



**100 women in
hedge funds®**

**Education Session No. 492:
When Numbers Lie: Using Forensic Accounting to Detect Stock Market Fraud**

August 5, 2014 at 6 PM
San Francisco, CA

Investment firms manage securities fraud and market manipulation exposure on a constant basis. In a timely talk, Dr. Charles M.C. Lee, Joseph McDonald Professor of Accounting at the Stanford Graduate School of Business and a Co-Founder of Nipun Capital LLC, will discuss this exposure, market manipulation "red flags", and implications for return forecasting. Learn forensic accounting techniques for detecting fraud and earnings manipulation through share price analysis.

Following Dr. Lee's discussion, Catherine Madrid, Partner and head of EY's Fraud Investigation Practice in Northern California and the Pacific Northwest, will lead us in a fireside chat with Dr. Lee about recent noteworthy forensic accounting and financial fraud investigations, and help us better understand tools for managing financial fraud exposure.

Participants

Dr. Charles M. C. Lee, Stanford Graduate School of Business
Catherine Madrid, Ernst & Young

Event Details

Date: August 5, 2014

Time: 5 PM Registration.

We will begin *promptly* at 6 PM; please arrive early. Since it is disruptive to everyone when latecomers enter the session, those arriving after an education session has begun will only be admitted at the discretion of 100WHF and the host. Please note the start time on this invite and plan to arrive early.

Networking and cocktails before and after session.

Host: Ernst & Young LLP

Location: Mandarin Oriental Hotel

222 Sansome Street, **San Francisco**, CA 94104 - [Directions](#)

RSVP: [RSVP Now](#)

If you have any questions about this event, please contact the [California, North](#) committee.

This event is NOT FOR ATTRIBUTION. All 100WHF events are private events and we require that no one reports publicly on any aspect of them.

Admission is free, but there is a \$25 charge if you register and do not attend, even if you cancel in advance. No-show proceeds will be donated to Cerebral Palsy International Research Foundation, the 2014 beneficiary of 100WHF's US philanthropic initiatives.

If you have no-show fees in arrears, the system cannot register you for an event. You can view and pay for any outstanding no-show fees online from your [Member Profile](#)

Space is limited. No walk-ins will be permitted.

Biographies

Dr. Charles M. C. Lee, Joseph McDonald Professor of Accounting, Stanford Graduate School of Business

Dr. Charles M. C. Lee is the Joseph McDonald Professor of Accounting at the Graduate School of Business (GSB), Stanford University. He is also a Senior Academic Fellow of the Asian Bureau of Financial and Economic Research (ABFER), and Co-Founder of Nipun Capital, LLC, a San Francisco based asset management firm focused on Asian equities.

Professor Lee received his PhD from Cornell University in 1990. He has been a faculty member at the Michigan Business School (1990-95) and the Johnson Graduate School of Management, Cornell University (1996-2004). From 1995-96 he was Visiting Economist at the New York Stock Exchange. At Cornell he held the Henrietta Johnson Louis Professorship in Management and was Director of the Parker Center for Investment Research.

From 2004 to July 2008, Dr. Lee was Managing Director at Barclays Global Investors (BGI; now Blackrock). As the firm's Global Head of Equity Research and Co-Head of North America Active Equities, he led BGI's world-wide active equity research team and was jointly responsible for its North American active equity business. During his tenure, the firm had over \$300 Billion USD in active equity strategies. He joined Stanford GSB as a Visiting Professor in July 2008 while continuing to serve as a Senior Consultant to BGI, and became a full-time faculty member in July 2009.

Prior to entering academic life, he spent five years in public accounting, the last three in the National Research Department of KPMG, Toronto, Canada. He holds a Certificate in Biblical Studies from Ontario Theological Seminary, and is fluent in Mandarin Chinese.

Catherine Madrid, Partner, Ernst & Young

Catherine Madrid brings more than 26 years of experience assisting clients with accounting, auditing, financial reporting and litigation matters. She focuses her practice on forensic accounting, financial fraud investigations, bribery and corruption investigations, SEC enforcement matters, compliance reviews, insurance claims and financial damages assessments relating to complex commercial disputes. Ms. Madrid has conducted investigations for public and private companies and led numerous investigations on behalf of Audit and Special Committees. She has also assisted management with technical accounting considerations, restatements, financial reporting disclosures and identification of potential remediation measures. These matters have included various issues such as FCPA, commercial corruption, contract bid rigging, revenue recognition, earnings management, valuation reserves, purchase accounting, asset impairments, stock option accounting, executive compensation and misappropriation of assets.

In addition to her investigations practice, Ms. Madrid has extensive experience with anti-corruption/FCPA risk assessments, FCPA program implementation and gap assessments, fraud risk assessments, third party due diligence analysis, FCPA due diligence for prospective M&A transactions, post-acquisition disputes, breach of contract claims and other commercial damages analyses.

Prior to joining Ernst & Young, Ms. Madrid held a number of managing roles in the forensics and dispute advisory practices of other Big Four accounting firms. She began her career performing financial statement audits in the audit practice of a Big Four accounting firm.

Ms. Madrid has a bachelor's degree in business economics from the University of California, Santa Barbara where she graduated summa cum laude. She is a certified public accountant, licensed in California; Certified in Financial Forensics; and a member of the American Institute of Certified Public Accountants. She is also a member of the Association of Certified Fraud Examiners, as well as other professional associations.

**About Ernst & Young LLP**

EY is a leader in serving the hedge fund industry. We have assisted many leading hedge funds through every phase of their business - from starting up to obtaining listings on exchanges and going public. Many of our clients have gone from start-ups to some of the largest funds today. As these organizations mature, we continue to support their evolving requirements through our extensive portfolio of audit, tax, advisory and transaction services.

Our hedge fund practices globally are among the largest of the Big Four and are led by highly skilled professionals who are intimately familiar with the demands of developing and maintaining a successful fund business. Our wide-ranging and diverse global clients employ all strategies - from simple long and short funds to the most complex trading funds. We have extensive experience in structuring and servicing complex funds as well as in helping to form and service multifaceted tax structures anywhere in the world. With a global knowledge network spanning more than 60 cities worldwide, we bring firsthand insight on local market trends and accounting, tax and regulatory issues.

In addition to providing thought leadership and timely commentary on the latest hedge fund developments, we support the industry through our involvement in various industry forums and groups including 100 Women in Hedge Funds.

About 100 Women in Hedge Funds (www.100womeninhedgelfunds.org)

100 Women in Hedge Funds is a global, practitioner-driven non-profit organization serving over 12,000 alternative investment management investors and professionals through educational, professional leverage and philanthropic initiatives. Formed in 2001, 100 Women in Hedge Funds has hosted over 450 industry education events globally, connected more than 250 senior women through Peer Advisory Groups and raised over \$33 million for philanthropic causes in the areas of women's and family health, education and mentoring.