

VITA

WILLIAM L. FELIX, JR.

**Eller Professor of Accounting
And
PwC Auditing Fellow**

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EDUCATION AND CERTIFICATION

University of Montana, Missoula; B.S.B.A., 1961; M.S.B.A., 1965; The Ohio State University, Ph.D., 1970

Certified Public Accountant (Arizona, Montana, both inactive)

ACADEMIC POSITIONS

University of Montana, Missoula, 1964-1966.

University of Washington, Seattle, 1970-1983.

University of Arizona, Tucson, 1983-to date.

PROFESSIONAL EXPERIENCE

Public Accounting -- Price Waterhouse & Co., 1962-1964

Faculty Fellow -- Price Waterhouse & Co., 1973

Consulting -- serves as a consultant on auditing policy and statistical methods in accounting and auditing; serves as an expert witness on accounting and auditing matters.

ACADEMIC SERVICE

AT THE UNIVERSITY OF WASHINGTON

Chairman of the Department of Accounting (1982-1983) which included membership on the School's Administrative and Advisory Committees. Faculty Vice President, Beta Alpha Psi (1973-1978). Served on and chaired various college and department committees from 1970-83.

AT THE UNIVERSITY OF ARIZONA

Member of the College of Business and Public Administration Promotion and Tenure Committee (1983-1985, 1988-1991, 2000-1, 2005-6 Chair), member of Steering Committee for the Karl Eller Center for Study of the PME (1985-1993), member of the University Committees on Regents Professorships (1990-1991) and honorary degrees (1991-1992); Member of and chair of various other department and college committees. Department external relations (1983- to date). Acting Department head 1994 and 2003-4; Acting Dean of the College 1994-96.

AWARDS

Outstanding Faculty Vice President Award from National Council of Beta Alpha Psi (1978)

PricewaterhouseCoopers Auditing Professor (1978-1983) – University of Washington;
(1983-2000) – University of Arizona

KPMG Peat Marwick Auditing Research Awards (1981, 1983 and 1991), Case Awards (1998 & 1999)

American Accounting Association, Distinguished Visiting Faculty, 1984 Doctoral Consortium

American Accounting Association/AICPA: Notable Contribution to Accounting Literature Award, 1985

Outstanding Auditing Educator Award from the Auditing Section of the American Accounting Association, 1989

Outstanding Accounting Educator Award from the American Accounting Association, 1991

Innovation in Accounting Education Award from the American Accounting Association, 1993

Distinguished Service Award from the Auditing Section of the American Accounting Association, 2006

PricewaterhouseCoopers Auditing Fellow (2000-) – University of Arizona

Eller Professor of Accounting (2000-) – University of Arizona

PROFESSIONAL SERVICE

Member of AICPA, American Accounting Association (AAA), and Arizona Society of CPA's

AAA Officer and Committee positions: President(2003-2004); President-elect (2002-2003); Vice President – Publications for AAA (1999-2001); Chairman, AAA Auditing Standards Committee (1978-1980); Chairman, AAA Subcommittee on Emerging Issues (1984-1986); Chairman, AAA Audit Section Research Committee (1977-1979); President, AAA Audit Section (1981-1982); Chairman, AAA Committee to nominate notable contributions to accounting literature (1981-1982); Chairman, AAA Structure Re-evaluation Committee (1992-1993); Chairman, AAA Professional Practice Quality Committee (1993-1997); Member, AAA Research Advisory Committee (1978-1979); Member, AAA Committee to nominate notable contributions to accounting literature (1972-1974, 1980-1982, 1985-1986); Member, AAA Competitive Manuscript Committee (1987-1988); Member, AAA Publications Committee (1988-1990); Member, AAA Nominations Committee (1991-1992); Member, AAA Auditing Standards Committee (1983-1984 and 1990-1996)

Member, AICPA Committee on Statistical Sampling (1973-1976); Member, AICPA Practice Analysis Task Force (1987-1990)

Member of Washington Society of CPA's Committee on Auditing Standards (1975-1980); Director (1980-1982); Vice President (1982-1983)

Member of American Statistical Association Committee on Statistics in Accounting (1978-1982)

Member of the Arizona Society of CPAs Education Foundation (1993-99); Secretary-Treasurer (1996-1997), President (1997-98)

CURRENT RESEARCH INTERESTS

Auditor Judgment Processes Especially in the Performance of Analytical Procedures and Internal Control Evaluations

The role of audit evidence in opinion forming and justification.

The role of the internal auditor in financial statement audits.

The economics of auditing

EDITORIAL ACTIVITIES

Editor: Auditing: A Journal of Practice and Theory, 1996-1999

PUBLICATIONS

1. Editing:

Served as contributing editor for issues titled: "*Accounting Education*" (Winter 1972); "*Financial Reporting: Objectives and Standard Setting*" (Spring 1973); "*Auditing Problems*" (Fall 1974); "*New Developments in Managerial Accounting*" (Fall 1975); "*Not-for-Profit Accounting: How Can It Be Improved?*" (Winter 1977); "*Accounting for Social Performance*," (Winter 1978); in Journal of Contemporary Business (University of Washington, Seattle).

2. Books or Book Sections:

Contributed papers entitled "*Linear Algebra and Cost Allocations: Some Examples*" and "*The Inventory Calculus*" in Management Planning and Control: Mathematical Models by John Leslie Livingstone (Editor), McGraw-Hill Book Company, 1970, pp. 69-74 and 135-140.

SCAD V: A Simulated Case for Audit Decisions (with M. Niles and J. Andrus), McGraw-Hill, Inc. New York, 2000.

"*Audit Sampling*" (with Stephen J. Aldersley, William R. Kinney, Jr. and James K. Loebbecke), in Auditing Practice, Research and Education: A Productive Collaboration, Edited by Timothy B. Bell and Arnold R. Wright, AICPA, 1995.

Coordinating Total Audit Coverage: The Relationship Between Internal and External Auditors (with A. Gramling and M. Maletta), The Institute of Internal Auditors Research Foundation, 1998.

3. Refereed Articles:

"*Estimating the Relationship between Technical Change and Reported Performance*," The Accounting Review, January 1972, pp. 52-63.

"*A Discussion of Considerations in Choosing Statistical Sampling Procedures in Auditing*," Statistical Methodology in Auditing: 1975 (a supplement to Vol. 13 of The Journal of Accounting Research, The Institute of Professional Accounting, University of Chicago), pp. 65-67.

"*Tax Allocation and Security Prices: A Comment*" (with Gary L. Sundem), The Accounting Review, April 1976, pp. 391-395.

"*Evidence on Alternative Means of Assessing Prior Probability Distributions for Audit Decision-Making*," The Accounting Review, October 1976, pp. 800-807.

"*A Sampling Model for Audit Tests of Composite Accounts*" (with Richard A. Grimlund), The Journal of Accounting Research, Spring 1977, pp. 23-41.

PUBLICATIONS - Refereed Articles (continued)

- "*Analytical Review Procedures*" (with William R. Kinney, Jr.), Journal of Accountancy, 150:4, pp. 98,103.
- "*Management Science and Accountability (A Comment)*" Journal of Enterprise Management, 2:2, pp. 163-165.
- "*Research on the Auditor's Opinion Formulation Process: State of the Art*" (with William R. Kinney, Jr.), The Accounting Review (April 1982) LVII, 2, pp. 245-271.
- "*Research on Monetary Unit Sampling*" (with D.A. Leslie and J. Neter), Auditing: A Journal of Practice and Theory, Winter 1982.
- "*The Auditor's Use of Client Budgets and Performance Reports*" (with J. Jiambalvo), The CPA Journal (August 1983) Volume LIII, Number 8, pp.70-73.
- "*The Auditor and Learning from Experience: Some Conjectures*" (with W. Waller), Accounting, Organization and Society, Vol. 9, No. 3/4, 1984.
- "*The Effects of Incomplete Outcome Feedback on Auditors' Self- Perceptions of Judgment Ability*" (with W. Waller), The Accounting Review, October 1984.
- "*Statistical Inference and the IRS*," (with Robert S. Roussey), The Journal of Accountancy, June 1985.
- "*SCAD: Something New in Auditing Education*" (with R. May, M. Niles, et. al.) The Journal of Accounting Education, Fall 1985.
- "*Auditor Covariation Judgments*" (with W. Waller), The Accounting Review, April 1987.
- "*Simulation Evidence and Analysis of Alternative Methods of Evaluating Dollar Unit Samples*" (with R. Grimlund), The Accounting Review, July 1987.
- "*Research in Internal Control Evaluation*" (with M. Niles), Auditing: A Journal of Practice and Theory, Spring 1988.
- "*Auditors' Causal Judgments: Effects of Forward vs. Backward Inference on Information Processing*" (with W. Waller), Accounting, Organizations and Society, Vol. 14, Nos. 1/2, 1989.
- "*Arthur Andersen's New Monetary Unit Sampling Approach*" (with R. Grimlund, F. Koster, and R. Roussey), Auditing: A Journal of Practice and Theory, Fall 1990.
- "*A Critique of Statement on Auditing Standards No. 55*" (with J. Morton), Accounting Horizons, March 1991.
- "*Self-Regulation: An Assessment by SECPS Members*" (with D. Prawitt), Journal of Accountancy, July 1993.

PUBLICATIONS - Refereed Articles (continued)

"*Why Do Audits Fail?: Evidence from Lincoln Savings and Loan*" (with M. Erickson and B. Mayhew), The Journal of Accounting Research, Vol.38, No. 1 Spring, 2000.

"*Determinants of External Audit Fees: The Importance of a Client's Internal Audit Department*" (with Audrey Gramling and Mario Maletta), The Journal of Accounting Research, Vol.39, No. 3 December, 2001.

"*The Influence of Client Preferences on External Auditors' Decisions to Rely on the Work of Internal Audit*" (with A Gramling and M. Maletta), Contemporary Accounting Research, Vol. 22, No. 1, Spring, 2005.

4. Refereed or Invited Proceedings Papers:

"*A Decision Theory View of the Audit Process*," Contemporary Auditing Problems by Howard F. Stettler (Editor), University of Kansas Press, 1974, pp. 63-71.

"*Payoff Functions for Auditors*" (with Richard A. Grimlund), Proceedings of the American Institute for Decision Sciences, Western Regional Conference, 1976, pp. 94-97.

"*The Contribution of Sampling Evidence to the Auditor's Logic Process*," Proceedings of the American Institute for Decision Sciences, Western Region Conference, 1977, pp. 135-138.

"*Materiality in Auditing*," Symposium on Audit Research II, University of Illinois Press, 1977, pp. 135-138.

"*Sampling Risk vs. Non-sampling Risk in the Auditor's Logic Process*," Auditing Symposium IV, University of Kansas Press, 1978.

"*Sampling for Compliance Tests: A Monetary or a Physical Basis*" (with James Goodfellow), Proceedings of the American Institute for Decision Sciences Western Region, 1978, pp. 6-8.

"*An Analysis of Monetary and Physical Unit Sampling*" (with James Goodfellow) presented at the October 1978 conference and published in Symposium on Audit Research IV (University of Illinois, 1979).

"*A Bayesian View of Audit Planning: A Decomposition of Beliefs*" Proceedings of the National Conference of the American Institute for Decision Sciences Annual Meeting, November 1982.

"*Cognition and the Auditor's Opinion Formulation Process: A Schematic Model of Interactions Between Memory and Current Audit Evidence*" (with W. Waller), Decision Making and Accounting: Current Research, The University of Oklahoma, 1984.

PUBLICATIONS - Refereed or Invited Proceedings Papers (continued)

"*Assertion Based Audit Approach: A Comment*," Auditing Symposium VIII, University of Kansas Press, 1986.

"*An Incorrect Rejection Problem in Dollar-Unit Sampling*" (with D. Burgstahler and Robert Roussey), Symposium on Auditing Research VII, University of Illinois, 1986.

"*Assessing Control Risk: Effects of Procedural Differences*" (with J. Morton), Auditing Symposium X, University of Kansas Press, 1991.

"*Implementing SAS No. 55: An Interim Report*" (with W. Kinney), The Expectation Gap Standards, AICPA (New York, NY), 1993.

"*Complex Accountability in Public Accounting: A Discussion*," Symposium on Auditing Research X, (Office of Accounting Research, University of Illinois at Urbana-Champaign Press), 1993.

"*Internal Control: Ten Years Since Treadway*," Symposium on Auditing Research XIV, University of Kansas Press, 1998.

5. Invited Journal Articles

"*University of Washington Partners in Residence*," The Washington CPA, March 1974, pp. 2-3.

"*Financial Reporting Checklist Updated*," The Washington CPA, January 1976, p. 1.

"*The Relationship Between Internal and External Audit*" (with Audrey Gramling and Mario Maletta) Internal Auditing (UK), July 1999.

"*Internal Audit's Coordination of Internal and External Audit Efforts* (with A. Gramling and M. Maletta)," Internal Auditing, Vol. 14, No. 5, September/October 1999.

"*Internal Audit's Coordination of Internal and External Audit Efforts* (with A. Gramling and M. Maletta)," Journal of Construction Accounting and Taxation, Vol. 9, No. 6, November/December 1999.

"*Identification of Fraudulent Financial Statements Using Linguistic Credibility Analysis* (with K. Moffitt, S. Humpherys, M. Burns and J Burgoon)," Decision Support Systems, Forthcoming.

6. Research in Process:

“The Impact of Venture Capitalists on the External Audit Function in Initial Public Offerings,”
(with S. Morsfield and C. Tan)

“The Demand for Auditing: Further Evidence from IPO’s” (with S. Morsfield and C. Tan)

“The Impact of Internal Auditing on Financial Reporting Quality,” (with A. Gramling, N Sharpe
and D. Wood)

“FFR Detection Combining Linguistic Techniques and Financial Analysis,” (with K. Moffitt, S.
Humpherys, M. Burns and J Burgoon)

“Estimating Audit Effort”

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