



The Vincent C. Ross Institute of Accounting Research
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ROSS ROUNDTABLE

ON

HOW EFFECTIVE IS AUDITING?

Date: October 14, 2002 from 4:00 pm to 6:00 pm

Location: New York University
Leonard N. Stern School of Business
40 West Fourth Street
Surdna Conference Center, Third Floor
New York, NY 10012-1118

Contact: (212) 998-4144 or (212) 998-4143

Roundtable Coordinator:

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Roundtable Theme

Last February a Ross Institute Roundtable asked the question: Where is the auditing profession headed--post Enron? Conferees concluded that there would be more revelations of audit failures and a call for greater corporate ethics, corporate governance and innovative and dramatic solutions to the growing crisis in investor confidence.

Now, six months later, there have been extraordinary revelations of accounting and auditing irregularities; the kind of quick legislative action not experienced in 70 years; and, regulatory action targeted at the corporate disclosure machinery and the accounting profession transcending the response to the corporate payments scandal 30 years ago.

Still questions remain: How effective is post-Enron auditing? Can the auditing process be enhanced to detect fraud or even deter fraud? What were the auditing standards most often violated in the recent scandals? Do we need to amend the auditing standards and if so, should that responsibility be with the accounting profession or lawmakers and their instrumentalities? Finally, how much auditing is the public willing to pay for?

The Roundtable will seek answers to the following questions:

1. How effective is auditing?
2. What are the limitations to the process and can they be overcome?
3. How will auditing change as a result of the new federal legislation and SEC requirements, recent enforcement actions and private-sector initiatives?
4. How much is the public willing to pay for increased auditing and how should audit committees affect the auditing process?
5. Should audit committees engage "audit consultants?"
6. What is the auditor's role in the "continuous disclosure" process which focuses on the quick release of material information?
7. Is the auditor's present involvement with quarterly reports sufficient to discourage bad corporate reporting between audits?
8. Should the auditor's management letter comments be made public?
9. Has the auditor become reliant upon internal controls and more remote from the company's recording keeping to the detriment of the audit process?

The Ross Roundtable provides a forum for "public opinion shapers" -- business writers, financial analysts, educators, corporate financial executives, regulators, etc. -- to discuss with policymakers important developments in capital markets and the financial world. To provide ample opportunity for participants to voice their opinions, the size of the Roundtable is limited.



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Adequate business and/or academic experience**

Recommended CPE Credits: 2