



Financial Reporting Journal

Financial Accounting & Reporting Section

Summer 2001

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President's Letter

July 2001

Dear FARS members:

I am writing to remind you of several activities that may be of particular interest to you as FARS members. These activities are centered on the upcoming annual meeting and on the AAA's Quality of Earnings project.

Quality of Earnings project. As I noted in the November 2000 newsletter, the AAA is undertaking a broad Quality of Earnings project, funded by a grant made pursuant to an SEC enforcement action. In addition to the *Accounting Review* research conference which will be held at Emory University in January 2002, there are several other components of this project that should be of particular interest to FARS members.

- *CPE sessions at the annual meeting.* G. Peter Wilson (Boston College) will lead a CPE session on "Strategies and Tips for Leading Case Discussions." The session will be hands-on (learning by doing) and the case to be considered (depreciation choices in two airlines) has direct quality of earnings implications. In addition, Eric Hirst (University of Texas) and Galen Sevcik (Georgia State University) will lead a CPE session on "Using Cases to Teach Earnings Quality and Earnings Management." As part of their session development, the presenters have agreed to identify existing cases with implications for earnings

management in financial reporting, managerial accounting, auditing and tax. Both CPE sessions are funded by the AAA Quality of Earnings project (there is no registration fee); registrants are accepted on a first-come, first-served basis.

- *Special issue of Issues in Accounting Education.* Walter Teets (Gonzaga University) will serve as editor for a special edition of *Issues in Accounting Education* devoted to quality of earnings matters. Submissions may be descriptions of class projects, games, cases or other educational materials. The subject matter may pertain to earnings quality in financial reporting, managerial accounting, international accounting, auditing, systems, or tax. Submissions must be received by September 30, 2001 and should be sent to Professor Thomas Howard at the University of Kentucky. A call for papers is available at the AAA's website.
- *Special issue of Accounting Horizons.* Professor Patricia Dechow (University of Michigan) will serve as editor of a special issue of *Accounting Horizons* devoted to quality of earnings matters. Submissions can address any issue related to earnings quality and can use any appropriate research design; commentaries and review papers will also be considered. Submissions must be received by March 31, 2002 and should be sent to Professor Patricia Dechow at the University of Michigan. A call for papers is (or soon will be) available at the AAA's website.
- *Other quality of earnings materials.* The AICPA has made available (at <http://www.cpa2biz.com>) a series of vignettes, cases and discussions of earnings quality, along with commentaries from representatives of diverse constituencies (e.g., securities lawyers, academics, analysts). The FASB is developing a 30 minute video tape containing discussions of quality of earnings issues by well-known commentators, including Warren Buffet and Abbie Joseph Cohen. If the current development

schedule is met, the tape will be distributed to AAA members at the annual meeting in Atlanta.

Section activities. Our section will have its lunch at the annual meeting on Monday, August 13. Our speaker will be Mr. James Leisenring, former vice-chairman of the FASB and currently a member of the International Accounting Standards Board (IASB). The FARS business meeting will be held on August 13 at 4 pm. Section members may also wish to attend the AAA's business meeting on August 15, at 4 pm.

My thanks to those who co-ordinated FARS activities at the AAA's regional meetings and to those who volunteered to review submissions to the annual meeting. Jennifer Francis (Duke University) handled the 215 paper and panel submissions for the annual meeting. Our section was allocated 25 sessions at the annual meeting.

The nominee for president-elect of FARS is outgoing secretary-treasurer Renée Price (University of Nebraska) and the nominee for secretary-treasurer of FARS is Elizabeth Oliver (Washington and Lee University). Mary Barth (Stanford University) is not able to serve as president of FARS for 2001–2002 because of her obligations as an IASB member and Tom Linsmeier (Michigan State) has agreed to serve.

All section members should also thank Walter Teets (Gonzaga University) for managing the FARS newsletter and Rob Bricker (Case Western University) for his work on our website.

I appreciate having had the opportunity to serve as FARS president for 2000–2001.

Katherine Schipper

Fellowship Opportunities

The United States Securities and Exchange Commission (SEC) has available three outstanding fellowship opportunities for the 2002–2003 academic year. Each of these positions provide opportunities for professors to be directly involved in accounting and auditing standard-setting and regulation, and would be great ways to spend a sabbatical year or a leave of absence.

The first fellowship, in the Office of the Chief Accountant, is for a research-oriented professor, and requires a PhD. The second fellowship involves developing and

presenting training for the Division of Corporation Finance, reviewing filings, and researching financial reporting issues. Requirements include a Master's or PhD, and extensive financial accounting teaching experience. The third fellowship involves conducting studies in the Office of Economic Analysis. Candidates should have, or be near to completing, a PhD in Accounting.

Applications received by September 2, 2001 will receive priority. Applications consist of a letter and résumé summarizing qualifications, and a copy of any relevant research papers. Applications for all fellowships should be sent to Steven L. Henning US SEC, 450 Fifth St NW, Washington, DC 20549–1103. Please indicate which fellowship(s) you wish to consider. Please consider applying for these outstanding professional development opportunities.

AcSEC Update Information

The AcSEC Update Newsletters, which in past years were included in this mailing, are now available online. The January 2001 edition is available at <http://www.aicpa.org/members/div/acctstd/acsec/jan01/index.htm>; the April 2001 edition, is available at <http://www.aicpa.org/members/div/acctstd/acsec/apr01/index.htm>.

FARS Concurrent Sessions at the AAA Convention

Monday, August 13, 2001 at 10:15–11:45am

Session: Residual Income Research

Moderator: Per Olsson, Duke University

- *When Capital Follows Profitability: Non-Linear Residual Income Dynamics.* Gary Biddle, Peter Chen, and Guochang Zhang, all at Hong Kong University of Science and Technology

- *Value Relevance of Momentum: Theory and Evidence.* Bjorn Jorgensen, Harvard Business School; Hans Mikkelsen, University of Southern California

- *What Determines Residual Income? An Empirical Investigation.* Qiang Cheng, University of Wisconsin-Madison

Discussant: Pervin Shroff, University of Minnesota

Session: FASB-SEC Update

Moderator: Steven Henning, Southern Methodist University

Panelists: Michael Crooch (Financial Accounting Standards Board), Lynn Turner (Securities and Exchange Commission)

Monday, August 13, 2001 at 2:00–3:30pm

Session: Accounting-Based Trading Strategies

Moderator: Neil Bhattacharya, University of Utah

• *Evidence that Capital Markets Learn from Academic Research: Earnings Surprises and the Persistence of Post-Announcement Drift.* William C. Schwartz, Jr. and W. Bruce Johnson, both at University of Iowa

• *Residual Income Based Valuation and Future Stock Returns: Tests of the Mispricing Hypothesis.* Mark Trombley and Ashiq Ali, both at University of Arizona; Lee-Seok Hwang, CUNY Baruch

• *A Test for the Alternative Explanations of the Value/Glamour Stock Returns Performance: Evidence from Analysts' Forecasts.* Chansog (Francis) Kim, Queens College of CUNY; John Doukas, Old Dominion University; Christos Pantzalis, University of South Florida

Discussant: Leonard Soffer, University of Illinois at Chicago

Session: Analytical Models of Returns, Earnings and Book Values

Moderator: Pierre Jinghong Liang, Carnegie Mellon University

• *The Returns-Earnings Relation When Analyst Forecasts Are Used as a Proxy for Investor Expectations.* Orié Barron, Penn State University; Oliver Kim, University of Maryland; Douglas Stevens, Syracuse University

• *Informative Accruals, Returns, and Earnings.* Michael Smith, Duke University and Carolyn Levine, Carnegie Mellon University

• *Accounting Conservatism and the Regression of Returns on Earnings and Earnings Changes.* Jinhan Pae and Peter Easton, both at Ohio State University

Discussant: Phillip Stocken, University of Pennsylvania

Session: Stock Option Research

Moderator: Tom Linsmeier, Michigan State University

• *The Valuation Implications of Employee Stock-Option Accounting for Computer Software Firms.* Wayne R. Landsman, University of North Carolina, Chapel Hill; Timothy B. Bell, KPMG; Bruce L. Miller, University of California, Los Angeles; Shu Yeh, Na-

tional Taiwan University

• *Real Investment Implications of Employee Stock Option Exercises.* M. H. Franco Wong and Daniel Bens, both at University of Chicago; Venky Nagar, University of Michigan

• *The Effect of Accounting on Economic Behavior: Evidence from Stock Option Pricing.* Luann J. Lynch, University of Virginia and Mary Ellen Carter, Columbia University

Discussant: Wayne Guay, University of Pennsylvania

Tuesday, August 14, 2001 at 10:15–11:45am

Session: Earnings Management

Moderator: Thomas L. Porter, Georgia State University

• *Management of the Loss Reserve Accrual and the Distribution of Earnings in the Property-Casualty Insurance Industry.* Karen K. Nelson, William H. Beaver, and Maureen F. McNichols, all at Stanford University

• *Insider Trading, Earnings Management, and Earnings Quality.* Messod Beneish, Indiana University and Mark E. Vargus, University of Southern California

• *How are Earnings Managed? An Examination of Specific Accruals.* Christine Wiedman, University of Western Ontario and Carol Marquardt, New York University

Discussant: Amy Hutton, Harvard Business School

Session: Causes and Effects of Underreaction

Moderator: Karen Teitel, University of Connecticut

• *The Effect of Experience on Security Analyst Underreaction and Post-Earnings Announcement Drift.* Richard Willis and Michael Mikhail, both at Duke University; and Beverly Walther, Northwestern University

• *Inefficiency in Earnings Forecasts: Experimental Evidence of Reactions to Positive vs. Negative Information.* Douglas E. Stevens, Syracuse University and Arlington Williams, Indiana University

• *Predicting the Next Step in a Random Walk: Experimental Evidence of Regime-Shifting Beliefs.* Robert Bloomfield and Jeffrey Hales, both at Cornell University

Discussant: John Hand, University of North Carolina, Chapel Hill

Tuesday, August 14, 2001 at 2:00–3:30pm

Session: Risk Estimation

Moderator: Bruce Bettinghaus, University of Missouri-Columbia

• *Empirical Estimation of the Term Structure of Im-*

plicit Discount Rates in Security Valuation. Aljosa Valentincic and Neil Garrod, both at University of Glasgow

• *Estimating Expected Cost of Equity Capital: A Theory-Based Approach.* Christine Botosan and Marlene Plumlee, both at University of Utah

Discussant: James M. Wahlen, Indiana University

Session: Loss Avoidance

Moderator: J. Richard Dietrich, Ohio State University

• *Can Economic Factors Explain the Rise in Accounting Losses Over Time?* April Klein, New York University, and Carol Marquardt, New York University

• *Why Do CEOs of Publicly Traded Firms Prefer Reporting Small Increases in Earnings and Long Strips of Consecutive Earnings Increases?* Bin Ke, Pennsylvania State University

• *Loss Avoidance Reporting Behavior: Incentives and Consequences.* Senyo Tse, University of Texas, Austin

Discussant: Carla Hayn, University of California, Los Angeles

Session: Accruals and Future Returns

Moderator: Andrew D. Bailey, Jr., Securities and Exchange Commission

• *Discretionary Accruals-based Anomaly and Managers' Motivations to Take Discretionary Accruals.* Xia Chen, University of Chicago, and Qiang Cheng, University of Wisconsin-Madison

• *Inventory Changes and Future Returns.* Jacob Thomas, Columbia University and Huai Zhang, University of Illinois at Chicago

• *Accrued Earnings and Growth: Implications for Earnings Persistence and Market Mispricing.* Patricia Fairfield and Teri Yohn, both at Georgetown University and J. Scott Whisenant, University of Houston

Discussant: Sudipta Basu, Emory University

Tuesday, August 14, 2001 at 4:00–5:30pm

Session: Debt Covenants and Contracts

Moderator: Partha Sengupta, University of Maryland, College Park

• *Large Sample Evidence on the Debt Covenant Hypothesis.* Ilija Dichev and Douglas Skinner, both at University of Michigan

• *Fundamentals and the Cost of Borrowing.* Inder Khurana, University of Missouri and K. K. Raman, University of North Texas

• *Accounting Conservatism and Cost of Debt: An Empirical Test of Efficient Contracting.* Mary Harris and Anwer Ahmed, both at Syracuse University; and Bruce Billings and Richard Morton, both at Florida

State University

Discussant: Michelle Yetman, University of Iowa

Session: Unrecognized Assets

Moderator: Joseph Anthony, Michigan State University

• *Measuring R&D Successes: A Study of New Drug Approvals in the Pharmaceutical Industry.* Rebecca T. Shortridge, Ball State University

• *Explaining Cross Sectional Differences in Unrecognized Net Assets in the Pharmaceutical Industry.* Philip Joos, University of Rochester

• *Does the Quality of Online Customer Experience Create a Sustainable Competitive Advantage for e-Commerce Firms?* Mohan Venkatachalam, Stanford University; Shavaram Rajgopal and Suresh Kotha, both at University of Washington

Discussant: Bala Dharan, Rice University

Session: Earnings Surprises

Moderator: Kathleen Ranney Bindon, University of Alabama

• *Comparing the Quality of Three Earnings Measures.* Lawrence D. Brown, Georgia State University and Kumar Sivakumar, Boston University

• *Earnings Surprises and the Role of Analysts' Forecasts.* Donal Byard, University of Cincinnati; Orié Barron, Penn State University

• *The Rewards to Meeting and Beating Earnings Expectations.* Dan Givoly, University of California, Irvine; Eli Bartov, New York University; Carla Hayn, UCLA

Discussant: William Baber, George Washington University

Session: External Monitors and Insider Trading

Moderator: Mark DeFond, University of Southern California

• *Corporate Ownership Structure and the Informativeness of Accounting Earnings in East Asia.* T.J. Wong and Joseph Fan, both at Hong Kong University of Science and Technology

• *External Monitoring of Property Appraisal Estimates and Information Asymmetry.* Edward Riedl, Pennsylvania State University and Karl Muller, Penn State University

• *Insider Trading and Price Efficiency: Evidence from Quarterly Earnings Announcements.* Darren Roulstone, University of Chicago

Discussant: Joseph Magliolo, Southern Methodist University

Session: Behavioral Research on Financial Reporting

Moderator: Lauren Maines, Indiana University

• *How Do Investors Judge the Risk of Financial and Derivative Instruments?* Lisa Koonce and Mary Lea McAnally, both at University of Texas-Austin and Molly Mercer, Emory University

• *Improving Financial Reports by Revealing the Accuracy of Estimates.* D. Eric Hirst, Kevin E. Jackson, and Lisa Koonce, all at University of Texas-Austin

• *The Credibility of Classifying Hybrid Securities as Liabilities or Equity.* Frank Hodge, University of Washington; Patrick Hopkins and Jamie Pratt, both at Indiana University

Discussant: Susan Young, Emory University

Wednesday, August 15, 2001 at 10:15–11:45am

Session: Determinants of the Informativeness of Earnings Announcements

Moderator: Atul Rai, Florida State University

• *The Information in Management's Expected Earnings Report Date: A Day Late, A Penny Short.* Susan Watts, Mark Bagnoli, and William Kross, all at Purdue University

• *Market Reactions to Electronic SEC Filings: Assessing the Impact of EDGAR.* William Heninger, Theodore Christensen and Earl Stice, all at Brigham Young University; and David Campbell, Ernst & Young-Germany

• *Characteristics of Quarterly Earnings Time Series and Information Processing in Shareholder Lawsuits.* John Q. Li, Lehigh University

Discussant: Donald Pagach, North Carolina State University

Session: Valuation of Internet

Moderator: Elizabeth Demers, University of Rochester

• *Managerial Actions, Stock Returns and Earnings: The Case of Business-to-Business Internet Firms.* Shavaram Rajgopal and Suresh Kotha, both at University of Washington; Mohan Venkatachalam, Stanford University

• *The Internet Downturn: Finding Valuation Factors in Spring 2000.* Robert Magee, Elizabeth Keating, Thomas Lys, at all Northwestern University

Discussant: Neil Fargher, University of New South Wales

Session: Analytical Models of Earnings Forecasts

Moderator: Guochang Zhang, Hong Kong University

of Science and Technology

• *Is Meeting an Earnings Forecast a Demonstration of Quality?* Mandira Roy Sankar, University of Southern California

• *The Relation Between Market Values, Earnings Forecasts and Reported Earnings.* Joy Begley and Gerald Feltham, both at University of British Columbia

• *Earnings Risk in Project Valuation: Accounting-Based Investment Decision Making.* Kenton Yee, Columbia Business School

Discussant: Paul E. Fischer, Pennsylvania State University

Session: Changing the Dynamics of Financial Information Distribution: An Update on XBRL

Moderator: Glen L. Gray, California State University, Northridge

Panelists: Louis Matherne (Director of Information Technology, AICPA and Co-chair, XBRL.org), Howard Rosenthal (Canadian Institute of Chartered Accountants), Bob Cuthbertson (Caseware International Inc.), Gary Ryan (Fidelity Investments Inc.), Gary Previts (Case Western Reserve University), Roger Debreceeny (Nanyang Technological University, Singapore)

Session: Determinants and Effects of Voluntary Disclosure

Moderator: Paul D. Hutchison, University of North Texas

• *Open versus Closed Conference Calls: The Determinants and Effects of Broadening Access to Disclosure.* Brian J. Bushee, University of Pennsylvania; Dawn A. Matsumoto, University of Washington; and Gregory S. Miller, Harvard Business School

• *Corporate Disclosure Policy and the Informativeness of Stock Prices.* David S. Gelb, Seton Hall University and Paul Zarowin, New York University

• *Effective Voluntary Disclosure.* Gregory S. Miller and Amy Hutton, both at Harvard Business School, and Douglas Skinner, University of Michigan

Discussant: Julia Grant, Case Western Reserve University

Wednesday, August 15, 2001 at 2:00–3:30pm

Session: Voluntary Disclosure in Product and Capital Markets

Moderator: Rodney Smith, University of Arkansas

• *Voluntary Disclosure in a Multi-Audience Setting: An Empirical Investigation.* Walt Blacconiere, Indiana University; Julia D'Souza and Sanjeev Bhojraj,

both at Cornell University

● *Why Do Managers Voluntarily Disclose Bad News? A Simultaneous Experimental Test of Product and Capital Markets.* Rose Marie Martin and Hassan Hefzi, both at California State Polytechnic University

● *The Effect of Product Market Competition on Corporate Voluntary Disclosure Decisions.* Yong-Chul Shin, Tulane University

Discussant: Nishi Sinha, Boston University

Session: Modeling Issues with Analyst Data

Moderator: James McKeown, Penn State University

● *Brokerage Commissions and Pre-Disclosure Information Environment.* Gilad Livne, London Business School

● *Inertia and Discreteness: Issues in Modeling Analyst Coverage.* Patricia C. O'Brien, University of Waterloo and Maureen McNichols, Stanford University

● *The Accuracy and Frequency of Analysts' Forecasts: A Simultaneous Equations Analysis.* Lihong Liang, Edward Riedl, and Ramgopal Venkataraman, all at Pennsylvania State University

Discussant: John Jacob, University of Colorado, Boulder

Session: Value Relevance of GAAP Disclosures/Choices

Moderator: Elizabeth Oliver, Washington & Lee University

● *Incremental Value Relevance of SFAS No. 106.* Sharad Asthana, Temple University and Birendra Mishra, University of Texas, Dallas

● *The Value Relevance of Earnings and Book Value Under Pooling and Purchase Accounting.* Su-Jane Hsieh and Yuli Su, both at San Francisco State University; Kenneth Ferris, American Graduate School of International Management; and C.S. Agnes Cheng, University of Houston

● *The Equity Method and the Value Relevance of Fair Value Disclosures.* Craig Lefanowicz and Kathy Petroni, Michigan State University; and Roger Graham, Oregon State University

Discussant: Elizabeth A. Gordon, Rutgers University

Session: Accounting Information and Compensation

Moderator: Qi Chen, Duke University

● *Job Security and Income Smoothing: An Empirical Test of the Fudenberg and Tirole (1995) Model.* Gerald Lobo and Anwer Ahmed, both at Syracuse University; and Jian Zhou, Long Island University

● *The Effect of Multiple Restructurings on CEO Cash Compensation.* David Adut and William Cready, both

at Louisiana State University; and Thomas Lopez, Texas A&M University

● *The Role of Losses, Profits and Book Value in Compensation.* Terrance R. Skantz and Timothy Cairney, both at Florida Atlantic University

Discussant: John Core, University of Pennsylvania

Session: Disclosures and Earnings Management

Moderator: William K. Salatka, Wilfrid Laurier University

● *Corporate Disclosure Policy and Earnings Management.* Jian Zhou, Long Island University, and Gerald Lobo, Syracuse University

● *Employee Stock Options and Pro Forma Earnings Management.* Terry Baker and Dale Martin, both at Wake Forest University

● *The Stock Market Reactions to Disclosure and Earnings Management Strategies of Seasoned Equity Offering Firms.* Yongtae Kim, Santa Clara University

Discussant: Tommy Carnes, University of Arkansas

**FARS Research Forums
at the AAA Convention**

Wednesday, August 15, 2001 at 10:15–11:45am

● *Quality and Pricing of Earnings Under Sustained Growth.* Aloke Ghosh, Baruch College-CUNY

● *Changes in the Dissemination Of Information and Its Impact on Differential Predisclosure Information.* Steven Balsam and Sharad Asthana, both at Temple University; and Birendra Mishra, University of Texas-Dallas

● *Exchange Rate Fluctuations and the Differential Market Response to Unexpected Translation Gains and Losses Disclosed in Shareholders' Equity for Years 1987–1996.* Henghsiu Lin

● *Returns-Earnings Regressions: An Integrated Approach.* Stephen Lynn, City University of Hong Kong

● *Earnings Management by Initial Public Offering Firms: A Reexamination.* Scott B. Jackson, University of Texas, San Antonio

● *The Association Between R&D Spending and Information Asymmetry Around Earnings Announcements.* Jeff Boone, Mississippi State University

● *How Informative are Earnings Numbers that Exclude Goodwill Amortization?* Stephen Moehrle, University

of Missouri, St Louis

- *The Retained Earnings Hypothesis: A Reexamination of the Evidence*. Gerald Lobo, Syracuse University
- *Accounting for Derivatives and Corporate Risk Management Policies*. Ronnie Barnes, London Business School
- *The Effect of IPO Prospectus Errors on Shareholder Returns*. Kamran Ahmed, La Trobe University
- *Valuation Implications of Changes in Firms' Effective Tax Rates*. Julie Collins, University of North Carolina, Chapel Hill; David A. Guenther, University of Colorado, Boulder; and Denise Jones, College of William and Mary
- *Have Earnings Announcements Lost Information Content?* Mark Kohlbeck, University of Wisconsin and Steve Buchheit, Texas Tech University
- *Predicting SFAS 95 Cash Flows: The Relative Importance of Prior Earnings, Cash Flows, and Accruals*. Sia Nassiripour, Monmouth University and William Stammerjohan, Mississippi State University
- *The Effect of Insider Trading and Compensation Incentives on Disclosure Quality*. Wei Zhang, Clarkson University
- *The Association Between LIFO Reserve and Equity Risk: An Empirical Analysis*. Uday Chandra, University of Kentucky; Bradley Childs, Suffolk University; and Byung T. Ro, Purdue University
- *Litigation Risk and Discretionary Disclosures*. Steve C. Lim, Texas Christian University, and Myung-Sun Kim, University of Missouri, Columbia
- *Top Line versus Bottom Line Forecasts: A Comparison*. Mark Bagnoli, Sanjay Kallapur, and Susan G. Watts, all at Purdue University
- *Informational Uncertainty, Earnings-Return Relation and Equity Valuation*. Myung-Sun Kim, University of Missouri, Columbia
- *The Trade-Off of Reliability for Relevance within a Stewardship Setting*. Peter Woodlock, Youngstown State University and Richard Young, Ohio State University

Wednesday, August 15, 2001 at 2:00–3:30pm

- *Relative Value Relevance of Historical Cost vs. Fair Value: Evidence from Banks*. Myung-Sun Kim and Inder Khurana, both at University of Missouri
- *Further Evidence on Prospect Theory and Signaling-Based Theories of IPO Underpricing*. Duane Kennedy, Ranjini Sivakumar, and Kenneth Vetzal, all at University of Waterloo
- *Markets in Intangibles: Patent Licensing*. Feng Gu,

Boston University and Baruch Lev, New York University

- *Stock Market Responses to Permanent and Transitory Components of Accounting Earnings*. Simon Yang, Adelphi University and C.S. Agnes Cheng and Bong-Soo Lee, both at University of Houston
- *Discretionary Choices of Accounting Methods and Value Relevance: R&D Accounting in the Software Industry*. Weimin Wang, Tulane University
- *Distressed Firms and Secular Deterioration in Usefulness of Accounting Information*. Roland Lipka, Temple University and George Joseph, Savannah State University
- *Information Content of Earnings and Special Items: A Re-Examination*. Atul Rai, Florida State University
- *The Effect of Corporate Restructuring Charges on Employee Contributions to Profit Sharing Plans*. William Wilcox, Bradley University; Elaine Mauldin, University of Missouri; Scott Jackson, University of Texas; and Douglas Kruse, Rutgers University
- *The Information Content of Accounting Earnings and Cash Flows Measures of Performance: The Role of the Cash Recovery Rate*. Amal A. Said, Virginia Commonwealth University and Hassan HassabElnaby, Virginia State University
- *What's "New" About Market Valuations in the New Economy?* Andrew Van Buskirk
- *The Perceived Value of Selected Voluntary Disclosure Items and Firms' Disclosure Practice*. Simon S. M. Ho and Kar Shun Wong, both at The Chinese University of Hong Kong
- *The North American Industrial Classification System and Its Implications for Accounting Research*. Jayanthi Krishnan and Eric Press, both at Temple University
- *Are Write-Downs of Discontinued Operations' Assets Timely?* Denton Collins, University of Houston and Steven Henning, Southern Methodist University
- *Accounting-related Determinants of Oil and Gas Exploration Decisions*. Mark Holtzman
- *The Timing of Choice: A Discrete-Time Survival Analysis of Adoption of SFAS 121*. LuAnn Bean
- *Market Reaction to Proposed Changes in Accounting for Purchased Research and Development*. Cynthia Jeffrey, Anne Clem, and Arnie Cowan, all at Iowa State University
- *Have Investors Incorporated the Dilutive Impact of Outstanding Options in Current Stock Prices?* Huong Higgins, Worcester Polytechnic Institute

Call for Papers

Eighth Annual Midyear Auditing Section Conference

The Eighth Annual Midyear Auditing Section Conference will be held in Orlando, Florida on January 17–19 2002. CPE sessions will be held on the afternoon of January 17. The remainder of 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. You are encouraged to contribute to the program through submissions of auditing/attestation/assurance research and education papers, and special session proposals.

The conference will be held at the Hotel Royal Plaza in the Walt Disney Resort. The hotel is located in the highly desirable Downtown Disney Resort area. There is complimentary transportation to all Disney World attractions.

Submission Guidelines

Research papers should follow the style guidelines of *Auditing: A Journal of Practice & Theory*. Other submissions should take an appropriate form to permit review of their originality, quality and usefulness. Submissions are not eligible for consideration if they (1) have been published or accepted for publication, (2) were presented at the 2001 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. It should be noted that papers accepted for presentation at the 2002 Midyear Auditing Section Conference can also be submitted for presentation at the AAA Annual Meeting scheduled for August 2002.

Abstracts only will be published in the proceedings' booklet. By December 1, 2001 authors of accepted submissions are expected to provide the designated session discussant with a final printed copy. Instructions for placing accepted papers on the Section's web site will be included in acceptance letters.

Submission Deadline

Four copies of submissions must be received by September 1, 2001 to be considered for the program. Early submission is highly encouraged. Any questions should be addressed to:

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