

MICHAEL KIRSCHENHEITER

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Academic and Professional Positions

UIC, CBA: Professor and Head	2017 – present
Associate Professor and Interim Head	2015 – 2017
Associate Professor	2007 – 2015
Purdue University, Krannert School of Management:	
Associate Professor of Management	2004 – 2007
Columbia University, Graduate School of Business:	
Associate Professor of Accounting	1997 – 2004
Assistant Professor of Accounting	1995 – 1997
Lecturer in Accounting	1992 – 1994.
Northwestern University, Kellogg Graduate School of Management:	
Lecturer in Accounting	1989 – 1992
Ph.D. Student	1986 – 1994
Arthur Andersen & Co.: Auditor (obtained rank of audit manager) in the Commercial Division of the Chicago Office	1980 – 1986

Education

Ph.D., Kellogg Graduate School of Management, Northwestern University	1986 – 1994
M.B.A., Graduate School of Business, University of Chicago	1978 – 1981
M.Sc. in Economics, London School of Economics and Political Science	1979 – 1980
B.A. in Economics, University of Chicago	1974 – 1977

Research

Peer Reviewed Journal Publications:

- (1) Articulation Based Accruals (with Ryan Casey, Feng Gao, Siyi Li, and Shailendra Pandit), *Review of Accounting Studies*, (January/February 2017) vol. 22 issue 1: 288-319.
- (2) Do Compustat financial statement data articulate? (with Ryan Casey, Feng Gao, Siyi Li, and Shail Pandit) in *Journal of Financial Reporting*, 2016, 1(1), pp(37-59).
- (3) Discretionary Disclosures with Risk-Averse Traders: A Research Note (with Bjorn Jorgensen), *Contemporary Accounting Research*, 32 (Fall 2015) 3:1224–1235.
- (4) Interactive Discretionary Disclosures (with Bjorn Jorgensen), *Contemporary Accounting Research*, 29 (Summer 2012) 2:382-397.
- (5) A Model of Auditing Under Bright-Line Accounting Standards (with Dennis Caplan), *Journal of Accounting, Auditing and Finance*, 19 (Fall 2004) 4: 523-559.
- (6) Accounting for Employee Stock Options (with Rohit Mathur and Jacob Thomas), *Accounting Horizons*, 18 (June 2004) 2: 135-156.

Research (cont.)

Peer Reviewed Journal Publications (cont.):

- (7) Discretionary Risk Disclosures (with Bjorn Jorgensen), *The Accounting Review*, 78 (April 2003) 2: 449-470.
- (8) Can “Big Bath” and Earnings Smoothing Coexist as Equilibrium Financial Reporting Strategies? (with Nahum Melumad), *Journal of Accounting Research*, 40 (June 2002) 3: 761-796.
- (9) The Aggregation and Valuation of Deferred Taxes (with Eli Amir and Kristen Willard), *Review of Accounting Studies*, (June/September 2001) 6: 275-297.
- (10) A Model of Outsourcing and Audit Risk for Internal Audit Services (with Dennis Caplan), *Contemporary Accounting Research* 17 (Fall 2000) 3: 387-428.
- (11) Optimal Contracting, Accounting Standards and Market Structure, *Contemporary Accounting Research* 16 (Summer 1999) 2: 243-276.
- (12) The Valuation of Deferred Taxes (with Eli Amir and Kristen Willard), *Contemporary Accounting Research* 14 (Winter 1997) 4: 597-622.
- (13) Information Quality and Correlated Signals, *Journal of Accounting Research* 35 (Spring 1997) 1: 43-60.

Working Papers:

Cash Flow Hedge Accounting and Earnings Management (with Raluca Chiorean and Ram Ramakrishnan), last updated, February, 2017.

Measuring Reporting Quality: Recognition versus Disclosure (with Ryan Casey, Feng Gao, Siyi Li, and Shailendra Pandit), last updated, February, 2017.

Prudence Demands Conservatism, (with Ram Ramakrishnan), last updated, September, 2016, under review at the *Journal of Financial Reporting*.

Risk Disclosures with Asymmetric Information and Costly Investment in Information Technology (with Bjorn Jorgensen). A winner of the KPMG & UIUC Competitive Manuscript Competition for **Research on Risk Measurement and Disclosure** and included in the 2004 Conference on *Reporting Risk* conducted by the *Journal of International Accounting* and the KPMG & University of Illinois Business Measurement Research Program, last updated, August, 2016.

Research (continued)

Work – In – Process:

Auditing and Articulation Based Accruals (with Ryan Casey, Feng Gao, Siyi Li, and Shailendra Pandit). Empirical analysis completed, writing working paper, last work in February, 2017.

Balance Sheet versus Income Statement: Comparing Approaches (with Raluca Chiorean and Ellen Engel), building a model, last work in May, 2016.

Disclosures When Risk-Averse Owners are Unsure of Managers' Risk Information Endowment (with Bjorn Jorgensen), last updated, April, 2011.

On the Impact of Reporting Discretion on Earnings' Quality (with Nahum Melumad), last updated, October, 2011.

Quality of Mandatory Sensitivity Disclosures and Cost of Capital (with Bjorn Jorgensen, formerly Voluntary Disclosures of Sensitivity), last updated, May, 2012.

Books to be Published:

Beyond Graham and Dodd: Why Capital Structure Matters to Achieve Total Returns, (with Mitchell Julis of Canyon Capital Advisors, LLC.), Wiley, to be published.

Editorial Published:

Special Issue on Accounting and Auditing (co-authored with Dirk Simons of the University of Mannheim and Jeroen Suijs of Tilburg University,), published in the German Operations Research journal *OR Spectrum*, Volume 33, Issue no. 2, April, 2011.

Teaching

At UIC I taught the following courses

Regular masters' programs – Introduction to Financial Accounting (ACTG 500).

– Financial Accounting I (ACTG 502)

– Corporate Valuation and Accounting Information (ACTG 585)

At Purdue I taught the following courses

Regular MBA program –Valuation and Financial Statements, Mgmt 690F.

- Advanced Financial Reporting, Mgmt 691B

Executive MBA program (in IMM and EMB programs, 2004 to 2006)

– Mgmt 600: Accounting I (core financial accounting)

- Mgmt 601: Accounting II, (core managerial accounting)

Teaching (continued)

At Columbia I taught the following courses

Regular MBA program – Accounting I (core financial accounting)

Accounting II, (core managerial accounting)

Valuation and Financial Statements

Executive MBA program – Accounting I (core financial accounting)

Valuation and Financial Statements

Columbia/Berkeley MBA program – Accounting I (core financial accounting)

Columbia/London Business School Global MBA Program - Valuation and Financial Statements

Executive Program – Finance and Accounting for the Non-Financial Manager

PhD program - Accounting Theory

Other: At Northwestern I taught in the MBA program (core managerial economics and mathematics review). At Arthur Andersen, I concentrated in the audits of manufacturing and construction clients, was promoted to manager in 1986, and taught various courses in the firm's professional development. Also, I guest lectured at Tel Aviv University (Ph.D. course in accounting theory) in June, 2001, taught a special session to the Ph.D. students during the 2004 *Contemporary Accounting Research* Conference and taught Introductory Financial Accounting at the University of Chicago Booth School of Business in Summer, 2011.

Service

Referee Work:

Served as an ad-hoc referee for *Accounting Horizons*, *The Accounting Review*, the journal of *Contemporary Accounting Research*, the *European Accounting Review*, the *Financial Review*, the *Journal of Accounting, Auditing and Finance*, the *Journal of Accounting and Economics*, the *Journal of Accounting and Public Policy*, the *Journal of Accounting Research*, the *Journal of Business* the *National Tax Journal* and the *Review of Accounting Studies*.

Student Development and Advising:

Served on proposal/thesis committees of the following PhD students: at Purdue, Jinyoung Park and Inho Suc (both in accounting), at Columbia, (in accounting) Elizabeth Gordon, Jing Liu, Rohit Mathur, (in finance/economics) Amitabh Arora, Michael Cantor, Helen Liu, Marco Naldi, Laura Robinson and Ignacio Warnes. Since arriving at UIC, I have served as advisor for undergraduate accounting majors, the same as my colleagues, and for honors students. Also, I have written recommendation letters for numerous students.

University and College Service:

Served as representative from CBA to UIC Senate for academic years, 2012-2014.

Served as representative from the accounting department on the CBA Dean Search Committee during the two academic years, 2010-2012.

Service (continued)*Department Service:*

Served on the Accounting Department Advisory Committee for the seven academic years, 2008-2014.

Served as the representative of the Accounting Department on the MBA Committee for the five academic years 2008-2012.

Served on and acted as secretary of the Accounting Assurance of Learning Committee (AAOLC) for the two academic years 2012-2014.

Service to the Discipline:

Served on the Advisory Committee for the President of the Financial Accounting and Reporting Section (FARS) of the American Accounting Association (AAA) for the 2008 through 2012 academic years.

Served as one of the associate editors on the paper selection committee for the 2008 annual conference for the FARS of the AAA.

Served as one of the associate editors on the paper selection committee for the 2008 mid-year conference for the FARS of the AAA.

Served as the coordinator and editor of the paper selection committee for the 2009 mid-year conference for the FARS of the AAA.

Served as one of three co-editors for a special accounting and auditing issue of *OR Spectrum – Quantitative Approaches in Management*, Vol. 33, Issue no. 2, April, 2011.

Elected as FARS President-Elect at the August, 2009 annual meeting. I served as FARS president-elect, president and post-president during the 2010, 2011 and 2012 academic years, respectively. The FARS post-president position involved coordinating the FARS mid-year conference meeting in January, 2012.

Recent Presentations at Universities/Conferences (last 10 years):

2017 2017 AAA/FARS Mid-year meeting, January 27-28, 2017, at the Westin Charlotte, Charlotte, North Carolina. Discussed “The Market for Information: Evidence on the Exchange of Information Between Brokerage Houses and Politicians” by Andrew Stephan and Beverly R. Walther of Northwestern and Laura A. Wellman of the University of Utah.

Presented “Measuring Reporting Quality: Recognition versus Disclosure” by co-author Ryan Casey (also with Feng Gao, Siyi Li and Shail Pandit) at the 2017 UC Davis Research Conference held in California, April 6 – 7, 2017 and by co-author Shail Pandit at the 2017 EAA conference, in Milan, Italy, May 10 – 12, 2017.

Participated, by invitation or as committee member, in the following conferences.

2017 University of Houston 11th Annual Accounting Research Conference, at University of Houston, Houston, Texas, February, 2017.

2017 American Accounting Association Conference, Manchester Grand Hyatt San Diego, California, Sunday to Wednesday, August 6th through 9th, 2017.

2017 Carnegie Mellon University Accounting Theory Conference, Wyndham Pittsburgh University Center, Pittsburg, Pennsylvania, Friday and Saturday, August 18th and 19th, 2017.

2017 University of Illinois at Chicago (UIC) Accounting Research Conference, at UIC, Chicago, Illinois, September 8th and 9th, 2017.

NextGeneration Roundtable Panel Discussion (hosted by Kuesel Consulting) at Ravinia Green Country Club in Riverwoods, 7 – 10 am, Thursday October 19th, 2017.

2016 Presentation in UIC Seminar Series of my paper (with Bjorn Jorgensen) “Risk Disclosures with Asymmetric Information and Costly Investment in Information Technology”, Tuesday, July 26, 2016.

2016 American Accounting Association annual conference, at the Sheraton New York Times Square Hotel, August 6 – 10, 2016. Discussed two papers on Monday, August 8, 2016, “Voluntary Disclosure and value Relevance of Segment Information” by Yutaro Murakami (Keio University) and Atsushi Shiiba (Osaka University), and “How Often Do Managers Withhold Information?” by Jeremy Bartomeu (Baruch College – CUNY), Paul Ma (University of Minnesota) and Ivan Marinovic (Stanford University), and on Tuesday, August 9, presented my paper (with Bjorn Jorgensen), “Risk Disclosures with Asymmetric Information and Costly Investment in Information Technology”.

Presentation in UIC Seminar Series by co-author Siyi Li of my paper (with Ryan Casey, Feng Gao, and Shail Pandit) “Measuring Reporting Quality: Recognition versus Disclosure”, Wednesday, November 16, 2016.

Presentation in UIC Seminar Series by co-author Raluca Chiorean of my paper (with Ram Ramakrishnan) “Cash Flow Hedge Accounting and Earnings Management”, Friday, November 18, 2016. Raluca also presented this paper in the Accounting Research Seminar Series at University of Illinois at Urbana Champaign and Lehigh University in May and October, 2016, respectively.

Recent Presentations at Universities/Conferences (last 10 years, cont.):

2016 (cont.)

Participated, by invitation or as committee member, in the following conferences.

- 2016 AACSB Accreditation (Thursday) and APLG/FSA (Friday and Saturday) Conference, Savannah Marriott Riverfront, Savannah, Georgia, Wednesday, February 10, 2016 through Sunday, February 14, 2016.
- UIC Leadership Retreat, Student Center West Thompson Rooms, 825 Wolcott, Wood Street Parking Structure, 1100 Wood Street, Tuesday August 16, 2016.
- 2016 Carnegie Mellon University Accounting Theory Conference, Wyndham Pittsburgh University Center, Pittsburg, Pennsylvania, Thursday to Saturday, August 18th through 20th, 2016.
- 2016 University of Illinois at Chicago (UIC) Accounting Research Conference, at UIC, Chicago, Illinois, September 9th and 10th, 2016.
- 2016 University of Miami/AAA Rookie Camp, Miami, Florida, Friday through Sunday, December 2nd, 3rd, and 4th, 2016.

- 2015** Presentation of “Do Compustat Financial Statement Variables Articulate” by co-author Ryan Casey at the 2015 Conference on Convergence of Financial and Managerial Accounting Research at the Fairmont Banff Springs Hotel, Banff, Alberta, Canada, June 15 – 17, 2015, sponsored by Haskayne School of Business at the University of Calgary and the Fox School of Business at Temple University.
- Discussed “Information Objectivity and Accuracy in a Bank Run Model” by Jinghon Liang of Carnegie Mellon University and Gaoqing Zhang of University of Minnesota at the 2015 American Accounting Association annual conference, Chicago, Illinois, August 11th, 2015.
- Presentation of “Articulation Based Accruals” by co-author Shail Pandit at the 3rd PAN-IIM World Management Conference scheduled between December 16-18, 2015 at the Indian Institute of Management Indore, Madhya Pradesh, India.

Participated, by invitation or as committee member, in the following conferences.

- 2015 University of Illinois at Chicago (UIC) Accounting Research Conference, at UIC, Chicago, Illinois, September 11th and 12th, 2015.
- 2015 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Minneapolis, Minnesota, September 25th and 26th, 2015.
- 2015 University of Miami/AAA Rookie Camp, Miami, Florida, Friday through Sunday, December 4th, 5th and 6th, 2015.

- 2014** 2014 AAA/FARS Mid-year meeting, January 10-12, 2014, at the JW Marriott Houston, Houston, Texas. Discussed “Asset Measurement and the Real Economy” by Jeremy Bartomeu and Edwige Cheynel.
- Presented “Do Compustat Financial Statement Variables Articulate” and “Articulation Based Accruals” at the 2014 European Accounting Association (EAA) conference, sponsored by the EAA and the European Institute for Advanced Studies in Management (EIASM), held in Tallinn, Estonia, May 20 – 24, 2014.

Recent Presentations at Universities/Conferences (last 10 years, cont.):

2014 (continued)

Discussed “Voluntary Disclosure and Market Competition: Theory and Evidence from the U.S. Service Sector” by F. Nathan Dong and Eda Orhun at the 2014 American Accounting Association annual conference, Atlanta, Georgia, August 5th, 2014.

Participated, by invitation or as committee member, in the following conferences.

2014 Kellogg Accounting Research (KAR) conference at Northwestern University on June 6th – 7th, 2014.

2014 UIC Accounting Research Conference, Chicago, Illinois, October 3rd, and 4th, 2014.

2014 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Chicago, Illinois, October 16th and 17th, 2014.

2014 Carnegie Mellon University Accounting Theory Conference, Pittsburg, Pennsylvania, August 15th and 16th, 2014.

2013 2013 AAA/FARS Mid-year meeting, January 10-12, 2013, at the Westin, San Diego in San Diego, California. Discussed “The Equilibrium Relationships between Equity-Based Compensation and the Commission and Detection of Fraudulent Misreporting” by Buhui Qiu and Steve Slezak.

Presentation of “Do Compustat Financial Statement Variables Articulate” and “Articulation Based Accruals” by co-author Shail Pandit at the inaugural 2013 UIC Accounting Department Conference on Accounting Research at UIC, Chicago, Illinois, October 11 – 12, 2013.

Participated, by invitation or as committee member, in the following conferences.

2013 Winter Accounting Conference, University of Utah, Salt Lake City, Utah, February 18th to 21st, 2013.

2013 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Minneapolis, Minnesota, October 16th and 17th, 2013.

2012 2012 AAA/FARS Mid-year meeting, January 5-7, 2012, at the Drake Hotel, Chicago, Illinois. Organized and ran this meeting.

Presented “Conservatism Demands Prudence” (joint with Ram Ramakrishnan) at the Kellogg Accounting Theory (KAT) research conference at Northwestern University on June 4th, 2012.

Participated, by invitation or as committee member, in the following conferences.

2012 American Accounting Association annual conference, Washington, D.C., August 4th to 8th, 2012.

2011 2011 AAA/FARS Mid-year meeting, January 27-29, 2011, in Tampa, Florida. Chaired FARS business meeting as President and hosted the FARS lunch.

2011 American Accounting Association annual conference, New York City, New York, August 6th to 10th, 2011. Chaired FARS business meeting as President and hosted the FARS lunch.

Participated, by invitation or as committee member, in the following conferences.

2011 FASB/AAA Financial Reporting Issues Conference, December 3rd to 5th, Dolce Norwalk Center for Leadership and Innovation, Norwalk, Connecticut.

Recent Presentations at Universities/Conferences (last 10 years, cont.):

- 2010** 2010 AAA/FARS Mid-year meeting, January 21st to 24th, 2010, San Diego, California. Attended steering board meeting as committee member and President-elect of FARS. Also presented “Conservatism Demands Prudence” (co-authored with Ram Ramakrishnan).
Presented “Conservatism Demands Prudence” (joint with Ram Ramakrishnan) at the Accounting research workshop at the University of Colorado at Boulder on May 14th, 2010.
Presented “Conservatism Demands Prudence” (joint with Ram Ramakrishnan) at the 4th Tel Aviv International Conference in Accounting hosted by the Recanati Graduate School of Business Administration at Tel Aviv University (TAU), Tel Aviv, Israel, from Sunday, June 13th through Tuesday, June 15th, 2010.
Presentation of “Conservatism Demands Prudence” by co-author Ram Ramakrishnan at the 2010 Workshop on Economics and Accounting, a bi-annual conference organized by the EIASM and held in 2010 in Vienna, Austria.
Presented “Discretionary Disclosures to Risk-Averse Traders” (co-authored with Bjorn Jorgensen of the University of Colorado at Boulder) at the 2010 American Accounting Association annual conference, San Francisco, California, July 31st, to August 4th, 2010. Also had co-author Ram Ramakrishnan present “Conservatism Demands Prudence”

Participated, by invitation or as committee member, in the following conferences.

- 2010 Winter Accounting Conference, University of Utah, Salt Lake City, Utah, February 18th to 21st, 2010.
2010 Carnegie Mellon University Accounting Theory Conference, Pittsburg, Pennsylvania, September 24th and 25th, 2010.
2010 *Review of Accounting Studies* Conference held on Friday and Saturday, October 22nd – 23rd, 2010, in South Bend, Indiana and hosted by the Accounting Department at the University of Notre Dame.
2010 FASB/AAA Financial Reporting Issues Conference, December 3rd to 5th, Dolce Norwalk Center for Leadership and Innovation, Norwalk, Connecticut.
- 2009** 2009 AAA/FARS Mid-year meeting, January 29th to 31st, 2010, New Orleans. Presented *A Discussion of Theoretical Accounting Research with Practical Suggestion for Linking It to Empirical Research* at PhD Consortium, ran breakout sessions and subsequent group discussion jointly with Jake Thomas and Rob Bloomfield and presented *Discretionary Risk Sensitivity Disclosures*, during conference.
UIC Spring 2009 Junior Faculty Research Workshop, Chicago, Illinois, March 5th, 2009, *Financial Statement Articulation and Flexibility: Potential Applications in Accounting Research*.
UIC Spring 2009 Research Workshop, Chicago, Illinois, April 28th, 2009, *Conservatism Demands Prudence*, joint with Ram Ramakrishnan.
2009 Financial Economics and Accounting Conference, Rutgers University, Piscataway, New Jersey, November 13th and 14th, *Conservatism Demands Prudence*, joint with Ram Ramakrishnan.

Recent Presentations at Universities/Conferences (last 10 years, cont.):

2009 (continued)

Participated, by invitation or as committee member, in the following conferences.

Deloitte Financial Statement Analysis Conference, Chicago, IL, May 14th and 15th, 2009.

2009 American Accounting Association annual conference, New York City, New York, August 1st to 5th, 2009.

2009 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Minneapolis, Minnesota, October 16th and 17th, 2009.

2008 UIC Spring 2008 Research Workshop, Chicago, Illinois, February 19th, 2008, Revenue Recognition Reconsidered: Summary of the 2007 AAA/FASB Financial Reporting Conference.

2008 Winter Accounting Conference, University of Utah, Salt Lake City, Utah, February 21st to 24th, 2008. *Discretionary Risk Sensitivity Disclosures*, presented by my co-author, Bjorn Jorgensen.

Participated, by invitation or as committee member, in the following conferences.

2008 AAA/FARS Mid-year meeting, January 25th to 27th, Phoenix, Arizona.

2008 American Accounting Association annual conference, Anaheim, California, August 3rd to 6th, 2008,

2008 Carnegie Mellon University Accounting Theory Conference, Pittsburgh, Pennsylvania, September 26th and 27th, 2008.

2008 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Chicago, Illinois, October 25th, 2008.

2008 FASB/AAA Financial Reporting Issues Conference, December 5th and 6th, Dolce Norwalk Center for Leadership and Innovation, Norwalk, Connecticut.

2007 Accounting research seminar at Tel Aviv University, Tel Aviv, Israel, January 16th, 2007, *Earnings' Quality and Smoothing*.

Accounting research seminar at Hebrew University, Jerusalem, Israel, January 17th, 2007, *Earnings' Quality and Smoothing*.

Accounting research seminar at UIC, Chicago, Illinois, February 13th, 2007, *Earnings' Quality and Smoothing*.

Accounting research seminar at Erasmus University, Rotterdam, the Netherlands, May 24th, 2007, *Earnings' Quality and Smoothing*.

2007 American Accounting Association annual conference, Chicago, Illinois, August 8th, 2007, *Earnings' Quality and Smoothing*,

Accounting research workshop at UIC, Chicago, Illinois, October 16th, 2007, *Discretionary Risk Sensitivity Disclosures*,

2007 University of Minnesota and University of Chicago Joint Accounting Theory Conference, Minneapolis, Minnesota, October 27th, 2007, *Discretionary Risk*.

Participated, by invitation, in the following conferences in 2007.

3rd Midwest Accounting Research Conference, June 10th and 11th, 2007, Iowa City, Iowa (joint with IUPUI, Notre Dame, Indiana, Ohio State, Iowa, and Minnesota.)

2007 FASB/AAA Financial Reporting Issues Conference, November 29th to December 2nd, Dolce Norwalk Center for Leadership and Innovation, Norwalk, Connecticut.

Society Affiliations and Awards:

Registered as a Certified Public Accountant (CPA) in Illinois (passed examination in 1984); and member of the Financial Accounting Reporting Section of the American Accounting Association and the Illinois CPA Society.

Winner of the University of Illinois at Chicago (UIC) Liautaud Graduate School of Business (LGSB) Favorite MSA Professor Award, April, 2012, the UIC Accounting Educator of the Year, 2010, award and the UIC LGSB Favorite MBA Professor Award, April, 2009. Winner (with co-author Bjorn Jorgensen) of the KPMG & UIUC Competitive Manuscript Competition for **Research on Risk Measurement and Disclosure** in 2003 and awarded the Columbia Business School "Bob Lear Service Award" for the 1996 academic year.

August 20th, 2017