study. The primary deficiencies cited by the SEC relate to audit evidence, due professional care, skepticism, management representations, and the audit opinion.

The CAQ's related initiatives and projects include the funding of academic research on professional skepticism and financial reporting fraud deterrence and detection; the 2010 publication *Deterring and Detecting Financial Reporting Fraud – A Platform for Action*; and the Anti-Fraud Collaboration – a major, ongoing combined effort launched in 2010 by the CAQ, Financial Executives International, The Institute of Internal Auditors and the National Association of Corporate Directors. Key resources published

by the Anti-Fraud Collaboration to enhance fraud deterrence efforts include the Hollar Manufacturing Case Study, which examines a potential material fraud at a fictional company to raise awareness of environments in which financial reporting fraud might flourish; and the Skepticism Webinar Series, which highlights the importance of skepticism as applied by external auditors, financial executives, internal auditors and audit committee members.

The new report's research was compiled by professors Mark S. Beasley of North Carolina State University, Joseph V. Carcello of the University of Tennessee, Dana R. Hermanson of Kennesaw State University, and Terry L. Neal of University of Tennessee. The CAQ commissioned the research from the professors because they had previously authored the foundational research report *Fraudulent Financial Reporting: 1998 – 2007, An Analysis of U.S. Public Companies*, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in May 2010.

The Center for Audit Quality (CAQ) is an autonomous public policy organization dedicated to enhancing investor confidence and public trust in the global capital markets. The CAQ fosters high quality performance by public company auditors, convenes and collaborates with other stakeholders to advance the discussion of critical issues requiring action and intervention, and advocates policies and standards that promote public company auditors' objectivity, effectiveness and responsiveness to dynamic market conditions. Based in Washington, D.C., with an office in New York, NY, the CAQ is affiliated with the American Institute of Certified Public Accountants. For more information, visit www.thecaq.org.

[Back to Contents Page](#)

[Next](#)



American
Accounting
Association

THE AUDITOR'S REPORT

Volume 36, No. 3
Summer 2013

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

Call for Submissions and Volunteers Twentieth Annual Midyear Auditing Section Conference

The Twentieth Annual Auditing Section Midyear Meeting will be held January 16-18, 2014, at the San Antonio Marriott Rivercenter in San Antonio, Texas. The conference will consist of keynote, plenary, and concurrent sessions dealing with a wide variety of contemporary topics related to audit, attestation and assurance practices, education, and research.

We encourage you to contribute to the program through submitting papers and volunteering to coordinate panel discussions and workshops. We also encourage you to volunteer as a reviewer, discussant, and session moderator.

Paper Submission Information:

Submissions can include auditing/attestation/assurance research and education papers (including instructional cases). **Submissions must be completed by September 3, 2013.** Because of the significant workload associated with reviewing submissions, **all submitting authors and co-authors are expected to volunteer as reviewers and submitting/presenting authors are also expected to volunteer as discussants.**

Awards for *Best Paper* and *Best PhD Student Paper* will be conferred at the conference. Authors must indicate that they would like to be considered for the *Best PhD Student Paper* award at the time of submission. Nominated papers can be co-authored with a faculty member; however, if selected the student is expected to present the paper. All papers submitted to the conference will be considered for the *Best Paper* award.

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. Instructional cases should be in a format similar to that used in *Issues in Accounting Education*.

Papers accepted for presentation at the 2014 Midyear Auditing Section Conference may also be submitted for consideration at the AAA Annual Meeting in August 2014. Papers are not eligible if they: 1) have been published or accepted for publication, 2) were presented at the 2013 AAA Annual Meeting, or 3) 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.

Information on how to submit your paper and to volunteer as a reviewer/discussant/moderator will be announced soon.

Panel and Workshop Proposal Information:

Please send your ideas for panel discussions and workshop proposals to Rick Hatfield (University of Alabama) at rhatfiel@cba.ua.edu or Susan Scholz (University of Kansas) at sscholz@ku.edu

Questions: Please direct any questions to Rick Hatfield (rhatfiel@cba.ua.edu) or Susan Scholz (sscholz@ku.edu).

We look forward to seeing you in San Antonio!
(Watch for news of an exciting 20th Anniversary Celebration event.)

Rick Hatfield and Susan Scholz
2014 Midyear Meeting Program Committee Chairs

[Back to Contents Page](#)

[Next](#)



American
Accounting
Association

THE AUDITOR'S REPORT

Volume 36, No. 3
Summer 2013

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

18th Annual Symposium on Ethics Research in Accounting

Sponsored by the
AAA's Professionalism and Ethics Committee
and the Public Interest Section
2013 Meetings, Anaheim, CA

The 18th Annual Ethics Research Symposium will immediately precede the AAA Annual meeting concurrent sessions.

The AAA's Professionalism and Ethics Committee is charged, in part, "to encourage and support accounting ethics education and scholarship in universities, and to set a tone for instilling a greater sense of professionalism and ethical conduct in the practice and teaching of accounting." Accounting ethics and professional responsibility research has never been more important. As academics, we must continue the quest for answering the question of how we can better present ethical frameworks that educate future accounting professionals. As professionals, we should demand transparent and accurate disclosures from corporations that affect the public. As academics, we can advocate for socially responsible behaviors through our research.

Contributors may receive invitations from the following journals that are associated with the Annual Ethics Symposium: *Accounting and the Public Interest*, *Critical Perspectives on Accounting*, *Global Perspectives on Accounting Education*, and *Research on Professional Responsibility and Ethics in Accounting*. At Sunday's Accounting Exemplar Luncheon the Accounting Exemplar award will be granted by the Public Interest Section. In addition, the Symposium will recognize other research including: the Best Research Paper, the Best Innovation for Teaching, the Best Paper by a current doctoral student, and the Best Paper by a recent graduate (graduation from a doctoral program must have occurred within the last 3 years).

Email questions to Tara Shawver (tarashawver@kings.edu) and Lori Fuller (lfuller@wcupa.edu).

NOTE: Opening reception on Saturday, August 3rd at 6:30. Meet new colleagues, greet old friends, and welcome doctoral students into our premier group of ethics researchers!

[Back to Contents Page](#)

[Next](#)



**American
Accounting
Association**

THE AUDITOR'S REPORT

**Volume 36, No. 3
Summer 2013**

AUDITING SECTION / AMERICAN ACCOUNTING ASSOCIATION

RUTGERS

Rutgers Business School
Newark and New Brunswick

27th World Continuous Auditing and Reporting Symposium

<http://raw.rutgers.edu/26wcars>

November 8 & 9, 2013

Rutgers University | One Washington Park | Newark, NJ 07102 USA

The 26th World Continuous Auditing & Reporting Symposium (26 WCARS) will be held at Rutgers Business School on November 8 & 9, 2013.

This conference is the leading forum for the discussion of research and practice into the application of technology to auditing and reporting. The conference alternates between US and non-US locations, with previous conferences held in Monaco (2004), Malta (2005), San Paulo, Brazil (2006-2012), Ferrara, Italy (2007), Crete (2008), Thessaloniki, Greece (2009), and Malatya, Turkey (2012).

Papers and presentations from prior conferences can be found at <http://raw.rutgers.edu/>.

Papers, presentations, and proposals for panels are sought for 26 WCARS with the participation of vendors and implementers of new accounting related technology particularly encouraged. The conference is open to any innovative idea relating to the IT-enabled auditing and reporting, including, but not limited to:

1. Continuous Assurance
2. Audit Analytics and Business Intelligence
3. Big Data
4. XBRL
5. The Audit Data Standard
6. Text and voice mining
7. ERP and other data management technologies

Please submit materials in a word document to Dr. Michael Alles at alles@business.rutgers.edu no later than August 31st 2013. General questions on the conference may be addressed to Barbara Jensen at 26WCARS@gmail.com.

[Back to Contents Page](#)