The Accounting and Information Assurance (AIA) Department at the University of Maryland’s Robert H. Smith School of Business experienced another year of growth and accomplishment in the face of the challenging economic environment. Some of the impressive achievements of our students, alumni and faculty are featured in this newsletter. These achievements encompass a number of areas and include teaching, research, and service to the accounting profession, as well as participation and involvement within the government and business sectors. You will see that the work of our faculty and alumni has had a true global impact.

Thank you to the many firms, alumni and friends who support the accounting program in a variety of ways—giving presentations to our classes and student organizations, providing employment opportunities to our students and graduates, and through financial contributions to supplement the tight state funding. The AIA Department is also extremely fortunate to have the support and commitment of the Smith School’s Dean, G. “Anand” Anandalingam. Thanks to Dean Anand, the number of tenure/tenure track (research) faculty in the AIA Department has more than doubled over the last three years and we will continue to add research faculty positions this coming academic year. I am confident that the move to hire internationally known thought leaders in accounting will enhance the quality of our programs and subsequently our alumni will share in the greater global recognition of our brand.

To conclude, I would like to comment on the changing mix of private sector and government accounting positions. The government’s response to the financial crisis and the recent change in philosophy at the highest levels of government has led to a great increase in federal programs in conjunction with the decline in the financial industry. Hence, the relative demand for accounting and financial expertise by the federal government has greatly increased. The increased demand has been reflected in more recruiting activity by the federal agencies at the Smith School, including a panel presentation by representatives from a number of the agencies. Because of the great success Maryland accounting graduates have had in the federal government in the past and because of our location, our accounting program is in an enviable position to benefit from this developing trend. Hence, more of our students and alumni are finding many attractive positions in the government sector.

Martin P. Loeb
Deloitte & Touche Faculty Fellow, Professor and Department Chair
Accounting and Information Assurance, Robert H. Smith School of Business
University of Maryland, College Park, MD 20742-1815, 301.405.2209
Dr. Stephen Loeb, the Ernst & Young Alumni Professor of Accounting and Business Ethics and senior professor at the Smith School, is celebrating his 40th year on the faculty. Steve established a reputation as an early leader in accounting ethics research with his doctoral dissertation at the University of Wisconsin and with his 1971 *Journal of Accounting Research* paper.

Steve broke new ground in developing a stand-alone course entitled “Ethics and Professionalism in Accounting,” a required course that has influenced generations of Maryland accounting students. His efforts in introducing and integrating ethics education into our MBA program earned national attention for the class visits to federal prisons to listen to individuals who had been convicted of business type offenses. Steve’s ethics teaching has earned him multiple Krowe Awards, the Smith School’s highest recognition for outstanding teaching. He also received the Outstanding Maryland Accounting Educator Award from the Maryland Association of CPAs.

Steve has provided service to the profession and the Smith School through participation in many roles. He coordinated an American Accounting Association Annual Ethics Research Symposium, was a co-founder and co-editor of the *Journal of Accounting and Public Policy*, and served for many years as the Chair of the Smith School’s accounting department.

Heading into his fifth decade as a Maryland Accounting faculty member, Steve remains active. He teaches the accounting ethics course, serves as the Academic Director of the department’s Masters of Science Program and is doing research in the area of accounting ethics.

And the award goes to …

**Recipients of Inaugural Gordon Prize in Managing Cybersecurity Resources Named**

**Drs. Rainer Böhme, Institute of Systems Architecture at Technische Universität Dresden in Germany, and Tyler Moore, Center for Research on Computation and Society at Harvard University were recently awarded the inaugural Gordon Prize in Managing Cybersecurity Resources for their winning essay titled “The Iterated Weakest Link.” In 2008, Dr. Lawrence A. Gordon, Ernst & Young Alumni Professor of Managerial Accounting and Information Assurance, and Affiliate Professor in the University of Maryland Institute for Advanced Computer Studies established an endowed gift to award an annual prize of $1,000 (initially) for the best English-language essay on the topic of “Managing Cybersecurity Resources.” More information on the Prize and this year’s winners can be found at:**

Accounting Research Journal Brings Global Visibility to AIA Department

There are over 200 journals world-wide that focus directly on accounting issues. Of these journals, only 16 are currently included on the prestigious Social Sciences Citation Index (SSCI) list of journals. The importance of being on the SSCI list is highlighted by the fact that journals on this list are commonly used by major Business Schools around the world in assessing the impact of their professors’ research.

Of the sixteen accounting journals on the SSCI list, only six have key Editors located in the U.S. One of these six journals is The Journal of Accounting and Public Policy. The Editor-in-Chief and Editor of this journal are AIA Professors Dr. Lawrence A. Gordon and Dr. Martin P. Loeb, respectively. Professors Gordon and Loeb have served as editors and/or editorial board members of other leading journals in accounting and business. Dr. Gordon served as an editor of the Journal of Business Finance & Accounting and on the editorial boards of The Accounting Review, Contemporary Accounting Research and the Management International Review. Dr. Loeb served as an editorial board member of The Accounting Review, The Review of Accounting Studies, the Journal of Business Finance & Accounting, and the British Accounting Review.

Master of Science in Business and Management

Our Master of Science in Business and Management (MSBA) program continues to thrive. The program is currently being offered at our Shady Grove campus. The MSBA program is essentially a 15-month “lock-step” program with some limited electives. The third cohort will graduate in December of 2009 and our fourth cohort started in Fall of 2009. While the MSBA program has “an internalauditing focus,” students do have the option of taking a general accounting track. We have recently added an option whereby a student can pursue both a Smith MBA and a Smith MSBA concurrently.

Classes in our MSBA program are held on Saturdays, thus providing students an opportunity to earn a graduate degree while continuing their career. The joint MBA-MSBA can also be pursued part-time. As part of the MSBA program, students participate in an Action Learning Project where, under the guidance of faculty mentors from practice, the students assist an organization. More information about our MSBA program can be found at www.rsmith.umd.edu/ms/accounting

Adjunct Lecturer, Ariel Ramirez, has been teaching an exceptionally well received course in our MSBA accounting program, Forensic Accounting. This course deals with fraud examination, a methodology for resolving fraud allegations from inception to disposition. It involves analyzing documents and systems, obtaining and collecting evidence, taking statements, writing reports, and sometimes testifying to findings. Ariel Ramirez is an expert in this area, and serves as Director of Forensic Audit in the Global Forensic Audit (Investigations) team for Siemens AG. He previously held senior management and engagement execution roles with various professional services firms including Ernst & Young and KPMG. He holds an MBA and a number of certifications, including Certified Fraud Examiner (CFE), Certified Internal Auditor (CIA), Certified Financial Services Auditor (CSA), and Certified Government Audit Professional (CGAP).

www.rsmith.umd.edu/ms/accounting


Maryland Alumnus, Dr. Howard Schilit, Top Accounting Sleuth

After earning his doctorate in accounting (1981) and his MBA (1976) from the Smith School, Dr. Howard Schilit joined the accounting faculty at American University and went on to gain an international reputation as a leader in forensic accounting and corporate governance. In a feature story, BusinessWeek referred to Dr. Schilit as the “Sherlock Holmes of Accounting,” and Smart Money magazine selected him as one of the “Power 30” of investing in 2002 and 2003. He has also been featured in numerous other media outlets including The New York Times and Barron’s.

In 1994, Dr. Schilit founded a global research organization, the Center for Financial Research & Analysis (CFRA), which alerts institutional investors and others to companies with deteriorating operational cash flows, aggressive accounting policies, and inadequate control environments. In 2003, TA Associates acquired a majority stake in CFRA and Dr. Schilit retired from active involvement in 2006. CFRA warned investors of impending problems at Enron, WorldCom, Cendant, and many other companies.

Dr. Schilit is author of the highly acclaimed Financial Shenanigans: How to Detect Accounting Gimmicks & Fraud in Financial Reports. The third edition of this book will be published in 2010. Dr. Schilit frequently lectures on the subject of financial shenanigans to investors, bankers, lawyers, and insurers. In 2009, Dr. Schilit founded the Financial Shenanigans Detection Group, LLC.

The “Sherlock Holmes of Accounting”

Dr. Howard Schilit
Trio of Maryland Accounting Alumni on AICPA Board of Directors

In what may very well be a first, three alumni of a single school served on the Board of Directors for the American Institute of Certified Public Accountants (AICPA). It goes without saying, that school is Maryland! The three Maryland accounting alumni who served on the board this past academic year are Lisa Cines, F. Carter Heim and Karen Pincus. These three board members have many characteristics in common. Some of these characteristics include: deep roots in the University of Maryland, extremely successful accounting careers, and records of extraordinary service to their communities and their profession.

Lisa Cines earned her Bachelors Degree in accounting from Maryland in 1981, and serves on the Accounting and Information Assurance Department’s Advisory Board at the Smith School. She has two siblings who graduated from UMd in accounting, and her son is currently a junior majoring in accounting and is Co-President of the College Park chapter of the Accounting and Business Association. Lisa is the managing partner of Aronson & company, a top 100 national accounting firm. In addition to serving on the Board of the AICPA, she is a member of both the Board of Directors of Junior Achievement and the Executive Committee of the Greater Washington Initiative. Lisa has been named as one of the Washington Business Journal’s “25 Women Who Mean Business.”

F. Carter Heim earned a BS in accounting with the University of Maryland Class of 1975. He is an officer and stockholder of HeinLantz, Professional Corporation, a multi-office firm with offices in Annapolis and Fort Washington, Maryland and Alexandria, Virginia. Carter’s wife of 32 years is also a graduate of the University of Maryland. Her degree is in zoology, and they met in College Park on a blind date in 1973. They have a son who is currently attending Maryland in the A. James Clark School of Engineering and a daughter who is a licensed CPA in Maryland. Carter is a past President of the Maryland Association of CPAs, the current President of the Board of Directors of the Anne Arundel Community College Foundation, the Treasurer and Secretary of the Annapolis and Anne Arundel County Chamber of Commerce, Inc., and is a “Corporator” for St. Mary’s Church in Annapolis. He was named one of SmartCEO magazine’s “Smart CPAs” for 2008 and 2009. He also received Anne Arundel’s Lifetime Community Trustee Award.

Karen Pincus, an internationally known leader in accounting education, earned a BS, MBA, and a PhD from the University of Maryland. She began her professional career with Coopers & Lybrand (now named PricewaterhouseCoopers). Dr. Pincus was on the faculty of the University of Southern California for twelve years before she moved to the University of Arkansas, where she chaired Walton College’s accounting and business law faculty from 1995-2007. Dr. Pincus is currently a chaired professor of accounting at Arkansas. Her current research interests include audit judgment, fraud detection, and accounting education. She received the American Accounting Association’s prestigious Innovation in Accounting Education award and is also a recipient of the AICPA’s Distinguished Achievement in Accounting Education award and the AICPA’s Educator of the Year award. She is currently serving as the U.S. member of the International Accounting Education Standards Board and in 1999-2000 she served as President of the American Accounting Association’s Auditing Section. Accounting Today included Dr. Pincus in its 2006 list of the “Top 100 Most Influential People in Accounting.”

Maryland’s Chapter of the National Association of Black Accountants Remains Active

Maryland’s Chapter of the National Association of Black Accountants (NABA), led by President Teonna Lonon, is continuing to have another year jam-packed with professional development and social activities. Their workshop series features three essential topics: Resume Writing, Negotiating the Offer, and Networking. The level of activity and commitment of Maryland’s Chapter can be seen by the fact that 30 of its members attended NABA’s 34th Annual Eastern Region Student Conference held on October 8-11, 2009 in Norfolk, Virginia. The conference included two and one-half days of workshops, seminars and interview sessions, all designed to better prepare minority students for careers in accounting and financial management disciplines. During the group dinner at the conference, College Park members of NABA were able to get to know one another on a personal level, further enhancing the cohesiveness of the Chapter.

Research for the Professional Accountant: New Course Launched by Award Winning Faculty Member

Dr. James McKinney, one of the AIC's Tyser Teaching Fellows, recently introduced a new course he developed, entitled “Research for the Professional Accountant”. The course exposes students to audit, financial accounting, and tax research resources and explains how the utilization of those resources is helpful in the professional practice of accounting. This past year, Dr. McKinney was recognized with a 2008-2009 Allen J. Krowe Award for Teaching Excellence for “his dedication to students and ability to clarify difficult concepts.” This award is the Smith School’s most prestigious award for teaching and was established by Allen J. Krowe, a 1954 Maryland accounting alumus and former VP at IBM and CFO at Texaco.

Dr. McKinney was also honored as the 2009 recipient of the Academy of Accounting Historians Vangemeersch Outstanding Manuscript Award for his accounting history research. Jim is also active in service. He is the Faculty Adviser for the student chapters of the National Association of Black Accountants and the Sigma Chi Fraternity. Additionally, he serves as the Editor of The Accounting Historians Notebook, as Vice President of the Academy of Accounting Historians, Co-Chairman of the Educator’s Committee of the Maryland Association of Certified Public Accountants, and Regional Director for the Mid-Atlantic Region Teaching & Curriculum Section of the American Accounting Section.
Maryland Doctoral Alumni in Taiwan
Having Major Impact

Over a twenty year span, four alumni of Maryland’s accounting doctoral program have taken faculty positions in leading Taiwan universities. The four alumni, Chan-Jane Lin, Yang-Tzong (Jimmy) Tsay, Chun Shyoug Chang, and Chih-Yang Tseng, are having successful careers as accounting educators and scholars, and additionally are having a significant influence on policy decisions made by accounting firms, government agencies, and corporations.

Chan-Jane Lin earned two degrees at Maryland—an MBA in 1982, and a PhD in 1989. She is one of two Maryland alumni to reach the rank of professor in the accounting department at Taiwan’s premier university, National Taiwan University (NTU). Dr. Lin has also provided academic service through three administrative jobs for NTU, including the Chairperson of the Department of Accounting, the Acting Dean of the College of Management, and the Director of the Division of Continuing Education and Professional Development. Her research interest focuses on issues related to earnings management, financial reporting and corporate governance, the accounting profession and audit markets. Her research has been published in such journals as Contemporary Accounting Research, Journal of Accounting and Public Policy, Journal of Corporate Finance, International Journal of Accounting Studies, and The Chinese Accounting Review.

Yang-Tzong (Jimmy) Tsay earned a PhD in accounting from Maryland in 1988. After his doctoral work, Jimmy returned to his home country to accept a faculty position at National Taiwan University. Dr. Tsay quickly moved up the ranks, and served as the Chairman of the Department of Accounting from 1997 to 2000. He was instrumental in setting up NTU’s masters and doctoral programs in accounting. Dr. Tsay organized the University of Maryland Alumni Association in Taiwan (for all Maryland alumni, not just accounting or business alumni). This chapter has become the biggest UMAlumni body outside North America.

Dr. Tsay’s impact on the accounting profession in Taiwan, extends far beyond his teaching and research at NTU. He served as a columnist and the general manager for Accounting Research Monthly, the highest circulated Accounting journal in Taiwan. Dr. Tsay has also been influential in upgrading internal auditing practices and the internal auditing profession in Taiwan by introducing the state-of-the-art knowledge from the Institute of Internal Auditors (IIA) in the U.S. and IIA-Japan. He served as a member of the Board of Regents, IA from 1997-2000.

Dr. Tsay currently plays a key role in preparing Taiwan for complete adoption of International Financial Reporting Standards in the year 2013. Dr. Tsay has also been personally involved in corporate governance practices as an independent director in several organizations, such as Bank of Taiwan, CyberLink, Taiwan Business Bank, and South China Insurance. He has also made significant contributions in government agencies such as AGA’s national effort to encourage all governments to produce four-page citizen-centric reports and enhancing existing programs such as the prestigious Certified Government Financial Manager (CGFM) designation, Dr. VanDaniker has led AGA to a seat at the table with top leaders in federal, state and local governments as well as with leaders in the private sector and academia. Dr. VanDaniker serves as a member of the AIA’s Advisory Board.

Maryland Doctoral Alumni in Taiwan. From left to right, Drs. Chan-Jane Lin, Yang-Tzong Tsay, Chun Shyoug Chang, and Chih-Yang Tseng

Chih-Yang Tseng (PhD 2007) is the latest Maryland alumna to join the accounting faculty of the National Taiwan University. His research interests cover internal control, enterprise risk management, computer security, and capital budgeting. His research has been published in the European Accounting Review, the Journal of Accounting and Public Policy, and Taiwan Contemporary Accounting. In both 2008 and 2009, he was awarded research grants from the National Science Council in Taiwan. He teaches in NTU’s undergraduate, MBA, EMBA, and Global MBA programs, and recently received a PricewaterhouseCoopers award for innovative teaching in accounting. Dr. Tseng is a member of the Managerial Accounting Committee of the Taiwanese CPA exam, under the Ministry of Examination in Taiwan. He is also in the second year of serving as the instructor of cost analysis and control for senior financial executives in the Directorate General of Budget, Accounting and Statistics of the Taiwan government.

Another Success Story

Mitchell E. Gorochow, a 1973 Accounting Alumnus, is an Executive Managing Director with RSM McGladrey. Prior to joining RSM McGladrey, Mitch served as managing partner of Keller Bruner & Company, a regional accounting and consulting firm. He has served as the President of the Capital Area Chapter of Maryland Association of Certified Public Accountants (MACPA) and as the Chair of the Ethics Committee of the MACPA. Mitch’s connection to the University of Maryland, the Smith School and the Accounting Department remains strong. He is one of several accounting alumni currently serving on the Smith School’s Board of Visitors.

Mitchell E. Gorochow
E & Y Makes $250,000 Gift Supporting Freshmen Fellows Orientation Program

In June 2009, Ernst & Young, a long-time supporter of the AiA Department and the Smith School, made a $250,000 gift to benefit students in the Smith Undergraduate Fellows Program. The Fellows Program is an innovative combination of cohort-style classes, experiential learning, co-curricular activities and events that create a cohesive learning community linking students, faculty, staff, corporate partners and alumni. The gift, made possible through the Ernst & Young Foundation’s University Fund initiative, provided immediate as well as an endowed funds to underwrite the Ernst & Young Freshman Fellows Orientation Program.

The 2009 two-day orientation program included team-building exercises, keynote speakers and seminars, and real-life ethics training for the 300+ freshmen in Undergraduate Fellows Program. The endowed funding by E&Y will continue to underwrite the program in perpetuity.

With this new support, Ernst & Young’s giving to Smith totals more than $1 million. Past gifts have gone toward the construction of an Ernst & Young classroom, the establishment of student scholarships, and the creation of two Ernst & Young Professorships. The two E&Y Professors are Dr. Lawrence A. Gordon and Dr. Stephen E. Loeb.

KPMG and its partners contributed $250,000 to establish the KPMG Faculty Fellows program in accounting

Dr. Rebecca Hann was named first KPMG Faculty Research Fellow. The AiA Department gratefully acknowledges KPMG’s continued support of the research, as well as the teaching, mission of the Department. The Department proudly announces Dr. Rebecca Hann, Associate Professor of Accounting and Information Assurance, as the first KPMG Faculty Research Fellow. Dr. Hann joined the AiA faculty as a tenured associate professor in Fall 2008. She holds Masters and PhD degrees in accounting from The Wharton School of the University of Pennsylvania. She teaches undergraduate intermediate accounting, the core MBA course in financial accounting, and a PhD seminar on empirical financial accounting research. Dr. Hann’s research has been published in The Accounting Review, the Journal of Accounting and Economics, the Journal of Accounting Research, and the Review of Accounting Studies.

Dr. Rebecca Hann

PwC Awards Colin Linsley $10,000 IFRS Integration Grant

Issues concerning International Financial Reporting Standards (IFRS) are at or near the top of the agenda of accounting firms, government agencies, accounting educators/researchers and corporations. With this in mind, PricewaterhouseCoopers (PwC) Foundation established the competitive PwC IFRS Ready Grant Program. In the first year of the program, Dr. Colin Linsley was awarded $10,000 by PwC for his proposal “IFRS Integration and the Principles of Financial Accounting.” Dr. Linsley earned his PhD from the University of Essex in the United Kingdom, and joined the department in 2007 as a Tyser Teaching Fellow. In preparing and carrying out the proposal, Dr. Linsley decided that it was appropriate for IFRS integration into the Principles course to be at a conceptual level, with little technical material. The goal is to efficiently expose students to such things as the broad differences between GAAP and IFRSs, the history of IFRS and the IASB, the U.S. position on adoption of IFRSs, and the potential costs and benefits of such an adoption.

Integration began in Fall 2009. The large Principles classes integrated IFRSs by making use of the Friday discussion classes, which has the added benefit of giving our Accounting Teaching Scholars (see page 16 for a description of the Accounting Teaching Scholars program) more exposure to IFRS. The honors section of the Principles class has more direct integration, with aspects of IFRS more closely interwoven into the classes. There will be an ongoing assessment of the effectiveness of integration with appropriate adjustments to the curriculum, as well as adjustments resulting from developments concerning IFRS changes and adoptions around the world.

Dr. Colin Linsley

KPMG and its partners contributed $250,000 to establish the KPMG Faculty Fellows program in accounting

Dr. Rebecca Hann was named first KPMG Faculty Research Fellow. The AiA Department gratefully acknowledges KPMG’s continued support of the research, as well as the teaching, mission of the Department. The Department proudly announces Dr. Rebecca Hann, Associate Professor of Accounting and Information Assurance, as the first KPMG Faculty Research Fellow. Dr. Hann joined the AiA faculty as a tenured associate professor in Fall 2008. She holds Masters and PhD degrees in accounting from The Wharton School of the University of Pennsylvania. She teaches undergraduate intermediate accounting, the core MBA course in financial accounting, and a PhD seminar on empirical financial accounting research. Dr. Hann’s research has been published in The Accounting Review, the Journal of Accounting and Economics, the Journal of Accounting Research, and the Review of Accounting Studies.

Dr. Rebecca Hann

Dr. Colin Linsley

Mission Enhanced
In a recently published paper in the Journal of Accounting and Economics, Dr. Stephen Brown examined the effect of earnings surprises on information asymmetry between informed and uninformed investors. The paper shows that information asymmetry decreases in the quarter following a positive earnings surprise, when a firm has beaten earnings forecasts, and increases during the quarter following a negative earnings surprise, when a firm has failed to meet an earnings forecast. "Beating expectations reduces the frequency of private information events on which informed investors base their trades," says Brown. "Firms that are doing well are generally happy to share that good news and let everyone know what is happening. You always hear about people getting engaged before they actually get married, but you rarely hear about people getting divorced until it has already happened. People are eager to share good news and reluctant to share bad news.”

Stephen Brown joined the AIA faculty as an assistant professor in Fall 2008. He holds a doctorate in accounting from Northwestern University and a Masters degree in Engineering Science and Economics from the University of Oxford in the UK. During 2007/08, Stephen served as an academic fellow in the Office of the Chief Accountant at the Securities and Exchange Commission. Before that, he was on the faculty of Goizueta Business School at Emory University in Atlanta.

Dr. Gary Bulmash, an award winning teacher and Distinguished Tyser Teaching Fellow, is the faculty advisor to the College Park and Shady Grove chapters of the Accounting and Business Association. He accompanied accounting students to New York on trips sponsored by the Smith Undergraduate Student Association in Fall semesters of 2008 and 2009. Dr. Bulmash began teaching at Maryland as a doctoral student in the late 1960’s and, after thirty years on the faculty of American University, joined the Maryland faculty in 2005. Dr. Bulmash regularly conducts continuing education for CPAs and speaks at numerous conferences. He spoke last fall at the Palm Springs conference for the Association of Practicing CPAs. In addition, he serves on various committees for the Smith School.

Dr. Shijun Cheng has been reappointed as the Reznick Group Faculty Research Fellow. In 2007, the Reznick Group established the Faculty Research Fellows Program through a commitment of $150,000 over five years to encourage and support AIA faculty research. Dr. Cheng’s research focuses on managerial accounting issues from corporate governance perspectives. His research has been published in journals such as The Accounting Review, The Review of Financial Studies, and Journal of Financial Economics. He is especially well known for his work on the informational roles of trading volume and bid-ask spreads in accounting research. In another popular model, he develops a method of separately estimating the qualities of financial analysts’ common and idiosyncratic information from forecast error and dispersion. Dr. Kim is leading the department’s in-depth research in another popular model, he develops a method of separately estimating the qualities of financial analysts’ common and idiosyncratic information from forecast error and dispersion. Dr. Kim is leading the department’s in-depth research in another popular model, he develops a method of separately estimating the qualities of financial analysts’ common and idiosyncratic information from forecast error and dispersion.

Dr. Michael Finch, the senior Tyser Teaching Fellow in the department, is “Professor Accounting” to thousands of Maryland MBA alumni. Dr. Finch has taught the core MBA accounting courses to thousands of Smith MBA students in our programs in Maryland, DC and around the world. Mike continues to teach MBA core courses, he also teaches undergraduate cost/managerial accounting and is developing a new MBA elective in governmental accounting.

Dr. Lawrence A. Gordon, the Ernst & Young Alumni Professor of Managerial Accounting and Information Assurance, continues to play a thought leadership role in the area of cybersecurity. A frequent invited speaker at various university research seminars, Gordon’s expertise in the area of cybersecurity has also resulted in his participation in various high-level professional discussions (sponsored by such organizations as the Government Accountability Office and the Office of the Director of National Intelligence) related to President Obama’s commitment to making cybersecurity a national priority. Dr. Gordon was also asked to share his views on key cybersecurity issues at the British Embassy (in Washington, D. C.) this past fall, as part of the Global Security Challenge. A new book on information security (titled The New School of Information Security) by two well known security professionals cites Dr. Gordon’s research (with co-author Martin Loeb) as being “exactly the type of research the security field needs and should pursue” at this juncture in the field’s development (Shostack and Stewart, 2008, p. 121). It should also be noted that Dr. Gordon was one of the members of the Committee that was successful (during the past year) in having the University of Maryland designated as a National Security Administration (NSA) Center of Academic Excellence in Research. The Gordon Prize in Managing Cybersecurity Resources (highlighted earlier on page 1), which Dr. Gordon established with an initial endowment commitment of $25,000, is yet one more indication of his leadership role in the field of cybersecurity.

Professor Oliver Kim, who holds a PhD in accounting from Wharton (as well as a PhD in Economics from SUNY Stony Brook), is a noted researcher on the role of accounting information in financial markets. He is especially well known for his work on the informational roles of trading volume and bid-ask spreads in accounting research. In another popular model, he develops a method of separately estimating the qualities of financial analysts’ common and idiosyncratic information from forecast error and dispersion. Dr. Kim is leading the department’s efforts as the Smith School’s AIA and Finance groups host the 2010 Conference on Financial Economics and Accounting (CFEA) next November. CFEA is an annual conference hosted by members of a consortium of eight universities: Georgia State University, Indiana University, New York University, University of Maryland, University of North Carolina-Chapel Hill, Rutgers University, University of Southern California, and University of Texas at Austin.

Lockheed Martin Selects Accounting Alumnus, Christopher Kubasik, as President and COO

Christopher E. Kubasik, a 1983 magna cum laude accounting graduate of the University of Maryland, was elected by Lockheed Martin’s Board of Directors to serve as President and Chief Operating Officer, effective Jan. 1, 2010. Lockheed Martin is headquartered in Bethesda, Md., employs about 140,000 people and reported sales of $42.7 billion in 2008.

At Lockheed Martin, Mr. Kubasik has served as Executive Vice President of the Electronic Systems business area and Executive Vice President and Chief Financial Officer, responsible for financial strategies, processes and operations. Prior to joining Lockheed Martin in 1999, Mr. Kubasik was a Partner with Ernst & Young. He has continued his ties with his alma mater serving on the University of Maryland College Park Foundation Board of Trustees.

Jane Kubasik, Chris’s wife, is also a Smith School accounting alums (1984), who has her own set of impressive accomplishments. Jane graduated magna cum laude and went on to a senior level position with Coopers & Lybrand, a predecessor of PricewaterhouseCoopers. She then became a Controller at CPI, and today she is the Chair of the Montgomery County Business Roundtable for Education.
Deloitte Partner Chuck Carr—Campus and Smith School Alumni Leader

Chuck Carr (BS in Accounting, 1985), a Partner at Deloitte & Touche LLP and head of its Greater Washington/Baltimore Early Stage-Venture Capital practice, has an amazing record of providing service to the AiA Department, the Smith School and the University. Chuck is a past President of the University of Maryland Alumni Association and past President of the Robert H. Smith School of Business Alumni Chapter. He currently serves on the Accounting Department Board of Advisors, as well as on the Board of the Directors for the Smith School’s Dingman Center for Entrepreneurship and the Finance Committee for the University Alumni Association. In the past, Chuck also served as Board member on the Dean’s Advisory Council, on the University of Maryland’s Board of Trustees, and the Terrapin Club Board of Directors. From the time when the accounting department (and the rest of the business school) was housed in Tydings Hall to the current period when accounting is housed in the newest wing of Van Munching Hall, the department enjoys the offices in the department, the School, and the University. Chuck has continued to be a familiar figure on campus. His commitment to the Department, the School, and the University has had a positive effect on thousands of Maryland students and alumni.

Shady Grove Program Continues to Thrive

With the opening of the new Camille Kendall Academic Center, the Smith School’s accounting program at the Shady Grove Campus in Montgomery County continues to thrive. The program, staffed by Smith School faculty who also teach in College Park, now graduates approximately 80 accounting majors each May.

Accounting and Information Assurance PhD Program

Since Fall 2007, six top students began their PhD studies in the AiA Department. Over the past few years, AiA PhD graduates have accepted faculty positions at such schools as the University of Southern California, Instituto de Empresa (Spain), National Taiwan University, and Sonoma State University. Dissertation topics for recent doctoral graduates have encompassed topics that include enterprise risk management, financial disclosure of information security activities, herding in capital investments, and market reaction to analysts’ forecast revisions following earnings announcements.

Grant Thornton was one of many accounting firms that gave presentations to accounting classes and student organizations at the Smith School last year. In addition, classes and meetings of student organizations are enriched through presentations by executives from the corporate, government, and nonprofit organizations, and from professors visiting from other major business schools. The level of participation by outside professionals in accounting education at the Smith School is easily illustrated. On April 29, 2009, Dr. Shyam Sunder, a Yale professor and past President of the American Accounting Association, led a doctoral class discussion on the use of experimental economics in accounting research. Later that same day, David Funst, Chairman of Horwath Clark Whitehill LLP and President of the Institute of Chartered Accountants in England and Wales, spoke about accounting training in the United Kingdom to an audience of around 150 undergraduates. This latter event was co-sponsored by the College Park chapters of the Accounting and Business Association and the National Association of Black Accountants.

The officers of the College Park ABA Chapter (from left to right): Brooks Henneman, Ross Soffer, Corey Cines, Danielle Goldberg, John Stillling, Sarah Rongey, and Blair Maxson

ABA Career Fair

The College Park Chapter of the studentrun Accounting and Business Association (ABA) organized a highly successful Accounting Career Fair in September that attracted nearly 300 students and over 30 firms, government agencies, and professional accounting organizations. The Campus at Shady Grove also has an active ABA Chapter led by its officers, R. J. Sturgill, Andrew Kerse, Eleonora Daley, Brittany Pevo, and Anoush Rashidi. Both the Shady Grove and the College Park chapters sponsor regular educational and social events featuring speakers from various accounting firms and government agencies.
Accounting Teaching Scholars Program Applications Soar

The Department’s highly successful Accounting Teaching Scholars (ATS) Program, now in its fourth year, saw the quality and number of applicants soar last year. The ATS program offers our top undergraduates the opportunity to develop communication, leadership and accounting skills by serving as discussion leaders in recitation sections for our two Principles of Accounting courses (with annual enrollment about 3,000). The ATS share two large offices in the Department’s first-class space among faculty offices on the fourth floor of the new North Wing of Van Munching Hall. The students in the ATS program form close bonds that will likely benefit them both professionally and socially for many years to come. In addition, thanks in part to support from accounting and corporate sponsors, the ATS also are paid for their services.

Kari Barrack and Robert Brumfield, outgoing 2008-2009 Accounting Teaching Scholars were selected to address the banquet audience. Both Kari and Robert engaged the audience of ATS, faculty, administrators, and sponsors by sharing their experiences and lessons learned from involvement in the program.

Tyser Teaching Fellow Dr. Progyan Basu is a co-champion and coordinator of the ATS program, along with Greg Pfeiffer. In addition to teaching the large sections of Accounting Principles I (financial accounting), Dr. Basu teaches several different undergraduate, MBA, and Executive MBA courses. He serves as a Director for the Smith Executive MBA Program and is a member of the College’s Undergraduate Oversight Committee. Although Dr. Basu suffered a serious accident in October, the entire Smith School community is delighted to report that he is back at the University and on the road to a full recovery.

Full-time Lecturer Greg Pfeiffer, a co-champion/coordinator of the ATS Program, teaches the large sections of Accounting Principles II (managerial accounting). He also teaches the undergraduate tax course and ATS one-credit training session that focuses on teaching/homework/grading technologies.

New AIA Faculty

Dr. Carolyn Levine will join the AIA faculty in January 2010 from Carnegie Mellon’s Tepper School of Business where the taught financial accounting and financial statement analysis in their MBA program. Carolyn’s PhD is from Carnegie-Mellon, and she returned there after being on the faculty at Duke University’s Fuqua School of Business. Her research uses information economics-based modeling to evaluate how regulation and disclosure affect incentives and outcomes in organizations. Her recent work evaluates several changes in auditing regulation and their impact on investors, clients, and the auditors themselves. Professor Levine currently serves on the Editorial Board of The Accounting Review, and her papers have appeared in many prestigious outlets such as The Accounting Review, Espaniometria, and the Harvard Business Review.

Dr. James Staihar will join the AIA faculty as an assistant professor specializing in accounting and business ethics in July, after spending the 2009-2010 academic year as a Law and Public Affairs Fellow at Princeton University. Jim earned a bachelor’s degree from Cornell University, a J.D. from Harvard Law School (serving as an editor of the Harvard Law Review), and a PhD in philosophy from the University of Michigan (where he held a John M. Olin Fellowship in Law and Economics). He also spent the 2008-2009 academic year as a Law and Philosophy Fellow at the University of Chicago Law School. Some of Dr. Staihar’s current projects focus on the ethics of whistleblowing, executive compensation, and entrapment. His earlier work has been published in the New Criminal Law Review and the Notre Dame Philosophical Reviews.

The AIA Advisory Board helps the Department to deal with the challenges of a rapidly changing world and to increase our interactions with the professional accounting community. The Board consists of over twenty individuals that hold high-level accounting related positions. The Board also has student and faculty representatives. Below is a list of the Board’s outside members:

Kenneth Bedingfield, KPMG
Larry Beebe, Bond Beebe
Michael R. Belter, Archon, Block & Archon, LLP
Ted Browning, Johnson Lambert & Co., LLP
Anthony Calderazzi, Ernst & Young
Michael Campbell, GEICO
Charles Carr, Deloitte & Touche LLP
Lisa Cines, Aronson & Company
George Diacourt, Public Company Accounting Oversight Board
Bill Eisig, BDO Sedman, LLP
Amelia Hillman, Beers and Cutler
Steve Howarth, Black & Decker
Lawrence Kline, CBIZ MHM, LLC
Pat McNamee, PricewaterhouseCoopers, LLP
Susan Moser, Cherry, Bekaert & Holland, LLP
Jim Martinlo, Reznick Group, P.C.
Ted Rose, Rose Financial Services
Steven J. Sebastian, U. S. Government Accountability Office
Perry Sandler, Grant Thornton, LLP
Harry N. Segal, Goodman & Company, LLP
Alan Sigfried, Inter-American Development Bank
Thomas J. Sneeringer, McCladey & Pullen, LLP
Martin Stanislav, Lockheed Martin Corporation
Relmond VanDusker, Association of Government Accountants

Welcome
The following is a list of scholarships at the Robert H. Smith School of Business that are designated for accounting majors. This year, 57 accounting majors were awarded scholarships. We thank the donors and extend congratulations to the students who were awarded the scholarships.

Mark L. Smolkin Scholarship
A. William Mann Scholarship
Carole and David Piper ’78
Deloitte Financial Advisory Service LLP
Undergraduate Scholarship in Accounting
Charles B. Edelson Endowed Undergraduate Scholarship
Dennis K. Wiese ’66 Accounting Scholarship
Dubinsky Scholarship for Advanced Accounting Education
Ernst & Young Educational Excellence Fund Scholarship (Junior)
Gelman, Rosenberg & Freedman Accounting Scholarship
Grant Thornton Undergraduate Scholarship
J. Carter Hammel Scholarship Fund
J. Willard and Alice S. Marriott Foundation Fellows Program
J. Willard and Alice S. Marriott Foundation Fellows Fund Scholarship
James Flick Endowed Accounting Fund
James R. Bean Scholarship Fund
KPMG Undergraduate Scholarship
Robert L. DeFeo ’57 Undergraduate Current Use Scholarship
Warren K. Reed Scholarship
Bruce Michelson Memorial Scholarship

Scholarships and Scholarships Donations

The Department is thankful for the generous private funding from our alumni and friends. The amounts shown are total commitments made this year or this year’s payments on the previous total pledge.

Below $100
Kevin P. Bradley ’77
Lewis A. Chabot ’84
Glenda Chang ’85
Jay S. Cunningham ’86
Christina Hardy
Avijit Khattar ’91
Joseph A. Meyers ’80
Russell C. Odom ’92
Joan J. Sankar
Robert W. Wernick ’79

$100 to $249
Daniel R. Boyce ’07
Dale P. Clark ’83
Robert H. Alda Hammond ’01, MBA ’05
Jocelyne Miller
Alison M. Otis Hueber MBA ’01
Michael A. Perez ’72
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Other Gifts Benefiting the AIA Program (i.e., gifts to support professorships, scholarships, undergraduate fellows programs (including the ATS program), and the undergraduate enrichment program)

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Sandra Hinton
Lauren H. Jacobs ’72
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Please mail to:
Martin P. Loeb, Chair
Department of Accounting and Information Assurance
mloeb@rhsmith.umd.edu

Carolyn Levine, Assistant Professor
clevine@rhsmith.umd.edu

Colin Linley, Tyser Teaching Fellow
clinley@rhsmith.umd.edu

Marty Loeb, Chair, Professor, and Deloitte & Touche LLP Faculty Fellow
mloeb@rhsmith.umd.edu

Steve Loeb, Ernst & Young Alumni Professor of Accounting and Business Ethics
sloeb@rhsmith.umd.edu

Jim McKinney, Tyser Teaching Fellow
jimkinney@rhsmith.umd.edu

Greg Pfeiffer, Lecturer
gpfieffer@rhsmith.umd.edu

Thank you

Bobby Harris Zander ’07
Christine A. Viera
Gary N. & N. L. Michelson ’79
Jay S. Cunningham ’86
Lewis A. Chabot ’84
Glenda Chang ’85
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clinley@rhsmith.umd.edu

Marty Loeb, Chair, Professor, and Deloitte & Touche LLP Faculty Fellow
mloeb@rhsmith.umd.edu

Steve Loeb, Ernst & Young Alumni Professor of Accounting and Business Ethics
sloeb@rhsmith.umd.edu

Jim McKinney, Tyser Teaching Fellow
jimkinney@rhsmith.umd.edu

Greg Pfeiffer, Lecturer
gpfieffer@rhsmith.umd.edu

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Accounting News 2009-2010

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