

## Sarah McVay

**Associate Professor of Accounting**  
**Glen & Lucille Legoe Professorship**

Ph.D., Business Administration (Accounting) University of Michigan; 2004  
B.A., Business Administration (Accounting) University of Oregon; 1997  
Certified Public Accountant (Washington); 1998

### Specialties

Earnings quality, management disclosures, and the interactions between market participants.

### Positions Held

Faculty at University of Utah (2007-2012)  
Faculty at New York University (2004-2007)  
Senior Auditor at Arthur Andersen, Portland Oregon (1998-2000)  
Staff Accountant at Moss Adams & Co., Vancouver Washington (1997-1998)

### Current Research

The examination of managers' decisions over earnings and disclosure management and investments

### Honors and Awards

William & Helen Fowler Endowment for Special Achievement in Accounting, 2014  
Legoe Endowed Professorship, 2012– present  
*Contemporary Accounting Research* Outstanding Reviewer Award, 2011  
Doctoral Faculty Teaching Excellence Award, 2011  
David Eccles Faculty Fellow, 2011– 2012  
David Eccles Emerging Scholar, 2008– 2011  
Deloitte and Touche Fellowship, 2002  
Beta Alpha Psi, President (Oregon Chapter), 1996– 1997  
Oregon State Society of CPAs Outstanding Student Award, 1997

### Academic Service

Editor, *Contemporary Accounting Research* 2014-present  
Editorial Board, *Accounting and Finance* 2012-present  
Editorial Advisory and Review Board, *Accounting Horizons* 2008-present  
Editorial Advisory and Review Board, *The Accounting Review* 2008-present  
Editorial Board, *Contemporary Accounting Research* 2010-2014

### Selected Publications

"Does Ineffective Internal Control over Financial Reporting affect a Firm's Operations? Evidence from Firms' Inventory Management," with M. Feng, C. Li, and H. Skaife. *The Accounting Review*, Forthcoming.

"The Use of Non-GAAP Earnings Information in the Presence of Transitory Gains," with A. Curtis and B. Whipple, *The Accounting Review*, 89: 933-958.

"Forecasting Sales: A Model and Some Evidence from the Retail Industry," with A. Curtis and R. Lundholm, *Contemporary Accounting Research*, 31: 581-608.

"Managerial Ability and Earnings Quality," with P. Demerjian, B. Lev, M. Lewis, *The Accounting Review*, 2013, 88(2):463-498.

"Quantifying Managerial Ability: A New Measure and Validity Tests," with P. Demerjian and B. Lev, *Management Science*, 2012, 58 (7): 1229–1248.



### Contact Information

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### MAILING ADDRESS

Foster School of Business  
University of Washington  
Box 353226  
Seattle, WA 98195-3200

"Manager-Specific Effects on Earnings Guidance: An Analysis of Top Executive Turnovers," with F. Brochet and L. Faurel, *Journal of Accounting Research*, 2011, 49 (5): 1123– 1162.

"Non-GAAP Earnings and Board Independence," with R. Frankel and M. Soliman, *Review of Accounting Studies*, 2011, 16 (4): 719– 744.

"Analysts' Incentives to Overweight Management Guidance When Revising Their Short-Term Earnings Forecasts," with M. Feng, *The Accounting Review*, 2010, 85: 1617– 1646.

"Internal Control and Management Guidance," with M. Feng and C. Li, *Journal of Accounting and Economics*, 2009, 48: 190– 209.

"SEC Scrutiny and the Evolution of Non-GAAP Earnings Numbers," with K. Kolev and C. Marquardt, *The Accounting Review*, 2008, 83 (1): 157– 184.

"Accruals Quality and Internal Control over Financial Reporting," with J. Doyle and W. Ge, *The Accounting Review*, 2007, 82 (5): 1141– 1170.

"Determinants of Weaknesses in Internal Control over Financial Reporting," with J. Doyle and W. Ge, *Journal of Accounting and Economics*, 2007, 44: 193– 223.

"Trading Incentives to Meet the Analyst Forecast," with V. Nagar and W. Tang, *Review of Accounting Studies*, 2006, 11 (4): 575– 598.

"Earnings Management Using Classification Shifting: An Examination of Core Earnings and Special Items," *The Accounting Review*, 2006, 81 (3): 501– 531.

"The Disclosure of Material Weaknesses in Internal Control after the Sarbanes-Oxley Act," with W. Ge, *Accounting Horizons*, 2005, 19 (3): 137– 158.

#### Working Papers

"Qualifying Special Items," with C. Cain and K. Kolev.

"Overconfident Managers and Internal Controls," with S. Chen, S., S. Lai, and C. Liu.

"The Changing Implications of Research and Development Expenditures for Future Profitability," with A. Curtis and S. Toynbee.

"Earnings Smoothing: For Good or Evil?," with P. Demerjian and M. Lewis.

"Assessing the Accuracy of Small Firms' Internal Control Disclosures," with W. Ge and A. Koester.

"The Effect of Internal Control on Corporate Corruption: Evidence from China," with W. Ge, Z. Li, and Q. Liu.

#### Courses Taught

University of Washington

Introduction to Financial Statement Analysis (MBAs)

Financial Accounting (Technology Management MBAs)

University of Utah

Financial Accounting (Introductory Accounting; MBAs)

Financial Accounting I (Intermediate Accounting; Undergraduate)

Financial Accounting II (Intermediate Accounting; Undergraduate)

Financial Statement Analysis (Elective; MBAs)

Emerging Issues and Continued Learning (Topics Course; Masters of Accounting)

New York University

Financial Accounting and Reporting (Introductory Accounting; MBAs)

Principles of Financial Accounting (Introductory Accounting; Undergraduate)

University of Michigan

Intermediate Financial Accounting (Undergraduate)

