Denit Trust Challenges in Corporate Governance Series:
The Relationship of the Audit Committee with the External Auditor and the Chief Financial Officer

Hosted by:
Institute for Corporate Responsibility
and
The Center for Law, Economics and Finance

at
The George Washington University
School of Business
2201 G Street, NW
Duques 652

Monday, March 31, 2014
5:00 p.m. – 6:30 p.m.
This program is the eighth in a series of *Challenges in Corporate Governance*. The program will focus on the role of the Audit Committee of the Board of public companies in carrying out its main functions, which are to oversee the integrity of financial reporting and accounting and to oversee the external auditor. The external auditor is hired by, and reports to, the Audit Committee and is independent of the company. Its role is to opine on whether the company’s financial statements are a fair and dependable representation of its actual financial condition. The auditors work with the company’s Chief Financial Officer (CFO) who is responsible for overseeing the financial activities of the company and ensuring that the company’s financial reports are timely and accurate. The CFO typically reports to the Chief Executive officer. Further, the mission of the Public Country Accounting Oversight Board (PCAOB), established by the Sarbanes Oxley Act, is to oversee the audits of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, accurate and independent audit reports.

### Introductions/Welcoming Remarks from the School of Business

**John Forrer, Associate Director, ICR**

John Forrer is Associate Research Professor of Strategic Management and Public Policy, School of Business; Associate Director of the GW Institute of Corporate Responsibility (ICR); and, Associate Faculty, Trachtenberg School of Public Policy and Public Administration at The George Washington University. As Associate Director of ICR, he manages the research and activities of the Center in four areas: Business and Peace, Governance, Corporate Social Responsibility, and Environmental Sustainability. He is also responsible for developing partnerships and funding support from sources outside GWSB. His research examines issues at the crossroads of business, globalization, and policy. Research topics include: business and peace; public-private partnerships; integrated governance networks; sustainable global commodities; and; corporate governance.

**Chris Kayes, Interim Dean, Professor of Management, School of Business, Senior Fellow at the Center for Excellence in Public Leadership**

Chris Kayes has consulted with organizations around the world including National Institutes of Health, Fannie Mae, Oracle, Ericsson, Bank of New York Mellon, Pension Benefits Guarantee Corporation, Federal Aviation Administration, The US Department of Defense, US Department of Agriculture, US Judiciary, US Army, and US Navy. He has taught at universities around the world including Singapore Institute of Management, Zagreb School of Economics and Management, Helsinki School of Economics, Stockholm School of Economics in Riga, Latvia, University of Hull, UK, and Holy Spirit University, Beirut. He frequently conducts intensive multi-day seminars to develop leaders and delivers keynote addresses on various leadership topics. He has taught in the Professional Service Firm Degree, Human Resource Development, Senior Executive Service Development, Executive MBA, and the World Executive MBA programs.

### Introductions/Welcoming Remarks from the School of Law

**Art Wilmarth, Executive Director, C-LEAF**

Dr. Wilmarth is a Professor of Law at The George Washington University Law School in Washington, D.C. He is also Executive Director of the Law School’s Center for Law, Economics & Finance (C-LEAF). He joined the Law School’s faculty in 1986, after 11 years in private law practice. Professor Wilmarth has published more than thirty law review articles and book chapters dealing with banking law and constitutional history, and he is the co-author of a book on corporate law. In 2005, the American College of Consumer Financial Services Lawyers awarded him its prize for the best law review article published in the field of consumer financial services law during 2004. Professor Wilmarth received his B.A. degree from Yale University and his J.D. degree from Harvard University. He has testified on issues concerning banking regulation before committees of the United States Senate, the United States House of Representatives, and the California state legislature. In 2010, he served as a consultant to the Financial Crisis Inquiry Commission, the body established by Congress to report on the causes of the financial crisis that began in 2007. He is a member of the International Advisory Board for the *Journal of Banking Regulation* (Palgrave Macmillan, U.K.).
Gregory Maggs, Interim Dean, Professor of Law, Co-director, National Security and U.S. Foreign Relations Law Program

Dean Gregory Maggs joined the Law School faculty in 1993 and currently serves as interim dean. He served as senior associate dean for academic affairs from 2008-2010 and as interim dean from 2010-2011. He teaches mainly in the areas of commercial law, constitutional law, contracts, and counter-terrorism law, and he has written extensively on these subjects. Following law school, he was a law clerk for Justices Clarence Thomas and Anthony M. Kennedy of the U.S. Supreme Court and for the late Judge Joseph T. Sneed of the U.S. Court of Appeals for the Ninth Circuit. Dean Maggs' other past experience includes service as a special master for the U.S. Supreme Court, as a consultant to Independent Counsel Kenneth Starr in the Whitewater Investigation, and as an assistant to Robert Bork in private practice and research. He is a member of the Advisory Board for the Heritage Foundation's Center for Legal and Judicial Studies and a member of the American Law Institute.

Panel:

Moderator:
The Honorable Cynthia A. Glassman, Senior Research Scholar at ICR

Dr. Glassman served as an SEC Commissioner from 2002 to 2006, including Acting Chairman during the summer of 2005, and served as Under Secretary of Commerce for Economic Affairs from 2006 to 2009. Currently, she is a Director of Discover Financial Services, where she serves on the Audit Committee, and Navigant Consulting, where she serves on the Nominating and Governance Committee and the Compensation Committee. She is a Trustee of the SEC Historical Society and is on the Advisory Board of C-LEAF. She has spent over 35 years in the public and private sectors focusing on financial services regulatory and public policy issues. She has served on the Boards of the Federal Reserve Board Credit Union, the National Economists Club, Women in Housing and Finance, the Commission on Savings and Investment in America, and Hopkins House, a preschool for low income families. She has written extensively on corporate governance, financial reporting, risk management and competitiveness issues. She speaks nationally and internationally before professional and business groups.

Panelists:

Candace Duncan, Former Managing Partner, KPMG, Washington Metro Area

Ms. Duncan is a proven business leader with a long record of significant achievements and “firsts” in her life and in her career at KPMG LLP, the U.S. audit, tax and advisory firm. She was the first woman to be admitted into the KPMG partnership in Virginia and has served in a variety of leadership roles, including the first woman to become managing partner of the Washington Metro Area offices. Most recently, Ms. Duncan served as managing partner of the Washington Metropolitan Area for KPMG. In this role, she was responsible for driving revenue, sustaining growth of 30 percent, and managing nearly 2,500 partners and professionals across the firm’s Maryland, Virginia and Washington, DC offices. Prior to this role, Ms. Duncan served as the Midatlantic Area managing partner for Audit and as the Audit partner in charge of the firm’s Virginia business unit. Under her leadership, KPMG was the dominant Big Four firm in southern Virginia, serving more than half of the region’s largest public and private companies. Candy also served as a member of KPMG’s Board of Directors and as chair of the firm’s Nominating Committee and Partnership and Employer of Choice Committee.

Dan Goelzer, Partner, Baker & McKenzie, DC Office

Mr. Goelzer is a partner in the Washington, DC office of Baker & McKenzie. He specializes in matters involving the Securities and Exchange Commission and the Public Company Accounting Oversight Board. His practice areas include corporate governance; compliance with SEC disclosure and financial reporting requirements; the auditor/public company relationship; and financial institution regulatory issues, with a focus on global asset custody. Mr. Goelzer was appointed as a founding member of the Public Company Accounting Oversight Board in October 2002. The PCAOB is responsible for oversight and regulation of the auditors of U.S. public companies and securities broker-dealers. He served as Acting Chairman of the PCAOB from August 2009 through January 2011. From 1983 to 1990, Mr. Goelzer served as General Counsel of the Securities and Exchange Commission.
Roger Millay, Vice President and Chief Financial Officer, Towers Watson

Roger F. Millay is vice president and chief financial officer at Towers Watson. Before the firm’s merger with Towers Perrin in 2010, he held the same position at Watson Wyatt. Roger has more than 30 years of finance and accounting business experience, including twelve years as a public company CFO. Earlier experience included roles with Arthur Young & Company, GE Capital, Airgas, Inc., and Discovery Communications. Roger is a member of the Board of Governors of the Folger Shakespeare Library and a Trustee and Chair of the Audit Committee of the College Foundation of the University of Virginia. Roger has a bachelor’s degree from the University of Virginia and a master’s degree in accounting from Georgetown University’s Graduate School of Business. He also is a certified public accountant.

Follin Smith, Audit and Risk Committee Chair, Discover Financial Services

Ms. Smith is a member of the Boards of Directors of Kraft Foods, Ryder Systems, Inc. and Discover Financial Services. She serves as Lead Independent Director for Ryder and the Chair of the Audit and Risk Committee at Discover. She is a member of the Davidson College Board of Trustees and of the CenterStage Board of Trustees. Until May 2007, Ms. Smith was Executive Vice President and Chief Financial and Chief Administrative Officer of Constellation Energy Group. With $19 billion 2006 revenues and $15 billion in equity market capitalization, Constellation Energy is the nation’s largest competitive supplier of power and one of the largest nuclear generators in the country. Smith was a key leader in developing the business and financial strategy which created this industry leader, with the company moving from #421 on the Fortune 500 list in 2001 when Smith joined the company to #119 in 2006. During Smith’s tenure, the company delivered 159% total return to shareholders, compared to 23% for the Standard and Poors 500 and 15% for the S&P Utility Index.

Reception to follow

*The Denit Trust Challenges in Corporate Governance series is made possible through the generous support of The Helen Pumphrey Denit Trust for Charitable and Educational Purposes. The Denit Trust was established in 1988 in memory of her husband, L.M. Denit, a graduate of the GW Law School in 1920, to support charitable organizations that promote quality education, culture, human service, health service and arts opportunities.*