



Request for Proposals Academic Research in Auditing November 2016

Proposal Deadline: Friday, March 17, 2017

Background

The Center for Audit Quality (CAQ) is an autonomous public policy organization dedicated to enhancing investor confidence and public trust in the global capital markets. The CAQ fosters high quality performance by public company auditors, convenes and collaborates with other stakeholders to advance the discussion of critical issues requiring action and intervention, and advocates policies and standards that promote public company auditors' objectivity, effectiveness, and responsiveness to dynamic market conditions.

The CAQ is committed to providing opportunities for the academic community to work closely with the profession. In 2008, the Center established a Research Advisory Board (RAB), comprised of representatives from academia and the profession, which reviews proposals relating to scholarly research in auditing. In the past eight years, the RAB has awarded 30 grants for independent academic research projects on topics of interest to the profession.

The CAQ convenes an annual Auditing Research Symposium that provides an opportunity for a robust dialogue between members of the profession and academic representatives on key issues that practitioners face in conducting an audit. One goal of the Symposium is to provide insights into areas that would benefit from further research in auditing so as to inform practice. At the [2016 CAQ Symposium](#), there was a panel discussion that focused on challenges that preparers and auditors face with respect to audits of internal control over financial reporting, in particular around audits of management review controls. Video of the panel discussions and a summary of the smaller breakout sessions are available on the [CAQ website](#). This year's Symposium also included a panel that provided [insights into the types of research support](#) that RAB grant awardees can receive on their projects from RAB firm representatives.

NOTE: Researchers awarded CAQ RAB grants in 2017 will receive an invitation to attend the CAQ Symposium.

Areas of Interest

The CAQ is keenly interested in research questions that can inform audit practice or address policy and regulatory issues that impact the profession. The CAQ encourages researchers to pursue archival research using secondary data sources, literature reviews/syntheses, descriptive analyses, meta analyses, and behavioral/experimental studies. Below is a list of topics that reflect areas that the RAB considers to be of greatest importance. Additional details about these topics can be found on the CAQ's website. (<http://thecaq.org/research-advisory-board-request-proposals>)

- **Auditing Accounting Estimates and Fair Value Measurements**
- **Audit Committee Effectiveness**
- **Audits of Internal Control over Financial Reporting (ICFR)**
- **Cybersecurity**
- **Data Analytics**
- **Fraudulent Financial Reporting**
- **Global Group Audits**
- **Materiality**

- **Non-GAAP Measures**
- **Professional Skepticism**
- **Value of the Audit**

Proposal Instructions

A short [video](#) on elements of a successful proposal can be viewed on the CAQ website. We hope that this video will assist in the development of successful proposals.

Proposals should be concise and contain the following elements.

- A description of the research question and its importance to practice.
- A description of how the research fits into the existing literature by explaining how the proposed study builds on the extant research on the topic.
- A description of specific predictions, including theory-based explanations underlying the predictions. Research without specific predictions (e.g., interview, case study, survey) will also be considered and should include a description of how the research relates to theory.
- A description of the proposed methodology, including the research design and key variables, if applicable, and the proposed methods of analysis. If the researcher has begun to implement the research plan, (e.g., researcher has developed a data collection protocol or has gathered data from a pilot study; researcher has created a database of observations from a secondary data source) include that information in your proposal submission.
- A description of the resources needed to complete the study, and what assistance will be required from the CAQ and its member firms (e.g., funding request, access to professional staff – including experience and/or industry requirements, secondary data sources).
- A timeline for data collection, analysis and report writing, or other deliverables.
- An itemized budget including budget rationale. Note that the CAQ requires a waiver of university overhead and will not pay for travel to conferences or for journal submission fees. CAQ member firms do not permit researchers to offer payment or gifts to audit personnel for participating in research studies.
- Identification of proposed members of the research team including a brief description of their roles (e.g., project director, research assistant, etc.), and the estimated level of effort (in hours) proposed for each member.
- Curriculum vitae for the proposed principal investigator and other key members of the research team.
- Other information that the research team believes will assist in the review of the proposal.

While there is no restriction on the number of pages, proposals should be focused and concise. **In addition, researchers are required to include an executive summary (no longer than two pages) that is written for a non-academic audience.**

The number of projects selected for funding will depend on the quality and number of proposals received and the total dollar amount of funds requested. The RAB anticipates making available a total of approximately \$200,000 to fund multiple projects during this submission period.

Submission Process

The CAQ has an [online process](#) for submitting research grant proposals. To submit your proposal, please go to <http://thecaq.org/research/rab-rfp>. To be considered, proposals must be received **on or before 12:00 midnight EST, Friday, March 17, 2017.**

Proposals will be reviewed by the CAQ's Research Advisory Board. Grants will be announced no later than **June 1, 2017.**

Questions should be addressed to Tom Payne (tpayne@thecaq.org).