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10 Fundamentals of Governance, Accounting, and Fraud: Insights for Current and Future Financial Professionals

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Introduction

We have been actively involved in various aspects of corporate governance, accounting, and fraud for over 100 years collectively, including our work in research, teaching, and practice.[1] During this time, we have observed that certain issues reflect key fundamentals of governance, accounting, and fraud.

In this commentary, we discuss ten of these fundamentals (see Exhibit 1 below) and develop insights for current and future financial professionals. These fundamentals go far beyond the numbers in accounting to include the organizational setting, correlation versus causation, processes, regulation, politics, people, the "self-graded exam" issue, pressure, pay, and appearing stupid versus dishonest. While we cite relevant research on many points, we also include our personal observations and assertions based on our experiences.

We hope that these fundamentals will be useful to readers serving in a wide variety of accounting, auditing, and fraud prevention roles. Specifically, we encourage practitioner readers to share this commentary with colleagues, especially those in more junior roles. We encourage academic readers to consider using this commentary as a supplemental course reading to help students develop a richer understanding of governance, accounting, and fraud.

Organizational Setting

One thing that is quite clear from the research literature is that company size and industry typically are important explanatory variables across a wide range of governance, accounting, and fraud settings. Company size factors into such things as fraud characteristics (ACFE, 2024), audit fees (Simunic, 1980), internal control strength (Doyle, Ge, and McVay, 2007), audit committee oversight of internal control (Weickgenannt, Hermanson, and Sharma, 2021), and executive compensation (Tosi, Werner, Katz, and Gomez-Mejia, 2000). In fact, company size is likely the first variable that many researchers consider in explaining patterns in their data. Larger companies have more resources than smaller companies but also face high-dollar risks and intense scrutiny from the media, analysts, and regulators. As a result, their governance and auditing profiles are different from smaller organizations, as is their susceptibility to occupational fraud.

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[1] All four authors have experience in public accounting, and the authors collectively have hundreds of publications and thousands of citations. The first author is one of the top-20 ranked authors in the BYU Accounting Research Rankings for the period 1990–2023 and winner of an Outstanding Educator Award from a section of the American Accounting Association. The second author has published in a wide variety of academic and professional journals and directs the Master of Accounting program at her institution. The third author has published extensively in academic and professional journals and recently received a college-level research award. The fourth author progressed to the senior manager level at an international accounting firm before earning her doctorate and pursuing an academic career.

Exhibit 1: 10 Governance, Accounting, and Fraud Fundamentals

1. **Organizational Setting:** What works for large, regulated companies may not translate to other settings.
2. **Correlations:** Be careful about inferring causation and thinking that what we find in voluntary settings will hold in mandatory settings.
3. **Processes:** Formal processes may be just for show, and the real work may be done informally.
4. **Regulation and Controls:** More regulation and controls are not always the best answer.
5. **Politics and Marketing:** To gain support for ideas and proposals, people must be able to sell them.
6. **People:** People are at the heart of governance, accounting, and fraud, so focus on people.
7. **The "Self-Graded Exam" Issue:** Management prepares the financial reports and is judged on the contents, a form of self-graded exam.
8. **Pressure:** Some pressure is motivating, but too much pressure can be debilitating and can cause cheating.
9. **Pay:** Think carefully about compensation plan measures and what could go wrong as people try to maximize these measures.
10. **Appearing Stupid versus Dishonest:** Forgiving stupidity is easier than forgiving dishonesty, so admit mistakes right away.

Likewise, specialized industries have unique features. Financial services and other regulated industries often have different governance or audit fee profiles, such that researchers often analyze them separately, or exclude them from their general-purpose studies. Research on occupational fraud (ACFE, 2024) and fraudulent financial reporting (Beasley, Carcello, Hermanson, and Neal, 2010; Grandstaff and Solsma, 2021) also reveals distinct differences by industry. Overall, organization size and industry are key considerations when dealing with governance, accounting, and fraud issues.

In addition, different organizational settings can lead to very different organizational goals. For instance, with respect to company size, a small family-owned company may have a goal of creating a company that can be passed down through generations, while startup companies may aim to be acquired. The governance of those companies would be quite different, with the family-owned company focusing on a sustainable long-term strategy, while the startup company may be focused on quick growth or even just window dressing to attract an appealing buyer.

Be wary of taking ideas or techniques from large, regulated organizations and assuming they will also work for smaller, unregulated organizations, as they may not transfer well. For example, former General Electric CEO Jack Welch famously advocated firing the bottom 10% of performers at GE each year. With thousands of employees, a culture of toughness, and detailed performance measurement systems, such a program could be more effective at GE than at a smaller, more collegial organization with limited performance measures. Lawler (2002) describes several challenges in trying to implement the GE system, and we would not advocate other organizations adopting the 10% rule just because GE did so.

Likewise, Steve Jobs's autocratic, perfectionist management style at Apple would not translate well to slower-paced organizations with a strong focus on group harmony. Further, extensive internal control and continuous monitoring systems in place in large, complex organizations are likely far too costly, or even unnecessary, for use in smaller, simpler organizations.

> Carcello, Hermanson, and Ye (2011, p. 22) discuss the fallacy of "one size fits all" in governance and fraud:
>
> It is unlikely that 'one size fits all' when it comes to governance characteristics and processes … optimum corporate governance characteristics and processes may differ by industry. As it relates to audit committee activity and oversight of financial reporting, the risk of fraudulent financial reporting in the technology industry is different than in a more cash-based industry … In addition to industry, the stage of the firm in its lifecycle or its strategic focus may also affect optimum governance characteristics and processes.

Audit committees need to pay attention to different things in different industries (e.g., revenue recognition in software, but asset valuation in financial services), and boards of growth companies play much more of a helping role with management, versus a monitoring role in large, established companies. These differences necessitate different approaches to governance and oversight depending on the organizational setting.

The bottom line is that what works at large public companies may not translate, for example, to a mid-size growth company in the construction industry. Rather, an appropriate fit between the organizational setting elements of governance and control is critical.

Correlations

Research indicates that, historically, "good" governance characteristics are positively correlated with good accounting and auditing outcomes (Beasley, 1996; Carcello et al., 2011; Hermanson, Hurley, and Obermire, 2024). In other words, companies with boards and audit committees composed of independent experts are more likely to have better accounting and auditing outcomes, such as less fraud, fewer restatements, and higher quality financial reporting (as reflected in measures of accruals and earnings management) (Carcello et al., 2011; Hermanson et al., 2024).

Two important caveats are in order. First, correlation does not mean causation. For example, while ice cream sales and the probability of drowning are correlated (Higgins, 2013), there is no proof that buying more ice cream increases your risk of drowning. Rather, hot weather drives both ice cream sales and drowning risk. Similarly, we cannot say that the independent and expert boards and audit committees are causing the good accounting and auditing. Attracting, appointing, and retaining more qualified individuals to serve on the board and audit committee may or may not cause the company's accounting and auditing outcomes to improve. A company with reputable accounting practices (and positive prior audit reports) possibly can attract stronger members to its board and audit committee, or other factors about the company (such as a strong management team) account for both the governance and accounting/audit quality.

Second, we must be careful about extrapolating correlation results in voluntary settings to mandatory settings. For example, Sultana, Cahan, and Rahman (2020) find that in Australian companies, female membership on the audit committee is associated with better audit quality. However, the authors find this relation in a voluntary setting where the gender of audit committee members is not regulated. However, after Australian regulators introduced board diversity guidelines, which made the selection of females for board service more mandatory, the link between female representation on the audit committee and audit quality is no longer detected. The correlation found in a voluntary environment disappears in a more mandatory environment.

Many studies in governance and auditing can establish only correlation, as establishing causation requires a controlled experiment with random assignment to different treatments. Users of research should interpret correlation results cautiously, not inferring causation and not expecting results in voluntary settings necessarily to persist in mandatory settings.

Processes

Researchers have focused much more on governance and accounting oversight processes in recent years, often by interviewing directors and auditors about what they do (e.g., Beasley, Carcello, Hermanson, and Neal, 2009; Cohen, Joe, Thibodeau, and Trompeter, 2020). Process studies often find a difference between ceremonial actions and the substance of how the work is done. For example, Clune, Hermanson, Tompkins, and Ye (2014) find that some companies allow their CEO to essentially select new directors to serve on the board, but those companies' nominating committees put the board candidates through a "sham" ceremonial search process to make the board and nominating committee appear legitimate. In substance, the CEO chooses new directors, but there is a ceremonial nominating committee process to disguise this reality. Likewise, Cohen, Krishnamoorthy, and Wright (2010) find that management still has great influence over auditor selection in the post-Sarbanes-Oxley Act (SOX, 2002) period, even though the audit committee has this formal authority under SOX.

The point is that the way people do the work may differ from the things they do "for show." Some boards make key decisions in their formal meetings, while others make decisions largely through informal calls and meetings ahead of time. In these companies, board meetings are mere formalities.

As managers, auditors, and others try to understand the processes in a company, differentiate the ceremony (what is done for show) from the substance (how the work gets done). Of greatest importance is whether processes are substantively working well, regardless of the ceremonial elements in place to create legitimacy.

Regulation and Controls

As we encounter wave after wave of financial statement fraud (Clikeman, 2019), a natural reaction is to implement new regulations and controls that arguably would have prevented or dampened the preceding wave of fraud. The thinking is, "If there is a problem, regulation can fix it."

While regulation often is needed and can be quite effective, there are three potential downsides of regulatory response that should be considered. First, some problems cease even if no action is taken, reflecting a process called "regression to the mean." If you are a golfer who normally shoots in the upper 80s, what is the most likely thing to happen after you have one

unusual round of 78? Unless your good round is due to recent lessons or a new swing, you likely will revert to the norm and shoot in the upper 80s again.[2]

Similarly, if we have an extremely abnormal uptick in fraud, as in 2001–2002, some argue that the most likely thing to happen, even with no additional regulation, is that fraud will go back to normal levels. That is, unless something fundamentally shifted to cause a permanent change in fraud levels, the situation should go back to more normal levels without any formal regulatory intervention. The publicity from these increased frauds and the likelihood of increased scrutiny from auditors, investors, analysts, etc., could be enough to discourage many executives from even attempting fraud. Of course, if the fundamentals of the market setting have changed in some profound way, then the shift may not be temporary. However, we often seem quick to regulate, without determining whether the abnormal issue is a temporary aberration that will dissipate naturally or a more fundamental shift that requires new regulation.

Second, regulations are much easier to pass than to eliminate. Once implemented, regulations tend to persist, and their costs become permanent. For example, the number of federal regulations has soared over the decades. Sexton (2023) states:

> More than 88,000 federal regulations were promulgated between 1995 and 2016 ... The Federal Register ... totals nearly two million pages dating back to its inception in 1936. And the Code of Federal Regulations ran to 185,000 pages in 2020. In addition, state and local governments have their own laws and rules.

Likewise, Silverglate (2009) asserts that, due to the huge number of laws now in place, the typical U.S. citizen unknowingly commits three felonies per day. One of the major objections to the recent PCAOB proposal related to auditor responsibility for detecting clients' noncompliance with laws and regulations is the large and growing number of laws and regulations (e.g., Boland, Hermanson, Higgs, Prewett, Pyzoha, and Tegeler, 2024).

Regulators seek to regulate, bureaucracy grows, and costs increase. Additionally, as corporate leaders become more familiar with regulatory requirements, they begin to find "loopholes" in certain requirements. These efforts pave the way for new regulations intended to close the loopholes, further increasing regulatory efforts and costs.

Finally, while regulations certainly are designed to address important problems and protect the public, they also often produce unintended consequences. For example, SOX focused on mitigating the financial statement fraud problem after the wave of frauds in the early 2000s. While well intended and able to address some key problems, including auditor independence, SOX also dramatically increased the cost of being a public company. Today we have far fewer public companies than we did 20–25 years ago. SOX is designed to reduce fraud, but a byproduct is that SOX contributed to the decline in the number of public companies, especially smaller public companies (e.g., Kamar, Karaca-Mandic, and Talley, 2009). Some have similar concerns today about the PCAOB's rapidly expanding regulation of the auditing profession. While intended to promote audit quality, there are concerns that over-regulation could make the auditing profession less attractive (D. Hermanson, H. Hermanson, and S. Hermanson, 2020; Boland, Ege, Harding, Hermanson, Prewett, and Pyzoha, 2023), thus contributing to the shortage of accountants and auditors (AICPA, 2023). Thus, regulation is not purely "good," but often brings unintended consequences as well.

Overall, regulation and tight controls are not always the answer, especially given the costs and unintended consequences that may arise. Sometimes things get back to normal without any regulatory or control intervention at all. Other times, regulation and controls are needed to fix problems. Current and future professionals should carefully consider both the benefits and the costs, including possible future consequences, of new regulations and controls.

Politics and Marketing

While we might want to believe otherwise, financial regulation is inherently political and often partisan. Clikeman (2019) describes a recurring cycle of a quiet period, some notable frauds, proposals for reform, some reforms passed, and then another quiet period. Discussion of reforms is political in part because many of the major players in this realm are in Washington, DC, most notably the SEC, PCAOB, IRS, Treasury Department, and of course, Congress. Even the Center for Audit Quality, which represents accounting firms, is based in Washington. Financial regulation is public policy, and public

[2] This notion is like the "*Sports Illustrated* cover jinx" or the "Madden Curse," where players featured on the cover of *Sports Illustrated* or the Madden football video game subsequently face a slump. One explanation is that sudden, abnormally good performance is what creates "cover-story attention" on the athlete, and the athlete's performance later simply regresses to the mean.

policy is political and often partisan, which can detract from careful consideration of a policy proposal's substance and expected effects.

In recent years, we have seen SOX Section 404 internal control audit requirements relaxed for certain types of companies (e.g., the JOBS Act). Today, the nature of SEC and PCAOB oversight seems to ebb and flow depending on which party controls the White House. With a Democratic President, regulation typically increases, and with a Republican President typically decreases. Financial regulation is linked to control of the legislative and executive branches of the federal government.

A key element of the political process of developing financial regulation is "marketing," being able to "sell" ideas with an effective story and relevant supporting information. Likewise, marketing of ideas also is critical in accounting and auditing. Statistics without a story are not likely to persuade others in the boardroom, the executive suite, or the conference room down the hall. To gain support for ideas and proposals, people must be able to sell them. This includes a CFO making a proposal to the CEO, auditors sharing insights with clients, or fraud investigators describing their findings to others.

Marketing matters, and politics is a reality, whether Washington, DC politics or just politics within an organization. Professionals should focus on both the substance of their arguments, as well as the story. Both elements are necessary.

People

Perhaps the most fundamental reality of governance, accounting, and fraud is that people are at the heart of these fields. In the boardroom, small groups of people must work together, sometimes trying to resolve major problems or significant disagreements. In accounting, issues of fraud and earnings management relate to how people behave (Hermanson, 2021). People, not companies, commit fraud and manipulate numbers (Wolfe and Hermanson, 2004; Hermanson and Wolfe, 2024). All assertions, disclosures, and numbers in accounting ultimately go back to a person.

As Wolfe and Hermanson (2004) and Hermanson (2021) highlight, the centrality of people in governance and accounting means that financial professionals need to keep their eye not just on company controls, processes, disclosures, and numbers, but also on the people in the organization. Are we seeing unusual behaviors? Are we encountering troubling personalities (Epstein and Ramamoorti, 2016)? Are we uncomfortable with the people around us? We also need to consider what other people within the organization are experiencing. Auditors and other financial professionals may have a limited view of the company, particularly compared to the leaders at the top of the organization who set the tone for everyone else. The employees who are deep in the organization every day can provide significant insight into the reality of the company, including whether the top leaders are being honest with auditors and others about the tone they have set for the organization.

Wolfe and Hermanson (2004) suggest three key steps to better assess the "capability" of individuals to commit fraud: "explicitly assess the capabilities of top executives and key personnel; if there are concerns about capability, respond accordingly; and reassess the capabilities of top executives and key personnel." Much of this process involves getting to know people, spending time with people, and learning what others say about people. If people are the key issue in fraud, then understanding people is critical.

While all four coauthors worked in public accounting, two of the authors began their career in the same office of a large accounting firm, an office that placed tremendous emphasis on the recruiting of new employees from universities. The managing partner of the office frequently said, "All we have to do is win college recruiting, and then we win everything else in this market." In other words, if we have the best people, everything else will fall into place.

Professionals should continually monitor the people around them for signs that something is amiss. In addition, we believe that building the right pool of talent is perhaps the single most important key to organizational success.

The "Self-Graded Exam" Issue

Building on the theme of people above, our financial reporting system puts certain people into a somewhat awkward position – that of producing a self-graded exam. The issue is that management produces the financial information that is used to assess how well management is running the company. This financial information goes to the board of directors, shareholders, and other users of the financial statements.

In the absence of auditors, management is grading its own exam. The advantage of getting financial information from management is that management knows the most about the company and is well positioned to provide financial information. The disadvantage is that management has an incentive to lie, or at least to err to the side of good news; giving rise to a broad

literature on earnings management and fraud (e.g., Healy and Whalen, 1999; Xu, Taylor, and Dugan, 2007; Dichev, Graham, Harvey, and Rajgopal, 2013; Trompeter, Carpenter, Desai, Jones, and Riley, 2013). This "incentive to lie" issue may be the most significant accounting problem faced in many organizations, and the potential for opportunistic behavior by management is a central element of agency theory (Jensen and Meckling, 1976).

Because of this self-graded exam issue in accounting, there are many steps that companies must take, including having external audits, having the board and audit committee provide oversight, and implementing internal controls, each of which provides imperfect protection. The broader financial reporting system includes additional forms of oversight, including requirements from the SEC, PCAOB, and other regulatory agencies and systems (Clikeman, 2019).

The key for current and future professionals is to never lose sight of where accounting information comes from, and the incentives management has to manipulate this information, even to the point of fraud. Almost everyone wants to report good news about their own performance, and financial professionals can bring a skeptical eye to management's reports.

Pressure

High pressure often can lead to fraud or other corporate disasters. In fact, pressure is one of the key fraud ingredients in the traditional fraud triangle (Cressey, 1973). When managers are under extreme pressure to deliver good outcomes, they may end up acting inappropriately. High pressure can make some people do bad things. Jennings (2006) studies a broad range of corporate disasters and offers "seven signs of ethical collapse," the first of which is "pressure to maintain numbers." For example, in the WorldCom case, former CFO Scott Sullivan famously testified about pressure from CEO Bernie Ebbers to hit the numbers (Teather, 2005):

> The former finance chief of WorldCom yesterday testified that the company's ex-chief executive Bernard Ebbers had repeatedly put pressure on him to meet Wall Street expectations, even as the firm's finances were crumbling.
>
> In his second day of testimony, Scott Sullivan told the court in lower Manhattan of an instance in the third quarter of 2000 as the market began to fall away. Mr. Sullivan said he had told Mr. Ebbers the only way to meet Wall Street estimates was to book improper accounting entries to increase revenues and obscure costs.
>
> "He looked at the information, and he didn't say a lot," Mr. Sullivan said. "He looked up and said: 'We have to hit our numbers.'"
>
> The former finance chief said he took that as the green light to make the false entries. "The source of the pressure was Bernie."

Likewise, Feng, Ge, Luo, and Shevlin (2011) study accounting manipulation cases and conclude that CFOs often become involved in such cases due to pressure from the CEO, who instigates the manipulation.

However, pressure is not all bad. Pressure also motivates and inspires. With zero pressure, there can be apathy and low performance. The key is finding the "right" amount of pressure to motivate good performance, but without having that pressure so high that some people either cheat or fall apart. One of the authors discusses the balancing act around pressure with his classes. He first explains that the syllabus describes a grading scale based on 90% for an A, 80% for a B, etc. This scale is designed to create some pressure and promote student effort and learning. He then shows an extremely high-pressure grading scale (99.8% for an A, 99.6% for a B, and otherwise an F) and asks the students how they would respond to this scale if they could not drop the course. They quickly point to massive cheating, perhaps even violence! Finally, he shares a no-pressure grading scale where everyone is guaranteed an A in the course, regardless of attendance or performance and asks how this scale would work. No one would come to class, and learning would be crushed.

Financial professionals should consider pressure when assessing fraud risk, corporate culture, and control environment. However, pressure is not always bad. Be alert for extreme, unreasonable pressure, but recognize that a healthy dose of pressure often is key to motivating people in competitive environments, such as business.

Pay

One of the great challenges in governance and accounting is constructing compensation schemes that produce desired behaviors (e.g., Hermanson, Tompkins, Veliyath, and Ye, 2012). Part of the challenge is figuring out how to pay people in a way that promotes the success of the company, not simply maximizing the measures being tracked. In the boardroom, there is debate about the mix of director compensation, such as cash versus stock grants or even stock options, and its effect

on director performance. Research shows, for example, that short-term stock option compensation for audit committee members is associated with a greater risk of accounting restatements (Archambeault, DeZoort, and Hermanson, 2008). The logic is that stock options provide audit committee members with an incentive to maximize the stock price in the near term, possibly by ignoring management's accounting manipulations.

The bottom line is that compensation plans can go horribly wrong and may be only loosely linked to actual performance (e.g., Tosi et al., 2000; Bebchuk and Fried, 2006; Hermanson et al., 2012; Ridge, 2012; Nagel, Patel, Rothstein, and Watts, 2020). For example, if a call center pays people based on the average number of calls handled per hour, this plan promotes efficiency but also promotes representatives getting customers off the phone quickly, possibly with their concerns not fully addressed. Paying salespeople based on quarterly sales seems sensible but also can create the incentive to push customers too hard at quarter-end, or even to ship products that were not ordered. Pay plans must be constructed to balance efficiency and organizational goals. Restaurant servers are often paid an hourly rate plus tips. The base pay rate is simply to show up, while tips provide an incentive for the server to efficiently turn over the tables while meeting the needs of patrons.

One of the authors was assigned to an audit client that committed fraud trying to earn bonuses. The client's financial performance was just below the bonus threshold, so members of financial management pushed out small adjusting entries across the company's locations that would be considered trivial by most auditors. But in the aggregate, these adjustments bumped up performance just enough so that the financial managers would exceed the threshold and earn their bonuses that year.

Financial professionals need to understand how people are paid, as compensation often drives behavior. Think carefully about compensation plan measures and what could go wrong as people try to maximize these measures (see #7 above). If possible, encourage multi-faceted pay plans where compensation does not rest on a single measure.

Appearing Stupid versus Dishonest

The final fundamental is one that arises when someone has made a mistake, which is unintentional. People are not perfect, and "to err is human." What matters is how the person who made the error responds. One possibility is to acknowledge the error and work quickly toward rectifying the problem as much as possible. Of course, this option comes with "looking stupid" for having made the error. Another possibility is to remain silent, cover up the mistake, and hope that the error is never found. This intentional cover-up option comes with the risk of later being revealed as "dishonest."

Which option is less damaging? From an organizational standpoint, knowing when errors have been made allows them to be addressed. Further, from a personal standpoint, forgiving stupidity is easier than forgiving dishonesty. Our advice: given that an error has occurred, always pick looking stupid rather than possibly looking dishonest.

Consider the following case based on a real situation that one of the authors encountered. An inventory manager realizes that s/he made a mistake in valuing inventory from an acquisition. After realizing the unintentional error, s/he intentionally fails to report the error due to fear of being fired. So, s/he tries to cover up the "stupidity," thereby changing an error into the dishonesty of fraud. When the auditors discover the fraud, the inventory manager gets fired for committing fraud. Clearly, the manager would have been better off admitting the mistake, even at the risk of being reprimanded or fired for incompetence, as opposed to being fired for fraud.

A famous example of another person who did not follow this advice is Jose Gomez, a former auditor with Alexander Grant (Clikeman, 2019). He was told by management that the client had been committing fraud for a while and that Gomez and his team had missed the scheme. The fraud amount was not large at that time. Given the expected embarrassment of disclosing his deficient audit work to his firm, Gomez agreed to let the client work on reversing the fraud over time; no one would ever know. The client's efforts were not successful, and the fraud exploded to approximately $300 million before Gomez finally blew the whistle. Gomez was sentenced to 12 years in federal prison.

Financial professionals should monitor the culture in their organizations and promote employees' freedom to admit mistakes when they happen. Knowing about problems immediately can help to mitigate the damage, and forgiving an error is much easier than forgiving a coverup.

Conclusion

In our experience, 10 fundamental issues continue to arise in the governance, accounting, and fraud field. These fundamentals go far beyond the numbers in accounting to include the organizational setting, correlation versus causation,

processes, regulation, politics, people, the "self-graded exam" issue, pressure, pay, and appearing stupid versus dishonest. We encourage readers to consider these 10 items and to think broadly as they confront governance, accounting, and fraud issues.

We hope that focusing on these fundamentals will assist current and future financial professionals as they perform their duties. We encourage practitioner readers to share this commentary with colleagues, especially those in more junior roles, and we encourage academic readers to consider using this commentary as a supplemental course reading to help students develop a richer understanding of governance, accounting, and fraud.

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