The professional perspective: Building a career

On top of their game: Star teachers & students

The role of data, analytics and technology

Infusing IT throughout the curriculum

McCord Hall
Home to graduate programs at the W. P. Carey School of Business
ear alumni and friends,

The words “managing growth” summarize the bulk of my efforts during these past three years as director. Last year alone, undergraduate accountancy enrollments increased by 15 percent and this fall’s registration shows a 30 percent increase in freshmen registration. Managing growth while continuing to maintain an exceptional classroom learning experience for our students remains a top priority as we adapt our programs to new market demands for audit and tax analytics.

Our students continue to thrive and we are energized by their many accomplishments. It is so rewarding to watch their highly successful careers unfold and new families of Sun Devils spring up. Your support is essential here, by assisting our students and hiring our graduates, but also by supporting curriculum development. Indeed, every time we have reviewed curriculum we have tapped a number of you for your insights from practice. On page 6 of this newsletter you will read in more detail about a recent curricular initiative.

Responding to growth, we have welcomed 17 new full-time faculty and seven new part-time faculty over the past three years. This fall three more joined our ranks: Assistant Professor Lucile Faurel, Clinical Associate Professor Janet Samuels and Professor of Practice Jim Bosserman. You will find brief bios of our new faculty later in the newsletter.

At the same time, our faculty has made major contributions to accounting research. On page 7 we list 36 recent (2014/15) articles authored by our faculty, including 21 publications in the small set of journals that are consistently rated at the very top level. We are very proud of the success of our faculty in research, teaching and service to the profession. Indeed, this newsletter only includes a fraction of those achievements.

Please reach out to me, or any of our faculty and staff, at any time — we enjoy hearing from you and are happy to be of service.

Philip Reckers
Director, School of Accountancy
480-965-3631
philip.reckers@asu.edu
PROMOTIONS

Two promising researchers were promoted to associate professor this spring.

Jennifer Brown, who started in public accounting, is currently interested in corporate political activity: how corporations engage in the political arena and how they deal with political uncertainty. “Much of that uncertainty centers around taxes and budgets,” she said. “What I love most about teaching is watching my students learn about business and life,” she added. “That’s the best part of being a faculty member.”

Andrew Call’s research focuses in two areas: the role of the analyst in relation to investors and managers, and the role of employee whistleblowers in uncovering accounting fraud.

Call says he enjoys watching students revise their notions about accounting. “Understanding the ‘why’ behind these rules makes accounting a more interesting and worthwhile discipline and career,” he said.

RESEARCH: AUDITING INTERNAL CONTROLS

The Center for Audit Quality has funded Assistant Professor Eldar Maksymov’s research on auditor evaluation of internal control deficiencies. “The PCAOB (Public Company Accounting Oversight Board) in its recent inspections of public company audits noted instances where auditors failed to evaluate sufficiently whether errors detected during audits indicate problems in internal control,” Maksymov said. “Our study addresses this issue and proposes an intervention that auditors could use to improve recognition of potential problems in their clients’ internal controls.”

AWARD-WINNING TEACHING

Senior Lecturer John Dallmus has received the Arizona CPA Foundation for Education and Innovation 2015 Excellence in Teaching Award, which recognizes an instructor from one of Arizona’s public universities. Dallmus has been teaching in the School of Accountancy since 2000. Dallmus, a CPA, also maintains an outside practice offering tax, accounting and business advisory services.

IN MEMORIAM

The School of Accountancy lost two of its best this year.

• Professor Emeritus of Accounting Bevie Truett Sanders, 98, died June 25, 2015. A veteran of World War II, he was a professor from 1957 to 1982 and a leader in the Tempe community.

• Professor Emeritus of Accounting Keith Alva Shriver, 67, died January 27, 2015. A researcher for the Financial Accounting Standards Board before entering academe, he taught in the School of Accountancy for 17 years.

THE PROFESSIONAL PERSPECTIVE:

Building a career

The Perspectives from the Profession speaker series helps students in the Master of Accountancy and the Master of Taxation programs learn directly from the leadership of a Big Four firm what it takes to be successful. Speakers are primarily retired executives living in the Phoenix metropolitan area who had significant national duties or headed a local office.

Launched last spring, the series features current and retired EY executives, including Bryan Segedi, Nick Kissel, Jim Bosserman (now on the School of Accountancy faculty), Dinesh Kakwani, Greg Schoen, Randy Fletcher, Kathy Ferron and Lee Thomas. Topics included the globalization of finance, U.S. GAAP and IFRS, performance management and professional career growth, the business of the business/go-to market, regulatory issues and client relations.

FALL SERIES DATES:

8/28/15 The IPO Journey, Jeff Anderson (EY retired) and Kevin McHolland (EY active)
9/25/15 Serving Large Non-Audit Clients in Advisory Services, Tom Spitsnaugle (EY, CP Dell retired), Michael Dings (EY retired)
10/30/15 Ethics and Professional Judgement, Randy Fletchall (EY retired)
11/6/15 Role of Tax Consultant vs. In-House Tax Group, Dinesh Kakwani (EY active), Jim Bosserman (EY retired)
11/13/15 – Fair Value Accounting, Nick Kissel (EY retired)
11/20/15 Responsibilities of Board of Directors and Audit Committees, Guy Jackson and Dick Dugan (EY retired audit partners and current board representatives)
This fall three new faculty members joined the School of Accountancy, widening the scope of our research and contributing years of professional experience.

Assistant Professor Lucile Faurel says the faculty at the School of Accountancy, the research support and Arizona’s beautiful desert attracted her to W. P. Carey. She studied international economics at the American University of Paris before joining Deloitte in Paris as a senior economist in the transfer pricing group. Then she earned her Ph.D. with a specialization in accounting at the Leonard N. Stern School of Business at New York University and taught at the University of California, Irvine.

Faurel is currently examining ways to structure incentives to encourage CEOs to pursue product development and marketing innovations in their firms.

A second project investigates whether a company’s upcoming earnings performance and the subsequent stock market reaction can be predicted by Twitter.

Clinical Associate Professor Janet Samuels earned her Ph.D. with a specialization in accounting from W. P. Carey in 2004. She started her teaching career at Arizona State University before going to Thunderbird School of Global Management (which recently became part of ASU).

Samuels’ research involves examining factors that influence whistle-blowing. She also has research on the intersection of incentives, goals and performance evaluation.

Jim Bosserman joined the School of Accountancy in January as a professor of practice. He retired from EY in 2013 after 33 years — 22 of them in leadership positions, especially human resources. Before coming to the School of Accountancy, he taught for two semesters at the Kelley School of Business at Indiana University.

“I have been very fortunate to have had a wonderful professional career, and teaching at the university level is a way I can give back by helping others to have an opportunity for a professional career, whether with a large global firm, a regional or local firm, industry or as educators,” Bosserman said.

IN PURSUIT OF THE PH.D.

Three doctoral students completed their studies this year: Margaret Kim, Eugenia Yeh and An-Ping Lin, who accepted a position at Singapore Management University. Our new doctoral students are:

- **Min Kim** recently finished a master’s degree in financial engineering at the Korea Institute of Science and Technology. Prior to that he earned a master’s degree in finance at the Simon Business School at the University of Rochester, and a bachelor of economics at Sogang University, South Korea.
- **Christian Paparcuri** graduated cum laude with a bachelor’s degree in accounting from the University of Florida, and went on to complete a master of accounting degree there as well. His research focus is taxation.
- **Liwei Weng** earned a master’s degree in finance from the University of Texas at Dallas, and a bachelor’s in financial management at China University of Petroleum. He began doctoral studies in finance at the University of Oregon before coming to ASU. His research interests include capital markets, financial accounting and institutional investors.
The W. P. Carey School of Business recognizes professors who are the best in the classroom. These awards are especially meaningful because nominations come from department chairs, faculty program directors and students — those in the best position to assess teaching performance. This year, Associate Professor **Jennifer Brown** was named one of three Outstanding Graduate Teachers.

Brown, who joined the School of Accountancy in 2007, said that she’s proud to be part of both the academic and professional accounting community. “I love sharing my passion with the next generation,” she said.

“Tax professors are notorious tax geeks; we love to talk about taxes, and I am no exception,” she said. “But what I love most about teaching is watching my students learn: learn about taxes while doing a group problem; learn about investments, corporate finance, public policy. I enjoy watching them learn about business and life; that’s the best part of being a faculty member.”

**TEACHERS WHO INSPIRE**

Alumni **Scott Donaldson** (B.S. Accountancy ’80, M.S. Accountancy ’81) and wife **Mary** (Computer Information Systems ’83) donate $10,000 a year to support excellent teaching in the School of Accountancy. This year the recipients are Associate Professor **Andrew Call** and Senior Lecturer **Karen Geiger**.

“So many students think financial accounting is simply a collection of rules that must be memorized,” Call said. “But I enjoy showing them that the rules are almost always there for a legitimate reason, and that they actually make sense. Once they see that financial reporting is actually intuitive, they tend to take much more interest in the material.”

Geiger sees herself as a coach and mentor to her freshmen and sophomore students. “I believe that as instructors it is important to stimulate a genuine desire to learn, as opposed to simply scoring well,” she said. “I believe this can best be achieved by encouraging students to analyze the world around them and to question what they see. During the college years learning must transition away from ‘memorize and regurgitate’ to ‘learn and apply.’”

**STUDENTS WHO EXCELLED**

The students in our master’s programs are preparing for high-level careers and professional certification, but most don’t wait to graduate before looking for ways to excel and to serve. The W. P. Carey School’s Graduate Student Leadership Awards recognize students for their leadership in the classroom, at the university, in the business community and in society. Students are nominated by their faculty and peers.

**Caroline Buss** was awarded the Master of Accountancy Graduate Student Leadership Award. She came to the program after earning a concurrent degree in accounting and computer information systems at W. P. Carey. She was an active participant in service projects as both an undergraduate and graduate student, and also rowed for the ASU crew team. This fall she joined the technology advisory team at Deloitte in Phoenix.

The Master of Taxation Graduate Student Leadership Award went to **Alex Hartig**. As an undergraduate, she was a star on ASU’s track and field team. Her 4.0 GPA in accounting resulted in her being voted a member of the 2012, 2013 and 2014 Pac-12 All-Academic teams. She interned at KPMG before starting the master’s program, and now works in the firm’s federal tax department in Phoenix.

**OUTSTANDING IN HIS CLASS**

Commencement is all about student achievement, and this past May, an accounting student was recognized as the W. P. Carey School’s best. A Barrett, the Honors College student who maintained a 4.0 GPA, **Scott Bohmke** was named the Turken Family Outstanding Graduating Senior. The award recognized not only his academic excellence but also his commitment to volunteerism. The distinction goes along with the honor of delivering the commencement address. This fall he started the Master of Professional Accounting program with a focus on taxation at the University of Washington after a summer internship with Moss Adams LLP in Seattle.

“The School of Accountancy faculty challenged us to get as involved as possible in the industry,” he said. “I can’t wait to build upon my ASU education as I begin my career in public accounting.”

**ACING THE CPA EXAM**

**Matthew Durette** (B.S. Accountancy ‘10, MTax ‘14) is the recipient of the 2014 Elijah Watt Sells Award from the American Institute of CPAs. Durette is based out of McGladrey’s Phoenix office.

The award is presented to candidates who have obtained a cumulative average score above 95.50 across all four sections of the Uniform CPA Examination, passed all four sections of the exam on their first attempt and completed testing in 2014. A total of 91,384 individuals sat for the exam in 2014, with only 60 of them meeting the criteria to receive the award.
Perhaps nothing has revolutionized the business world as much in the last decade as information technology (IT). These days, every facet of commerce is mediated through IT. The School of Accountancy is responding by revamping its accounting curriculum to ensure that its graduates are as comfortable with business IT as they are with debits and credits.

“It’s become efficient for companies to store massive amounts of data,” said Philip Reckers, director of the School of Accountancy. “The challenge for corporations and public accounting firms is what to do with all of that data. You have to have CPAs with the skills to know how to use it.”

A $10,000 grant from PwC is helping to fund curriculum changes, which will impact the bachelor’s and master’s programs. The school eventually plans to offer a six-course audit analytics certificate program.

“This is really important to all of the big firms,” Reckers said. “They’re transforming their audit functions to be able to use all of this new data and retraining their employees to use it. They tell me they’re spending $500 million each on these efforts, so major accounting schools like ours have to look at the IT skills that our students need, too.”

To ensure that the W. P. Carey School of Business is delivering the right curriculum, faculty members have been meeting with partners from the Big Four accounting firms to learn exactly how they’re changing their operations to take advantage of what has come to be known as big data.

The curriculum revision is ongoing, but it is already yielding changes. Instead of the single IT course and basic Microsoft Excel training that many accounting students receive, W. P. Carey accounting students will take several courses, some in accounting and some in information systems, all touching on some aspect of business IT.

“We’re trying to teach them the baseline of databases, advanced knowledge of Excel, the fundamentals of ERP systems like SAP and some statistical analytics,” Reckers said.

An enterprise resource planning (ERP) system is a suite of software that stretches across a business, helping to manage everything from personnel to logistics. ERP software enables businesses to collect, store, manage and interpret data from all of their departments. Among the best-known providers of ERP systems are SAP, Oracle, Microsoft Dynamics and Netsuite.

This fall, the accounting program will launch a class that gives students hands-on experience with SAP software. Clinical Assistant Professor Michael Garverick, who’s also an IT consultant and a CPA, said the class grew out of an academic alliance with SAP, of which ASU is a member. That alliance gives students access to SAP’s software along with business cases designed to be used with the software.

“There are five modules within the case,” Garverick said. “The first part of the class will be the fundamentals of internal controls and business processes, and then we’ll focus on applying those through SAP.”

The case is based on a hypothetical manufacturer and touches on procurement, production, sales and financial accounting and controls. “And we’ll show how the system is integrated all the way through to the general ledger,” Garverick said.

The aim of the class isn’t to make students experts in SAP, Garverick said. Instead, it’s to teach them business processes and controls through a popular ERP system. That way, they come to understand both the underlying knowledge and how it’s applied in the field.

“We’re trying to teach them how to drive — it doesn’t matter whether they end up driving a Chevy or a Ford,” Garverick said. “We’re striving for experiential learning through hands-on work. When you do something, you remember it better than when you just read about it.”
FACULTY RESEARCH: NEW IDEAS FOR THE PROFESSION

The School of Accountancy is a global leader in performing research relevant to the discipline. The following articles were published in 2014 and 2015.


KPMG SUMMER PROGRAMS

Three top accounting students were chosen for KPMG professional and leadership opportunities this summer. KPMG selected Ryan Ficker for an internship in the Phoenix office and for the Fast Forward National Leadership Program in Hollywood, California, where he networked and built relationships with KPMG professionals and students from across the United States.

“Fast Forward gave me a national view of the firm,” Ficker said. “I was able to experience KPMG first hand and see their motto — One Firm. One Team. Countless Opportunities — in action. KPMG puts a great deal of effort into their recruiting process and did an excellent job of giving me good insight into their work environment and culture.”

Sophomore Whitney Vizzini was a corporate management intern (CMI) at KPMG’s Phoenix office, working with the advisory internal audit and IT teams. At CMI training in Philadelphia she received educational and career advice from KPMG partners and employees. She was also selected to attend the Future Diversity Leaders Conference, also in Hollywood, which develops leadership skills in high-achieving students.

“I was amazed at how much exposure I received to different clients and industries,” Vizzini said. Marcus Estrada was also chosen for the Future Diversity Leaders Conference.

“Working for KPMG has taught me about a whole new side of accounting that offers challenges and opportunities for growth in every direction,” Estrada said. “I’ve also learned what steps I should take while continuing my undergraduate degree in addition to the ones after graduation.”

All three have accepted internship offers for next summer.