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The Regulatory Consequences of the Sarbanes-Oxley Act on Credible Financial Reporting

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1. INTRODUCTION

The recent accounting and corporate scandals reported in the press have outraged the financial community and have clearly revealed serious flaws in the U.S. corporate governance system. The board of directors, which was considered as an important part in a corporate governance system, took the largest part of the blame and directors were accused of failure in their watchdog role. For example, in the Enron's case, the Powers' (2002) report concluded that Enron's board "*failed to monitor ...to safeguard Enron's shareholders*".¹ These scandals have served as catalysts for legislative and regulatory changes. New rules were adopted in order to prevent the recurrence of disasters similar to the Enron or WorldCom's cases. In this context, the Sarbanes-Oxley Act of 2002 (hereafter called SOX) was enacted to restore the public trust to the U.S. corporate governance system.

To improve the reliability of public companies' financial reporting, the SOX promulgates provisions to three different parties that are the in the core of a sound corporate governance system: the auditor, the audit committee, and the management (Arens et al. 2005). First, to enhance auditor independence, Section 201 rules that a registered public accounting firm shall not be allowed to provide nine non-audit services to its audit clients contemporaneously. In addition, Section 207 proposes a mandatory audit firm rotation. However, due to the difficulty to precisely measure auditor independence using archival data (Dopuch et al. 2001; Mayhew and Pike 2004), recent studies have documented mixed results on the effectiveness of Section 201 (e.g., Ashbaugh et al. 2003; Chung and Kallapur 2003; DeFond et al. 2002; Frankel et al. 2002) and Section 207 (e.g., Arrunada and Paz-Ares 1997; Dopuch et al. 2001; GAO 2003; Myers et al. 2003). Second, to enhance the oversight function and responsibility of the audit committee, Section 301 requires that all committee members should be fully independent directors and be responsible for the appointment, compensation, and oversight of the auditor's work. Also, Section 407 asks that at least one audit committee member should be a financial expert (broadly defined). Nonetheless, in

¹Report of investigation by the special investigation committee of the board of directors of Enron Corp, William C Powers et al. (2002), at <http://news.findlaw.com/wp/docs/enron/specinv020102rpt1.pdf>.

light of the survey evidence that 30 percent of the audit committees in the U.S. public companies do not meet the basic independence requirements (McManee et al. 2002)² and the empirical findings that (a) audit committees with at least one member possessing accounting expertise are associated with positive financial reporting outcomes (e.g., McMullen and Raghunandan 1996; Archambeault and DeZoort 2001; Agrawal and Chadha 2005), and (b) the market reacts favorably to the appointment of directors with accounting expertise to the audit committee (DeFond et al. 2005; Davidson et al. 2004), the usefulness of Sections 301 and 407 remains an open question. Finally, Section 302 requests the CEO and CFO of each public company shall certify the appropriateness and fair representation of the financial statements and footnote and disclosures. Furthermore, Section 305 rules that, If a company is required to prepare a restatement due to "material noncompliance" with financial reporting requirements, the CEO and CFO shall reimburse any bonus or other incentive-based or equity-based compensation received during the twelve months following the issuance or filing of the non-compliant document and any profits realized from the sale of securities of the company during that period. The SEC may issue an order to prohibit any person who has violated section 10(b) of the 1934 Exchange Act from acting as an officer or director if the SEC has found that such person's conduct demonstrates unfitness to serve as an officer or director of the company. To date, it seems that there is a lack of empirical evidence that documents the efficacy of these two provisions in motivating the management to make credible financial reporting.

These prior studies generally suffer two problems. First, since all the above SOX provisions function to different market participants simultaneously, it is incomplete and inappropriate to investigate their effectiveness individually. As Bushman and Smith (2001) and Bushman et al. (2004) point out, accounting researchers should not examine various corporate governance mechanisms in isolation because they indeed jointly affect different market participants' behavior. In response to this suggestion, my study takes into account SOX provisions related to auditor, audit

²A recent survey report done by the CFO Publishing indicates that more than 50% (or 40%) of the survey companies made no (or only moderate) change to the independence of audit committee.

committee, and management together to explore their joint effects on the credibility of companies' financial reporting.

Second, while prior auditing studies have examined the effect of audit quality (e.g., Becker et al. 1998; Francis and Krishnan 1999; Francis et al. 1999; Kim et al. 2003; Nelson et al. 2002) or auditor independence (e.g., Abbott et al. 2003; Ashbaugh et al. 2003; Chung and Kallapur 2003; DeFond et al. 2002; Frankel et al. 2002; Johnson et al. 2003) *alone* on earnings quality, few attempts, if any, have been made to consider both dimensions of the auditing in exploring the association between audit quality and earnings quality. Note that DeAngelo (1981) defines audit quality as the *joint* probability that the auditor both: (a) detects a misstatement and (b) corrects / reports the misstatement in the financial statements. The ability to detect material misstatements is a function of auditor's competence (or audit technology), while the propensity to correct or report material misstatements is a function of auditor independence (Khurana and Raman 2004; Lennox 2005). **However, recent studies in audit quality tend to use audit report as the proxy for the joint probability that an existing problem (could be an error or fraud) is both discovered and reported (Craswell et al. 2002; DeFond et al. 2002; Lennox 2005; Reynolds and Francis 2000). The use of audit report could be problematic because audit opinion is usually a product of negotiation (see Reynolds and Francis 2000, JAE, for any examples) and is significantly affected by factors such as executive-auditor affiliations (Lennox 2005).** Similarly, prior empirical studies in audit committee have investigated the economic determinants of its independence (e.g., Klein 2002), committee characteristics that may affect its effectiveness (e.g., Carcello and Neal 2003), and how different definitions of "financial expert" may indeed improve audit committee's ability to fulfill its oversight function during the financial reporting process (e.g., DeFond et al. 2005). However, extant research does not incorporate both the audit committee's effectiveness and independence into analyses. In this regard, my study contributes to the corporate governance literature by considering auditors' and audit committee members' capability and integrity concurrently to evaluate the overall regulatory consequences of the SOX on the reliability of companies' financial reporting.

The remainder of this research proposal is organized as follows. Section 2 describes the basic research design, including the measures of dependent and independent variables, the econometric models, and the sample selection. Section 3 lists tasks to be finished if this research proposal is approved.

2. RESEARCH DESIGN

2.1 Empirical Models:

2.1.1. Measure of the credibility of financial reporting

Following Frankel et al. (2002), Bulter et al. (2004), Barton and Simko (2002), I adopt two commonly-used measures to proxy for the credibility of financial reporting:

(a) The “propensity” is measured by two *BENCHMARK* indexes:

- ① *Earnings surprise*, which is calculated by subtracting the last available consensus median analysts’ forecast of EPS from a company’s realized EPS. In my study, “just meet or beat earnings benchmark” means ES equals zero or one cent.
- ② *Small increase in earnings*, which is determined following Burgstahler and Dichev’s (1997) procedures.

Based on the above two indexes, I create two “*BENCHMARK*” measures as the dependent variables for regression analyses:

- ① *SURPRISE* = 1 if the company just meets or beats analysts’ expectation, and
- ② *SINCREASE* = 1 if the company reports a small increase in earnings.

(b) The magnitude of discretionary accruals:

- ① Following Frankel et al. (2002), Bulter et al. (2004), I will use the cross-sectional Jones (1991) model to estimate the *income statement-based abnormal accruals* (labeled *DACC*).
- ② Following Barton and Simko (2002), I also use a *balance sheet-based measure of the abnormal accruals* to proxy for bias in the implementation of GAAP measurement and recognition guidelines. This measure is calculated by the

beginning balance of net operating assets relative to sales (labeled *NOA*).

Note that, in all the OLS regression analyses to be conducted, I will consider both the absolute and signed (i.e., income-increasing and income-decreasing abnormal accruals) values of the *DACC* and *NOA*.

2.1.2. The independent variables

There are five sets of independent variables that will be used in the regression analyses:

(1) Variables related to the auditors:

(a) Audit quality:

- ① Auditor reputation: Big 5 vs. non-Big 5 (Palmrose 1988).
- ② Perceived audit quality: Audit client's *ex ante* cost of capital (Khurana and Raman 2004).

Both of the above two proxies will be included into the regression models.

(b) Auditor independence:

- ① Ratio of nonaudit service fees divided by the audit fees (Frankel et al. 2002).
- ② Absolute dollar amount of nonaudit service fees (Ashbaugh et al. (2003).
- ③ Percentage of a certain client's audit fees to a CPA firm's total audit fees earned from all its clients (Chung and Kallapur 2003).
- ④ Client firm size (Nelson et al. 2002).

Since some of the above four proxies are highly correlated, I will include ① into my regression models. The other three proxies will be used for robustness test purpose.

(2) Variables related to the audit committee:

(a) Audit committee independence: For pre-SOX periods, I adopt Klien's (2002) finding and include four variables that significantly affect the independence of an audit committee:

- ① Board size = Natural log of the number of board members (Yermack 1996).

- ② Independence of Board of Directors = Logistical transformation of the percent of outside directors serving on the board.
- ③ Firm's growth opportunities = The three-year market value of equity plus the book value of liability divided by the three-year book value of assets.
- ④ Losses = 1 if the firm reported losses for each of the two years prior to the firm's shareholders' meeting and 0 otherwise.

For sample years that are before the SOX, all the above four variables will be included in the regression models. In contrast, for post-SOX periods, since Section 301 requires that all audit committee members should be fully independent, the measure of audit committee independence is straightforward.

(b) *Audit committee's oversight quality:* Based on Carcello and Neal (2003), I use the following two variables as proxies for audit committee's oversight quality:

- ① Governance expertise = The average number of directorship positions the audit committee members hold in other public companies.
- ② Stock ownership = the percentage of the company's common stock (and stock options) held by its audit committee members.

Both of these two variables will be included in the regression analyses.

(c) *Financial literacy:*

- ① For pre-SOX periods, the prevailing requirements for an audit committee member to be qualified as a financial expert were specified in Blue Ribbon Committee's (BRC) 1999 White Paper. Therefore, I'll follow Carcello and Neal (2003) and define an audit committee member's financial expertise as the percentage of committee members that satisfy the BRC's (1999) recommendations.
- ② For post-SOX periods, I will use two different proxies for audit committee members' financial literacy:

- ① *Accounting-based* financial expertise (i.e., directors with experience as an accountant, auditor, CAO, CFO, or controller) vs. *non-accounting* financial

expertise (i.e., directors with experience as CEO or president of a for-profit company) (DeFond et al. 2005).

- ② Financial literacy index proposed by Coates et al. (2005), ranging from 111 (the worst) to 444 (the best).

(3) Variable related to the management:

To cleanly test the joint effects of Sections 302 and 305 on managers' financial reporting behavior, we need to isolate managers' *a priori* likelihood of conducting earnings management. To achieve this goal, I adopt Beneish's (1994, 1997, 1999) M-score to separate sample firms into high- and low-probability of doing earnings management based on the median M-score of the sample (labeled *EM*, with the value of 1 if a firm's M-score is above the median and 0 otherwise). Note that the M-score models do not purport to provide a measure of "discretionary" accruals against which to test hypotheses about earnings management. Rather the model provides a probability estimate of the likelihood of earnings management.³ One advantage of the M-score is that the treatment sample consists of firms that have indeed managed earnings and that determination is independent of abnormal accruals models. Several prior studies have used this M-score to successfully predict managers' earnings management behavior (e.g., Teoh et al. 1998).

The variable of interest is *SOX* that takes the value of 1 if the financial statements end on or after 1 August 2002, or 0 otherwise. The Sarbanes-Oxley Act was passed into law on 30 July 2002. As firms usually have financial statements that end at the end of the calendar month, I do not expect financial statements that end on 31 July 2002 to be affected by the Act. In addition, before the Act was passed, there was significant

³The Beneish M-score is derived from estimating the following empirical model: $M_i = \beta'X_i + \xi_i$, where M is a dichotomous variable identifying, with values of 1, firms that are actual earnings manipulators (primarily because these firms are subject to SEC accounting enforcement actions and the public record contains evidence of earnings manipulation), and 0 otherwise, X is the matrix of explanatory variables, and ξ is a vector of mean zero independent and identically normally distributed residuals.

uncertainty even in the first part of July 2002 on the passage of any reform bill before the Congress' August recess due to disagreements on the various bills (Geewax 2002 and Opperl 2002). Thus, I define *SOX* as 1 for financial statements that end in August 2002 or thereafter. Therefore, if Sections 302 and 305 are associated with improved credibility of financial reporting, I expect less *SURPRISE*, *SINCREASE*, *DACC*, and *NOA* after the *SOX*. That is, the coefficient of *SOX* should be negative.

Note that financial statements with fiscal year end in May, June and July 2002 may be issued after July 2002 because firms are allowed 90 days to file financial statements with the SEC. Hence, as a sensitivity test of my results, I will delete the related observations from my sample.

(4) Variables related to a company's overall corporate governance environment:

I follow DeFond et al. (2005) and capture the strength of a company's governance environment using a summary measure (labeled by *GOV*) that combines six dichotomous governance variables:

$$GOV = BOARD_SIZE + BOARD_IND + AUDIT_SIZE + AUD_IND + SH_RIGHT + G_INDEX + INST_OWN$$

where

BOARD_SIZE = 1 if the appointing firm's board size is less than the sample median, and 0 otherwise;

BOARD_IND = 1 if the appointing firm's proportion of outside directors is greater than 60%, and 0 otherwise;

AUDIT_SIZE = 1 if the appointing firm's proportion of the number of audit committee members to the total number of directors on board is greater than the sample median, and 0 otherwise;

AUD_IND = 1 if the appointing firm's audit committee is composed of solely

independent directors, and 0 otherwise;

SH_RIGHT = 1 if the appointing firm's *GINDEX* is below the sample median, and 0 otherwise;

G_INDEX = The governance index (G index) developed in Gompers, Ishii, and Metrick (2003), which is constructed based on a simple counting of 24 corporate governance provisions;

INST_OWN = 1 if the appointment firm's percentage of institutional ownership is greater than the sample median, and 0 otherwise.

(5) Other control variables:

- (a) To test the managers' propensity to meet or beat earnings benchmark (using dependent variables *SURPRISE* and *SINCREASE*), I add the following control variables into the regression models:

AUDTEN = Number of years the auditor has audited a company;

LITRISK = 1 if a company operates in a high-risk industry identified in Francis et al. (1994) and 0 otherwise;

M/B = Growth in the market-to-book ratio;

%INST = Institutional ownership of a company's shares outstanding;

CFO = Operating cash flows / Average total assets;

FIN/ACQ = 1 if a company issued securities or made acquisitions during the sample years and 0 otherwise;

ROA = Net income / Average total assets;

LOGMVE = Ln(market value of equity).

- (b) To test the magnitude of abnormal accruals (using dependent variables *DACC* and *NOA* with absolute and signed values), I add the following *extra* control variables into the regression models:

① Measures of company performance (all deflated by average total assets):

- ① $ABSCFO$ = Absolute value of cash from operations;
- ② ACC = Total accruals;
- ③ $ABSACC$ = Absolute value of total accruals.

② $LEVERAGE$ = Total liabilities / Total assets.

Note that the three “performance” variables are included because prior research has shown that discretionary accruals models do not completely extract nondiscretionary accruals that are correlated with company performance (e.g., Dechow et al. 1995; McNichols 2000). On the other hand, $LEVERAGE$ is included because prior research finds that leverage is associated with discretionary accruals (e.g., DeFond and Jiambalvo 1994; DeAngelo et al. 1994; Becker et al. 1998).

2.1.3 The Empirical models

- (1) To test the managers’ propensity to meet or beat earnings benchmark, I adopt the following logit model:

$$\begin{aligned} \text{Prob} (BENCHMARK) = & \beta_0 + \beta_1[\text{Auditor's Variables}] \\ & + \beta_2[\text{Audit Committee Variables}] + \beta_3EM + \beta_4GOV + \beta_5SOX \\ & + \beta_6[\text{Control Variables Set 1}] + \beta_7[\text{Fixed Effects}] + \varepsilon, \end{aligned} \quad (1)$$

where $BENCHMARK$ is measured by $SURPRISE$ and $SINCREASE$ and the **[Fixed Effects]** are included to control for industry, firm size, and calendar years (Fan and Wong 2005). The predictions are that coefficients β_1 , β_2 , β_4 , and β_5 are all negative.

- (2) To test the magnitude of abnormal accruals, I use the following OLS regression model:

$$\begin{aligned} ABNORMAL_ACCRUALS = & \beta_0 + \beta_1[\text{Auditor's Variables}] \\ & + \beta_2[\text{Audit Committee Variables}] + \beta_3EM + \beta_4GOV + \beta_5SOX \\ & + \beta_6[\text{Control Variables Set 2}] + \beta_7[\text{Fixed Effects}] + \varepsilon, \end{aligned} \quad (2)$$

where $ABNORMAL_ACCRUALS$ is measured by $DACC$ and NOA using absolute and signed values, and **[Control Variables Set 2]** is equal to **[Control Variables Set 1]** plus

three performance variable and *LEVERAGE*. The predictions are that coefficients β_1 , β_2 , β_4 , and β_5 are all negative.

2.1.4. Some econometric concerns

- (1) In addition to the inclusion of four performance variables into the OLS regression model, I will also adopt the *performance-matching procedures* proposed by Kothari et al. (2005) as a robustness test.
- (2) To mitigate the effects of extreme values in the regressions, I will winsorize the top and bottom 1% values of all the variables (Bulter et al. 2005; Fan and Wong 2005).
- (3) I will also examine the economic significance of *SOX* by computing the change in probability (or abnormal accruals) when there is a 1 standard deviation increase in *SOX* from its mean value for model (1) (or model (2)).

2.2 The Sample:

Since Bulter et al. (2005) has found that there may be some errors in the Compustat database, I will rely heavily on hand collection of each variable from firms' 10-K filings and proxy statements together with other private databases. The sample will cover a period from 2001 (in which the audit and nonaudit fee data are available to the public) to 2005.

3. EMPIRICAL RESULTS

Please consult with the author for details.

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行政院國家科學委員會補助國內專家學者出席國際學術會議報告

95 年 8 月 15 日

報告人姓名	俞 洪 昭	服務機構 及職稱	國立政治大學會計學系教授
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會議 名稱	(中文) 美國會計學會 2008 年會 (英文) 2008 American Accounting Association Annual Meeting		
發表 論文 題目	(中文) 分配公平性、互惠與經理人誠實報導 (英文) Distributional fairness, Reciprocity, and Honesty in Managerial Reporting		
<p>報告內容應包括下列各項：</p> <p>一、參加會議經過</p> <p>8/4 上午：① 報到、參加 Opening Plenary Session (Topic: “Accounting: A Force for Progress over the Centuries”; Speaker: John S. Gordon)。 ② 參加研討會 (Topic: Corporate Disclosures)。 下午：與 Ella Mae Matsumura (University of Wisconsin – Madison) 以及 Sandra C. Vera-Muñoz (University of Notre Dame) 討論合作研究之 Balanced Scorecard 計畫。 晚上：參加晚宴。</p> <p>8/5 上午：發表論文 (10：15 ~ 11：45; Concurrent Session No. 4.33)。 下午：參加研討會 (Topic: Whistleblowing and Fraud)。 晚上：參加晚宴 (與海峽兩岸之會計博士生交換求學與研究心得)。</p> <p>8/6 上午：與 Ella Mae Matsumura (University of Wisconsin – Madison) 以及 Sandra C. Vera-Muñoz (University of Notre Dame) 討論合作研究之 Balanced Scorecard 計畫。 下午：參加研討會 (Topic: Audit Pricing)。 晚上：返回臺灣。</p> <p>二、與會心得</p> <p>① 與國際學者的互動交流，有助於後續的研究工作。 ② 本人之論文發表的評論人 (Fabienne Miller, Worcester Polytechnic Institute) 提供寶貴意見，有助於論文之修改。 ③ 本次發表之論文，來自美洲、亞洲、歐洲與澳洲，包含的研究議題非常廣泛。本次 AAA 年會參加人數超過 4,000 人，總錄取論文篇數較去年多。臺灣學者參加人數較去年小幅減少，但博士生錄取論文篇數較去年多。 ④ 在美國攻讀會計博士學位之台灣學生非常稀少，中國大陸學生人數眾多，且英文流利，與國外學者互動頻繁，令人憂心台灣未來之會計師資與教育。</p> <p>三、建議</p> <p>① 提供經費補助，讓國內之會計博士生有機會多參加國際會議。 ② 由國科會出面，結合國內研究風氣較佳之會計學系，共同研討如何改進與提昇國內之會計研究環境。</p> <p>四、攜回資料名稱及內容： 大會議程。</p>			

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Tuesday, August 5, 2008
10:15 am-11:45 am

Participant Guidelines — Concurrent Sessions

4.01. Challenges of Regulators and Practitioners If IFRS is Adopted for Domestic Issuers

Moderator: Jenice Prather-Kinsey, University of Missouri

Panelists:

Robert Herz, Chairman, Financial Accounting Standards Board
 Julie A. Erhardt, Deputy Chief Accountant, Office of the Chief Accountant, International Securities & Exchange Commission
 Paul Munter, Partner, KPMG
 Paul Cherry, Chairman, Canadian Accounting Standards Board
Discussant: SEC Fellow, Cheryl L. Linthicum, University of Texas at San Antonio

4.02. Behavioral Influences on Performance Evaluation (and vice versa)

Moderator: Kevan L. Jensen, University of Oklahoma

The Effects of Moods and Management Control Systems on Performance Evaluations: An Information Processing Perspective
 Shujun Ding, York University; Philip R. Beaulieu, University of Calgary;
Discussant: Charles W. Stanley, Baylor University

Encouraging Risk Taking in New Project Selection: Can Bonus Incentives Overcome Past Performance History?
 James M. Kohlmeyer III, East Carolina University; Andrea R. Drake, Louisiana Tech University;
Discussant: Kimberly M. Sawers, Seattle Pacific University

Effects of Performance Measure Categorization, Performance Contexts and Intervention on Performance Evaluation Judgments
 Wei Kium Teoh, University of International Business And Economics Beijing; Lai Hong Chung, Nanyang Technological University; Terence Ng, Nanyang Technological University;
Discussant: Sandra C. Vera-Munoz, University of Notre Dame

4.03. Factors Influencing Audit Judgment & Behavior

Moderator: Penelope L Bagley, Texas Tech University

Does the Arrangement of Audit Evidence According to Causal Connections Make Auditors More Susceptible to Memory Conjunction

Errors?

Amanda M Grossman, Murray State University; Robert B Welker, Southern Illinois University Carbondale;
Discussant: Cathleen L Miller, Wayne State University

Responsibility for Previous Work, Time Pressure, and Suppression of Audit Evidence

Marietta Peytcheva, Lehigh University; Peter R. Gillett, Rutgers University;
Discussant: Benjamin Luippold, University of Massachusetts ~ Amherst

The Impact of Initial Information Blur on the Accuracy of Analytical Review Judgments

Benjamin L. Luippold, University of Massachusetts at Amherst; Thomas Kida, University of Massachusetts at Amherst;
Discussant: Kathy Hurtt, Baylor University

4.04. Internet Technologies and Decision Making

Moderator: Barbara Lamberton, University of Hartford

The Effects of Web Syndication on Investor's Decision Making

Yu Cong, Towson University; Hui Du, University of Houston - Clear Lake; Jinjuan Feng, Towson University;

The Impact of Corporate Governance Quality and Earnings Forecast Results on the Credibility of Website Disclosures

Lori L. Epping, University of South Dakota; W. Mark Wilder, University of Mississippi;

An Empirical Examination of Corporate Websites as a Voluntary Disclosure Medium

Roger Debreceeny, University of Hawai'i at Manoa; Andrew Lymer, The University of Birmingham; Samir Trabelsi, Brock University;

4.05. Becoming A Department Chair: What You Should Know

Moderator: Charles Davis, Baylor University

Panelists:

Martha Eining, University of Utah
 Norman Godwin, Auburn University
 Lee Knight, Wake Forest University
 Dan Murphy, University of Tennessee

4.06. Tax Shelters and Avoidance

Moderator: Sarah E Nutter, George Mason University

The Tax Shelter Dilemma: The Impact of Reportable Transactions on the Taxpayer and the Tax Return Preparer

Cherie J Hennig, Florida International University; Donald Samelson, Colorado State University; Blaise M Sonnier, Florida International University;
Discussant: Charles R Enis, The Pennsylvania State University

The Effects of Managers on Corporate Tax Avoidance

Scott D Dyreng, University of North Carolina; Michelle Hanlon, University of Michigan; Edward L. Maydew, University of North Carolina;

Discussant: Stephanie Sikes, Duke University

[Tax Sheltering by Cash Constrained Firms](#)

Stacie Laplante, University of Georgia; Sean McGuire, University of Georgia; Garth Novack, Utah State University;

Discussant: Edward N Balli, Aurora University

4.07. Taxes and Organizational Form

Moderator: Diana Falsetta, University of Miami

[Tax Cost Change and Organizational Form Choice: The Case of Publicly Traded Partnerships](#)

Jane R Livingstone, University of North Carolina at Greensboro; Thomas C Omer, Texas A & M University;

Discussant: Mark Jackson, University of Oregon

[Why Do Nonprofits Have Taxable Subsidiaries?](#)

Michelle Yetman, University of California at Davis; Robert Yetman, University of California at Davis;

Discussant: Leann Luna, University of Tennessee

[Dividend Policy and the Elimination of Dividend Double Taxation](#)

Anlin Chen, National Sun Yat - Sen University; Yi-Kai Chen, National University of Kaohsiung; Lanfeng Kao, National University of Kaohsiung; Wenchih Lee, National Kaohsiung University of Applied Sciences;

Discussant: Lisa Eiler, University of Oregon

4.08. Audit Judgment and Decision-Making

Moderator: Susan McCracken, McMaster University

[Auditing Judgment and Dispositional Need for Closure: Effects on Hypothesis Generation and Confidence](#)

Charles D Bailey, The University of Memphis; Cynthia M Daily, University of Arkansas at Little Rock; Thomas J Phillips Jr., Louisiana Tech University;

Discussant: Kirsten Fanning, University of Massachusetts

[Post-Intervention Distortion of Reviewer Judgment: Implications for the Audit Review Process](#)

Mark Peecher, University of Illinois at Urbana - Champaign; David Piercey, University of Massachusetts at Amherst; David Piercey, University of Massachusetts at Amherst; Jay Rich, Illinois State University; Richard Tubbs, University of Iowa;

Discussant: Bradley Pomeroy, University of Alberta

[The Role of Corporate Failure Models in Going Concern Audit Judgment](#)

Fawzi Laswad, Massey University; Nirosh Kuruppu, United Arab Emirates University; Peter Oyelere, United Arab Emirates University;

Discussant: Enyi Patrick Enyi, Covenant University Canaanland Ota Nigeria

4.09. Audit Quality and Market Perceptions

Moderator: Xu Wang, Saint Louis University

[Is the Market Valuation of Banks' Loan Loss Provision Conditional on Audit Quality?](#)

Kiridaran Kanagaretnam, McMaster University; Gopal Krishnan, George Mason University; Gerald Lobo, University of Houston;
Discussant: Brian Rountree, Rice University

[Value Relevance of Auditor Change Events](#)

Paul V Lynch, Rutgers University; Suresh Govindaraj, Rutgers University;
Discussant: Birendra Mishra, University of California Riverside

[The Association between Institutional Ownership and Audit Quality](#)

Sam Han, Singapore Management University; Tony Kang, Florida Atlantic University; Lynn Rees, Texas A & M University;
Discussant: David G. De Boskey, San Diego State University

4.10. Internal Controls and Earnings Quality

Moderator: Nicole R. McCoy, Southern Illinois University Carbondale

[Effectiveness of Internal Control over Financial Reporting and Financial Statement Restatements: The Role of Management](#)

Ram Nagarajan, Monash University Australia; Peter Carey, Monash University Australia;
Discussant: Scott Bronson, Michigan State University

[Sarbanes-Oxley 404 Material Weaknesses and Discretionary Accruals](#)

Ruth W. Epps, Virginia Commonwealth University; Cynthia P. Guthrie, Virginia Commonwealth University;
Discussant: Parveen P. Gupta, Lehigh University

[Archival Evidence on Processes and Outcomes of Internal Control Assessment under Section 404 of the Sarbanes-Oxley Act](#)

Jean C. Bedard, Bentley College; Lynford Graham;
Discussant: Carl W. Brewer, Sam Houston State University

4.11. The New COSO Guidance on Monitoring and the COSO Study Update on Fraudulent Financial Reporting

Moderator: Larry E Rittenberg, University of Wisconsin - Madison

Panelists:

Mark Beasley, North Carolina State
Jennifer Burns, Deloitte
R. Trent Gazzaway, Grant Thornton LLP
Audrey Gramling, Kennesaw State University

4.12. Diversity and Corporate Governance

Moderator: Mark Dawkins, University of Georgia

[Audit Fees and Board Diversity](#)

Bin Srinidhi, The Hong Kong Polytechnic University; Ferdinand A Gul, The Hong Kong Polytechnic University; Judy Tsui, The Hong Kong Polytechnic University;
Discussant: Nazik S Roufaiel, SUNY Empire State College

[Do Pluralistic Boards Make Better Boards? A Test of the Relevance of Diversity and Independence in Governance](#)

Claude Francoeur, HEC Montreal; Walid Ben Amar, University of Ottawa; Taïeb Hafsi, HEC Montreal; Réal Labelle, HEC Montreal;
Discussant: Ted Jiro Takamura, Eastern Oregon University

[Journey to the West: Corporate Governance and Chinese Students](#)

Audra Ong, University of Windsor;

Discussant: Deborah L Seifert, Illinois State University**4.13. How to Successfully Integrate IFRS in UG Accounting Curricula****Moderator:** Marco Trombetta, Instituto De Empresa**Panelists:**

D. J. Gannon, Deloitte

Patrick Turner, The Ohio State University

4.14. Cash Flows, Accruals and Analyst Forecasts**Moderator:** Bradley E Lail, University of Oklahoma[Cash versus Accrual Accounting and the Availability and Cost of Small Business Debt](#)

Gavin Cassar, University of Pennsylvania; Ken Cavalluzzo, Wisconsin Capital Management; Christopher D. Ittner, University of Pennsylvania;

Discussant: Joonho Lee, Singapore Management University[Disaggregation vs. Aggregation: Are Earnings Forecasts Accompanied by Cash Flow Forecasts More Accurate?](#)

Andrew C. Call, University of Georgia; Shuping Chen, University of Washington; Yen H. Tong, Nanyang Technological University;

Discussant: Qianyun Huang, Florida Atlantic University[Managerial Discretion and Bias in Annual Forecast Errors](#)

Bruce K. Billings, Florida State University; Richard M. Morton, Florida State University;

Discussant: Joonho Lee, Singapore Management University**4.15. Disclosure and Financial Reporting****Moderator:** Kamala Raghavan, Robert Morris University[Governance Strength and Default Probability: Evidence from CEO/CFO Turnover](#)

Andy (Young Han) Kim, University of Minnesota;

Discussant: Alexander Nekrasov, University of Minnesota[Evidence on the Impact of a CEO's Financial Experience on Quality of the Firm's Financial Reports and Disclosures](#)

Steve R. Matsunaga, University of Oregon; P. Eric Yeung, University of Georgia;

Discussant: Alexander Nekrasov, University of Minnesota[Corporate Competitive Strategy Voluntary Disclosure and Company Characters](#)

Jidong Zhang, Finance Management Department Beijing International Studies University; Zheng Fan, PhD Candidate;

Discussant: Praveen Sinha, Chapman University**4.16. Earnings Management Topics****Moderator:** C. Catherine Chiang, Elon University

[Earnings Management to Avoid Loss to Continue in Chinese Capital Markets](#)

Qingliang Tang, University of Western Sydney; Yihong Jang, Shanghai University of Finance and Economics; Zhijun Lin, Hong Kong Baptist University;

Discussant: Emma Y. Peng, Fordham University

[The Determinants of Companies' Disclosure of Cross-Segment Variability in Sales Growth](#)

Qian Wang, University of Kansas; Michael Ettredge, University of Kansas; Ying Huang, University of Kansas; Lili Sun, Rutgers Business School;

Discussant: Ramgopal Venkataraman, Southern Methodist University

4.17. Equity Incentives, Corporate Governance and Earnings Management

Moderator: Wede E. Brownell, Southern University

[Equity Incentives and Earnings Management: Evidence from A Regulated Industry](#)

Qiang Cheng, University of British Columbia; Terry Warfield, University of Wisconsin; Minlei Ye, University of British Columbia;

Discussant: Carol Marquardt, Baruch College CUNY

[Product Market Competition, Financial Accounting Misreporting and Corporate Governance: Evidence from Accounting Restatements](#)

Karthik Balakrishnan, New York University; Daniel Cohen, New York University;

Discussant: Guojin Gong, The Pennsylvania State University

[Does More Conservative Revenue Recognition Improve the Informativeness of Earnings?](#)

Clayton L Forester, University of Minnesota Twin Cities;

Discussant: Mary Ellen Carter, University of Pennsylvania

4.18. Governance and Disclosure

Moderator: Jane M Weiss, Washington & Lee University

[Backdating of CEO Stock Option Grants and Timing of Earnings Disclosures](#)

Wenli Huang, Boston University; Hai Lu, University of Toronto;

Discussant: Shyam Sunder, Yale School of Management

[Corporate Governance and the Value Relevance of Proved and Probable Oil and Gas Reserve Disclosures: Canadian Evidence](#)

Yue Li, University of Toronto; Daniel B. Thornton, Queen's University; Michael Welker, Queen's University;

Discussant: Shyam Sunder, Yale School of Management

4.19. Incentives for Earnings Management

Moderator: Sudha K. Krishnan, California State University Long Beach

[Earnings Management and the Predictive Ability of Accruals with Respect to Future Cash Flows](#)

Brad Badertscher, University of Notre Dame; Dan Collins, University of Iowa; Thomas Lys, Northwestern University;

Discussant: Sarah McVay, University of Utah

[CEO and CFO Career Consequences to Missing Earnings Benchmarks](#)

Richard D Mergenthaler, University of Washington; Shiva Rajgopal, University of Washington; Suraj Srinivasan, University of Chicago;
Discussant: Sarah McVay, University of Utah

[Labor Unions, Employee Ownership, and Management's Incentive to Signal Declining Profitability](#)

Francesco Bova, University of Toronto;
Discussant: Sarah McVay, University of Utah

4.20. Management Disclosure Decisions

Moderator: Fred Mittelstaedt, University of Notre Dame

[Strategic Timing of Quarterly Earnings Announcements Containing Pro Forma Earnings Information](#)

Nerissa C. Brown, University of Southern California; Theodore E. Christensen, Brigham Young University; W. Brooke Elliott, University of Illinois at Urbana - Champaign;
Discussant: P. Eric Yeung, University of Georgia

[An Examination of Earnings Surprises for Urban and Rural Firms](#)

Bok Baik, Seoul National University; Jong - Hag Choi, Seoul National University; Yoonseok Zang, Singapore Management University;
Discussant: P. Eric Yeung, University of Georgia

[Does Audit Committee Oversight Make Management Guidance More Useful For Analysts?](#)

M.H. Carol Liu, Oakland University; Zili Zhuang, The Chinese University of Hong Kong;
Discussant: P. Eric Yeung, University of Georgia

4.21. Peer Groups and Diversity

Moderator: Siva Nathan, Georgia State University

[Evidence on U.S. Board Committee Diversity: Are Women Underrepresented?](#)

Hong Zhu, Loyola College In Maryland; Kenneth Small, Coastal Carolina University; Susan Flaherty, Towson University;
Discussant: Christian E Wurst, Temple University

[Peer Groups Composition: Where Do We Stand?](#)

Mariana Doria Freitas, Universidade Nova De Lisboa; Ana C. Marques, Universidade Nova De Lisboa;
Discussant: Christian E Wurst, Temple University

4.22. Valuation Issues

Moderator: Anne Leah Jones, University of Massachusetts - Boston

[The Fundamental Value to Price Anomaly: An Abnormal Earnings Growth Valuation Model](#)

Hye - Jeong Nam, Seoul National University;
Discussant: Gregory A Sommers, Southern Methodist University

[Investor Trading Response to Management Earnings Guidance](#)

Oliver Z Li, University of Arizona; Hong Xie, Syracuse University; Yuan Zhang, Columbia University;
Discussant: Gregory A Sommers, Southern Methodist University

[Loss-Aversion Discount before Earnings Announcements](#)

Shai Levi, University of California Berkeley; Xiao - Jun Zhang, University of California Berkeley;

Discussant: Gregory A Sommers, Southern Methodist University

4.23. Regulation Affecting Governments and Nonprofits

Moderator: Jeffrey E Michelman, University of North Florida

[The Failure of Private Foundations to Qualify for a Fifty-Percent Tax Rate Reduction](#)

Timothy R Yoder, Mississippi State University; Brian P McAllister, University of Colorado at Colorado Springs;

Discussant: Cynthia B Lloyd, Morgan State University

[The Effect of Audit Rotation on Auditor Choice and Audit Quality in the Government Audit Market](#)

Jacqueline L Reck, University of South Florida; Suzanne Lowensohn, Colorado State University; Randal Elder, Syracuse University;

Discussant: Andrew McLelland, Auburn University

[Accounting for Pension Security: A Comparison of Retirement Systems in the U.S. and Italy](#)

Raymond L Hogler, Colorado State University; Herbert G Hunt III, California State University Long Beach;

Discussant: Alan K Styles, California State University - San Marcos

4.24. A Globally Converged Conceptual Framework

Moderator: Ian P.N. Hague, Accounting Standards Board - Canada

Panelists:

Mary Barth, International Accounting Standards Board

Tom J Linsmeier, Financial Accounting Standards Board

4.25. China I

Moderator: Fouad K. Alnajjar, Baker College Center for Graduate Studies

[Agency Costs of Socialistic Internal Capital Markets: Empirical Evidence from China](#)

Jiwei Wang, Singapore Management University; Kangtao Ye, Renmin University of China;

Discussant: Min Liu, Kent State University

[Investment Opportunity Sets, Relationship Endowments and Business Policies of Private Enterprises in China](#)

Clement Kw Chow, Lingnan University ; Michael Ky Fung, The Chinese University of Hong Kong; Kevin C. K. Lam, The Chinese University of Hong Kong; Heibatollah Sami, Lehigh University;

Discussant: Rong Yang, SUNY - College at Brockport

[Political Relations and Overseas Stock Exchange Listing: Evidence from Chinese State-owned Enterprises](#)

Mingyi Hung, University of Southern California; T.J. Wong, The Chinese University of Hong Kong; Tianyu Zhang, City University of Hong Kong;

Discussant: Albert Tsang, University of Texas at Dallas

4.26. Corporate Governance I

Moderator: Maureen Patricia Gowing, University of Windsor

[Asymmetric Timeliness of Earnings and Board of Directors' Profit Sharing Remuneration](#)

Ann Ling - Ching Chan, University of Liverpool Management School;
Audrey W-H Hsu, National Taiwan University;

Discussant: Rameshwar D. Gupta, Jackson State University

[Director Pay, Ownership Structure and Director Pay for Performance](#)

Flora Niu, Wilfrid Laurier University;

Discussant: Maureen Patricia Gowing, University of Windsor

[Staffing Independent Board Members: a Self-Selection or a Performance Enhancing Mechanism?](#)

Wan - Ying Lin, National Chengchi University; Yi - Ling Chen, National Chengchi University;

Discussant: Birendra Mishra, University of California Riverside

4.27. Earnings Management

Moderator: Hossein Noorian, Wentworth Institute of Technology

[Detecting Earnings Management by External and Internal Corporate Governance Mechanisms: Evidence from Thailand](#)

Sompong Pornupatham, Chulalongkorn University;

Discussant: Martin F Baumann, PCAOB

[Mandatory Transition to IFRS: Value Relevance and Earnings Management](#)

Vedran Capkun, HEC Paris; Anne Cazavan - Jeny, Essec Business School; Thomas Jeanjean, HEC Paris; Lawrence Weiss, Georgetown University;

Discussant: James Gong, University of Illinois at Urbana Champaign

4.28. Information Environment

Moderator: Shirley A Hunter, Tufts University

[The News of No News in Stock Markets](#)

Oral Erdogan, Istanbul Bilgi University; Ari Yezegel, Rutgers University;

Discussant: Ravi Subramaniam, Lecturer

[The Test of Investors' Differential Information and Price Limit Policy in Emerging Market: Evidence from Depositary Receipt Market Reactions](#)

Shu - Hsing Li, National Taiwan University; Yaw Mensah, Rutgers University; Bi - Huei Tsai, National Chiao Tung University;

Discussant: Shirley A Hunter, Tufts University

[Does Auditor Quality reduce Information-based Trading?](#)

Lee-Seok Hwang, Seoul National University; Kyung-Tae Kim, University of Seoul; Woo-Jong Lee, Seoul National University;

Discussant: Pik Liew, University of Essex

4.29. Regulation and Standard Setting

Moderator: Robert K Larson, University of Dayton

[Impact of Differential Listing Requirements on Earnings Management of](#)

[Korean IPO Firms](#)

Soon Suk Yoon, Chonnam National University; Hyo Jin Kim, Sungkyunkwan University; Min Kyong Park, Chonnam National University;

Discussant: Cynthia C. H. Chen, Providence University

[Regulating the Financial Analysis Industry: Is the European Directive Effective?](#)

Michel Dubois, University of Neuchatel; Pascal Dumontier, University of Geneva;

Discussant: Robert K Larson, University of Dayton

[Mandatory IFRS Adoption, Information and Market Liquidity Around Earnings Announcements](#)

Paulo Alves, Lancaster University; Ulf Brüggemann, Lancaster University; Peter F Pope, Lancaster University;

Discussant: Robert K Larson, University of Dayton

4.30. Valuation

Moderator: Ervin L Black, Brigham Young University

[Corporate Transparency and the Valuation of Firm Cash Holdings](#)

Inder Khurana, University of Missouri - Columbia; Xiumin Martin, Washington University at St. Louis; Raynolde Pereira, University of Missouri - Columbia;

Discussant: Seong Y Cho, Oakland University

[Do the Components of Cash Flow and Accruals Enhance the Forecast of Future Cash Flows? Australian Evidence](#)

Shadi Farshadfar, Griffith University; Reza Monem, Griffith University;

Discussant: Edmund Keung, National University of Singapore

4.31. IT Control and Security

Moderator: Robyn Raschke, University of Nevada Las Vegas

[Detecting Fraud in Journal Entries: Challenges and Opportunities](#)

Roger S. Debreceeny, University of Hawai'i at Manoa; Glen L. Gray, California State University at Northridge;

Discussant: Bonnie Klamm, North Dakota State University

[The Importance of CobiT IT Processes for Effective Internal Control over the Reliability of Financial Reporting: An International Survey](#)

David S. Kerr, University of North Carolina at Charlotte; Uday S. Murthy, University of South Florida;

Discussant: Rob Nehmer, Oakland University

[Deception and Control in Online Auctions](#)

Alexei Nikitkov, Brock University; Dan Stone, University of Kentucky;

Discussant: James Lampe, Missouri State University

4.32. Compensation and Shareholder Influence

Moderator: Mohamed A Gulamhussen, Lisbon University Institute

[Solving the Executive Compensation Problem through Shareholder Votes? Evidence from the U.K.](#)

Fabrizio Ferri, Harvard Business School; David Maber, Harvard Business School;

Discussant: Merle Ederhof, Yale School of Management

[Ex-post-settling-up Problem and Asymmetric Sensitivity of CEO Cash Compensation to Stock Returns](#)

Long Chen, George Mason University;
Discussant: Merle Ederhof, Yale School of Management

[Shareholder Remuneration Votes and CEO Compensation Design](#)

Mary Ellen Carter, University of Pennsylvania; Valentina Zamora, Boston College;
Discussant: Merle Ederhof, Yale School of Management

4.33. Honesty, Trust, and Fairness in Managerial Reporting

Moderator: Khondkar E. Karim, Rochester Institute of Technology

[The Effects of Firm Generosity and Feedback on Reciprocity, Trust and Cooperation](#)

Khim Kelly, Nanyang Technological University; Patricia Mui Siang Tan, Nanyang Technological University;
Discussant: Fabienne Miller, Worcester Polytechnic Institute

[Information Acquisition and Honesty in Managerial Reporting](#)

Bryan K Church, Georgia Institute of Technology; R Lynn Hannan, Georgia State University; Jason Kuang, Georgia Institute of Technology;
Discussant: Fabienne Miller, Worcester Polytechnic Institute

[Distributional Fairness, Reciprocity, and Honesty in Managerial Reporting](#)

Hung - Chao Yu, National Chengchi University;
Discussant: Fabienne Miller, Worcester Polytechnic Institute

4.34. Non Financial Performance Measurement

Moderator: Thomas Lechner, University of Utah

[The Mediating and Moderating Effects of Individual Differences on the Relation Between Perceptions of Performance Measurement Characteristics and Organizational Justice](#)

Laurie Burney, Mississippi State University; Sally Widener, Rice University;
Discussant: Margaret Shackell - Dowell, Cornell University

[Nonfinancial Performance Measures and Earnings Management](#)

Hassan Hassabelnaby, University of Toledo; Emad Mohammad; Amal Said;
Discussant: Margaret Shackell - Dowell, Cornell University

[Operations Based Data and Earnings Prediction](#)

Jim Cannon, University of Utah; Taylor Randall, University of Utah; Christian Terwiesch, University of Pennsylvania;
Discussant: Margaret Shackell - Dowell, Cornell University

4.35. Organizational Learning and Creativity

Moderator: Wede E. Brownell, Southern University

[Translating Organizational Learning into Performance: The Role of Management Control](#)

Margaret Anne Abernethy, The University of Melbourne; Axel Klaus - Dieter Schulz, Monash University; Simon Bell, Cambridge University;
Discussant: William B Tayler, Emory University

[Attracting Creativity: The Initial and Aggregate Effects of Contract Selection on Creativity-Weighted Productivity](#)

Steven J. Kachelmeier, The University of Texas at Austin; Michael G. Williamson, The University of Texas at Austin;

Discussant: William B Tayler, Emory University

[Management Control Systems in Enabling University Research Performance](#)

Nicole Sutton, University of Technology; David A Brown, University of Technology;

Discussant: William B Tayler, Emory University

4.36. Accounting Biography

Moderator: James J. McKinney, University of Maryland

[Lyndall Urwick: Lifetime Champion of Scientific Management and Accounting](#)

Lee D Parker, University of South Australia; Philip Ritson, University of Adelaide;

Discussant: Vaughan S Radcliffe, University of Western Ontario

[James Bennett: Founder of the First Successful Bookkeeping School in the United States](#)

John T. Rigsby, Mississippi State University; George C. Romeo, Rowan University;

Discussant: Vaughan S Radcliffe, University of Western Ontario

[The Life and Career of Abe Briloff](#)

Rich Criscione, Morehead State University; Dale L Flesher, University of Mississippi; Rick Elam, University of Mississippi; Royce Kurtz, University of Mississippi;

Discussant: Vaughan S Radcliffe, University of Western Ontario

4.37. Accounting History Potpourri

Moderator: Jeanie M. O'Laughlin, Northwest Christian College

[XVIII Century: Evidences of Corporate Governance in a Brazilian Joint Stock Company](#)

Angélica de Vasconcelos Silva Moreira Santos, Fundação Instituto Capixaba De Pesquisa Em Contabilidade Economia E Finanças; Sandra Mara De Jesus, Fundação Instituto Capixaba De Pesquisa Em Contabilidade Economia E Finanças; Elizangela Lourdes De Castro, Fundação Instituto Capixaba De Pesquisa Em Contabilidade Economia E Finanças; Rosimeire Pimentel Gonzaga, Fundação Instituto Capixaba De Pesquisa Em Contabilidade Economia E Finanças;

Discussant: Mark Billings, University of Nottingham

[Margaret of Austria: Accounting and the Art of Government](#)

Massimo Marcello Sargiacomo, University G.D'Annunzio of Chieti - Pescara Italy;

Discussant: Mark Billings, University of Nottingham

[An Overview and History of Human Resource Accounting](#)

Maria L. Bullen, School of Business Clayton State University;

Discussant: Mark Billings, University of Nottingham

4.38. Healthcare and Accounting

Moderator: Patricia G Lobingier, Virginia Tech

[*Rights, Needs and Equality of Opportunity for Health Care: A Financial Analysis of Morality*](#)

Kathryn J. Jervis, University of Rhode Island; Gerson Goldberg, New Mexico State University; Alan Cutting, Roger Williams University;
Discussant: Myungsun Kim, SUNY at Buffalo

[*The Evolution of Healthcare Delivery Systems: The Changing Role of Accounting*](#)

Stanley W Davis, Indiana University Purdue University Fort Wayne;
 George Schmelzle, Missouri State University;
Discussant: Patricia G Lobingier, Virginia Tech

[*Evaluating the Costs and Benefits of an In-house Smoking Cessation Program*](#)

Barbara Woods McElroy, Susquehanna University; Daniel Derr, Clinical Outcomes Group;
Discussant: Patricia G Lobingier, Virginia Tech

4.39. The Role of Politics in Accounting

Moderator: Pamela Roush, University of Central Florida

[*The Value of Political Connections: Chinese Evidence*](#)

Haoping Xu, Fudan University; Jian Zhou, Binghamton University;
Discussant: Steven C Hunt, Western Illinois University

[*Does Poor Audit Quality Result from a Lack of Independence or a Lack of Competence? Evidence from Disciplinary Actions against Auditors in France*](#)

Géraldine Hottegingre, Dnm - Crefige University of Paris Dauphine;
 Cédric Lesage, HEC Paris; C. Baker, School of Business Adelphi University;
Discussant: Carol Callaway Dee, University of Colorado Denver

4.40. Games and Experiential Learning

Moderator: George R Wilson, Louisiana State University

[*It Isn't ALL Fun and Games: Playing Jeopardy Makes a Difference*](#)

Christine Z. J. Noel, Metropolitan State College of Denver;
Discussant: Judith A. Sage, Texas A & M International University

[*The "Why?" Teaching Method Otherwise Known as the "Sleazy Accountant" Game*](#)

Mary K. Tarling, Aurora University;
Discussant: Kate Mooney, St. Cloud State University

[*Short-Form Experiential Learning Exercises in Accounting, Auditing and Other Business Courses*](#)

Marilyn E Vito, Richard Stockton College of New Jersey; Gurprit Chhatwal, Richard Stockton College of New Jersey;
Discussant: Kate Mooney, St. Cloud State University

4.41. Teaching and Learning Accounting

Moderator: David E. Stout, Youngstown State University

[*Developing Critical Thinking Skills in College Programs*](#)

Alan Reinstein, Wayne State University; Gerald H. Lander, University of South Florida at St Petersburg ;
Discussant: To be announced

[Are Students Trapped in Own Styles? Learning Styles and Academic Failure in Accounting Programs](#)

Edgard Cornachione, University of Illinois at Urbana - Champaign & University of Sao Paulo; Jacqueline V. A. Cunha, Universidade Regional De Blumenau (Furb Brazil);

Discussant: Donald Henschel, Benedictine University (Lisle IL)

[Teaching Principles and Rules using the Analogy of Traffic Regulations](#)

Roger Hussey, University of Windsor;

Discussant: Cathleen S Burns, University of Colorado at Boulder

4.42. Effective Teaching Techniques for Reaching the MP3 Generation

Moderator: Carol Yacht, Textbook Author

Panelists:

Susan Crosson, Santa Fe Community College

Jonathan Duchac, Wake Forest University

Ken Shaw, University of Missouri Columbia

[4.43. Addressing the Accounting PhD Shortage: The Accounting Doctoral Scholars Program \(ADS\)](#)

Moderator: Doyle Z. Williams, Kennesaw State University and Executive Director, Accounting Doctoral Scholars Program

Panelists: To be announced

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