

PROFESSIONAL ACCOUNTING CENTRE (PAC)

2024 PROFESSIONAL ACCOUNTING FUTURES CONFERENCE

INTERNAL CONTROLS AND REGULATORY COMPLIANCE: NEW CHALLENGES IN AN UNCERTAIN WORLD

December 6, 2024

KN LL1220

University of Toronto Mississauga, Mississauga, Ontario

PAC is pleased to acknowledge funding support for this conference from CPA Ontario

EXPANDED AGENDA

8:00 Registration, Coffee & Pastries

8:45 Opening Remarks - Recent high profile events in Canada and the U.S. have yet again highlighted the importance of internal controls, not only from a financial reporting point of view but also increasingly including operational and regulatory compliance concerns. The University's Professional Accounting Centre (i.e., PAC) has been established to provide a forum for discussing the future challenges facing the profession and is therefore mandated to expose and consider the insights those lessons reveal. Keynote speakers and panelists will address these challenges, and comment on and debate adjustments made, and longer-term practices and ideas developed and/or modified.

- Dushyant Vyas, Professor and Associate Chair, Department of Management, UTM
- Craig Smith, Executive Vice President, Member & Student Services, CPA Ontario

9:00 Academic research presentation: Internal Controls over Financial Reporting and Operations

Joe Schroeder
Professor
Chairperson of Graduate Accounting Program
Indiana University



Joseph H. Schroeder is a Professor and PwC Faculty Fellow at the Indiana University, Kelley School of Business. Schroeder is also Chair of the Graduate Accounting Programs at Kelley. Prior to serving as editor for *The Accounting Review*, Schroeder was an editor for *Auditing: A Journal of Practice & Theory* from 2019 to 2023.

His research examines the impact of auditing on financial reporting and disclosure quality, as well as the impact of regulation on the auditor/client dynamic. His work has appeared in *Journal of Accounting and Economics*, *Journal of Accounting Research*, *The Accounting Review*, *Contemporary Accounting Research*, *Review of Accounting Studies*, *Auditing: A Journal of Practice and Theory*, and *Accounting Horizons*. Schroeder's research has received several recognitions including the 2015 AAA Outstanding Audit Dissertation Award and the 2020 AAA/Deloitte Wildman Medal.

Schroeder teaches auditing and has received many teaching awards. Schroeder earned his Ph.D. in Accounting from Michigan State University in 2013 and his B.S. and M.S. in Accounting from Ball State University in 2003 and 2004, respectively.

Schroeder is a CPA (Indiana) and prior to academia worked as a senior auditor in the Indianapolis office of EY.

9:50 Break

10:00 Academic research presentation - AI in Internal Controls

Jake Krupa
Assistant Professor
PCAOB Fellow
Tulane University



Jake Krupa is an Assistant Professor at Tulane University and the Senior Economic Research Fellow at the PCAOB for the 2024-2025 academic year. He began his career as an audit associate at PwC in South Florida, specializing in the auditing of investment fair values. Following this, he

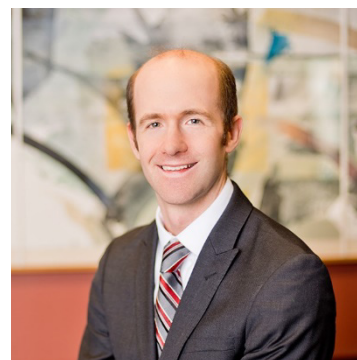
pursued a PhD in Business Administration from the University of Miami, where he developed expertise in textual analysis and machine learning research methodologies. In 2020, he joined the Freeman School of Business at Tulane University as an Assistant Professor of Accounting where he teaches data analytics to undergraduate and graduate students. His research includes employing machine learning algorithms to evaluate how information transfers through various information intermediaries and mediums, including the business press, auditor reports, and regulatory filings.

10:50 Break

11:00 *Insights from Practice - Process Mining*

Andrew Morgan

Partner, Ernst & Young Canada



Andrew Morgan is a Partner in the Financial Services group in the Assurance practice in Toronto. He has nineteen years of experience auditing banks, a leasing company, broker-dealers, mortgage companies, mutual funds, pension funds, and investment companies. He also is head of our blockchain assurance practice in Toronto.

Andrew is a Chartered Professional Accountant (CPA), Chartered Accountant (CA) and a Chartered Financial Analyst (CFA) charterholder.

11:50 *Lunch & Keynote -- Internal Controls in the News: Busting the Myths About What Went Wrong*

NSB Atrium

Francine McKenna,

Investigative Journalist and Author, The Dig

Francine McKenna is an award-winning writer and teacher who migrated to investigative journalism after a career in the public accounting industry. She teaches, writes, consults, and speaks on accounting, audit, internal audit and corporate governance issues and challenges at public and pre-IPO private companies. Her work has been cited in testimony before the U.S. Congress and in comment letters to regulators as well as cited in other academics research with respect to these topics. She currently authors the newsletter, The Dig.



She was most recently a full-time Lecturer in accounting to the MBAs at The Wharton School, The University of Pennsylvania. McKenna has also been an adjunct professor at the University of Cambridge Judge Business School, University of Miami, American University, Ohio State University, and Baylor University. She is a frequent guest lecturer and speaker at universities, conferences and other forums and was honored as a Dreier Chair in Accounting Ethics Distinguished Speaker at Loyola Marymount University in Los Angeles, CA.

More recently, McKenna has been an investigative reporter for more than 15 years for leading financial publications, including most recently as the Financial Transparency reporter for Dow Jones/MarketWatch and as a featured columnist in The Financial Times, The Wall Street Journal, American Banker, Accountancy Age, Accountancy Magazine, Forbes and Barron's, among many other publications. She was a member of the inaugural class of Journalism Fellows at the Stigler Center of the University of Chicago Booth School of Business in 2017. McKenna began her journalism career with her own blog, reTheAuditors.com, in 2006. She was twice a finalist for UCLA's Gerald Loeb Award for Distinguished Financial Journalism, for reTheAuditors.com and for her magazine articles at Forbes.

McKenna spent more than 20 years in public accounting and consulting, including stints at KPMG Consulting and PwC and as the first female managing director for BearingPoint in Latin America. She began her career in internal audit at Chicago's Continental Illinois National Bank and Trust. She has an undergraduate degree in accounting from Purdue University, a Masters in Liberal Arts from the University of Chicago, and is a registered CPA in Illinois. McKenna is fluent in Spanish and familiar with Brazilian Portuguese.

1:20 Academic Research Presentation – Internal Controls, Corporate Governance, and Audit

**Karim Jamal,
CPA Distinguished Professor
Department Chair of Accounting and Business Analytics
University of Alberta**



Dr. Jamal is the past Chair of the American Accounting Association's Financial Accounting Standards Committee (FASC) which provides scholarly opinion and discussion to the Financial Accounting Standards Board (FASB) in the U.S., The International Accounting Standards Board (IASB) and The Securities and Exchange Commission (SEC). Dr Jamal's primary research focus is on: (1) Auditor balancing of fraud detection versus client satisfaction, (2) Disclosure and its effect on conflict of interest, and discussions with the audit committee, (3) Private markets for accounting and auditing, (4) Regulatory failure in auditing and (5) Persuasion, justification and interpersonal perception in auditing. Dr Jamal has numerous publications in research and professional journals in accounting, economics and psychology, published in Australia, Canada, the US, the UK, Japan and Taiwan.

In 2010, Dr Jamal received the Haim Falk Award for Distinguished Contribution to Accounting Thought from the Canadian Academic Accounting Association (CAAA).

In 2023, Dr. Jamal received a CPA (Alberta) Lifetime Achievement Award for thought leadership and distinguished contribution to the accounting profession and, in 2023 was inducted in the Canadian Accounting Hall of Fame.

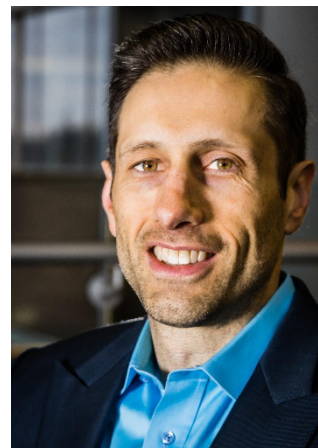
2:10 Break

2:20 Academic Research Presentation – Tax Compliance

Andrew Bauer

Associate Professor

**Canada Research Chair in Taxation, Governance and Risk
University of Waterloo**



Andrew Bauer is the Canada Research Chair in Taxation, Governance, and Risk and an associate professor at the University of Waterloo. His primary area of research studies corporate tax. More specifically, he examines the influence of agency issues on tax planning, including governance mechanisms, and the role of uncertainty in shaping tax planning, including risk assessment. Other research interests include internal controls, financial disclosures (including non-GAAP metrics), risk more generally, and data analytics.

3:10 Break

3:20 Panel on Regulatory Compliance and Controls in Financial Institutions – Making Sense of Recent Events

The panel will include:

- Rita Trichur, Senior Journalist, The Globe & Mail
- Matt McGuire, Principal and Practice Leader, The AML Shop
- Joseph Schroeder, Professor, Indiana University

Moderator: Len Brooks

Rita Trichur
Senior Journalist
The Globe & Mail



Rita Trichur is an award-winning journalist. She is a senior business writer and columnist with The Globe and Mail. She previously served as the newspaper's Financial Services Editor.

Rita returned to The Globe in July 2016 after spending about 2 ½ years as a reporter for The Wall Street Journal. She primarily covered Canadian banks and insurance companies from Toronto, but also wrote a variety of other stories for the U.S. newspaper. Prior to The Wall Street Journal, Rita spent more than three years at The Globe, initially working as a general assignment reporter in the Report on Business before covering the telecom beat. Rita, who also speaks French, has also covered financial services and economics for the Toronto Star, and has held various roles at the Canadian Press and the Ottawa Sun. She got her first byline at age 6 when the Toronto Star published her short story about a fish-stealing cat and paid her \$10. She has a Bachelor of Journalism and Political Science and a M.A. in Canadian Studies – both from Carleton University in Ottawa.

Matt McGuire, FCPA
Co-Founder and Practice Leader
The AML Shop



Matt is the Co-Founder and Practice Leader of the AML shop. He is an internationally recognized expert in anti-money laundering and counter-terrorist financing. He has been assisting financial institutions to assess and reduce financial crime and related regulatory risks for twenty years.

He has served as an advisor to the UN as well as Canadian and foreign governments on development of their laws and financial intelligence functions. He has been qualified by the Ontario Superior Court of Justice as an expert witness in forensic accounting and money laundering, in anti-money laundering and money laundering involving professionals by the Law Society of Ontario Tribunal, prepared expert reports in respect of money laundering and frauds related to cryptocurrency, lawyers, financial institutions and in respect of immigration cases, has testified for the Cullen Commission on accountants and money laundering, Senate committees, and twice before a House of Commons Parliamentary Committees.

Most importantly, Matt is a proud graduate of the University of Toronto's investigative and forensic accounting program.

Joe Schroeder
Professor,
Chairperson of Graduate Accounting Program
Indiana University



Joseph H. Schroeder is a Professor and PwC Faculty Fellow at the Indiana University, Kelley School of Business. Schroeder is also Chair of the Graduate Accounting Programs at Kelley. Prior to serving as editor for *The Accounting Review*, Schroeder was an editor for *Auditing: A Journal of Practice & Theory* from 2019 to 2023.

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Schroeder is a CPA (Indiana) and prior to academia worked as a senior auditor in the Indianapolis office of EY.

Len Brooks
Professor (Business Ethics & Accounting)
University of Toronto



Len is the Professor of Business Ethics & Accounting at the University of Toronto with appointments at the Rotman School of Management, the UTM Department of Management, and the Institute of Management & Innovation (IMI).

He is currently the Director of the Master of Forensic Accounting (MFAcc) Program, and IMIX Executive Programs. An expert in accounting, governance and ethics, Len has authored, co-authored, or co-edited many articles and several books including: *Business & Professional Ethics for Directors, Executives & Accountants*; *Ethics & Governance: Developing & Maintaining an Ethical Corporate Culture*; and *Principles of Stakeholder Management*. His current research

interests include professionalism, professional skepticism, DEI, and the linkage between continuing success, governance, risk management, and the maintenance of reputation.

4:20 Closing Remarks & Adjournment - Michael Marin & Dushyant Vyas

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