Accounting News 2017-2018

The Annual Newsletter of the Smith School’s Accounting and Information Assurance Department

INSIDE

- Teaching Excellence
- Faculty Awards
- PhD Program
- Student Awards
- CFO’s Accounting Choices
- Big Data, Analytics & Cybersecurity
- Dual BS/MSA Program
- $5M NSF Cybercorps Grant Award
- Research Recognition
- Better Business Bureau Report
- Accounting Teaching Scholars

From left: Martin P. Loeb (UMD), Wesley R. Bricker, Chief Accountant for the U.S. Securities and Exchange Commission, Lawrence A. Gordon (UMD), Salvador Carmona (IE Business School, Spain) at the Journal of Accounting and Public Policy Conference held at the Robert H. Smith School of Business.

SEC Chief Accountant Bricker Featured at Journal of Accounting and Public Policy Conference. See full article on page 12.
FROM THE CHAIR

Changes in technology, from the growth of artificial intelligence, data analytics, and cybersecurity to the expanding adoption of blockchain technology in the global economy are transforming both the accounting profession and accounting education. The Accounting and Information Assurance (AIA) Department at the University of Maryland’s Robert H. Smith School of Business continues to be a leader in the transformation. As routine accounting functions are increasingly turned over to computers, the content and delivery of our courses and programs reflect an increasing emphasis on technology, analytics, and critical thinking. The research of our faculty is particularly noteworthy in this regard. The AIA faculty publish their work not only in the most prestigious accounting and finance journals, but also in computer science and management information journals.

Thanks to the talents and efforts of the faculty, students, alumni, and other friends of the department, the Accounting and Information Assurance Department enjoyed another banner year. In the subsequent pages you will see a sample of the many accomplishments of the AIA’s faculty, students, and alumni that are earning them national and international recognition and thereby enhancing the value of a UMD Smith School accounting degree.

Martin P. Loeb
Deloitte & Touche Faculty Fellow, Professor and Department Chair
Accounting and Information Assurance
Robert H. Smith School of Business
University of Maryland
Mloeb@rhsmith.umd.edu

WELCOME

CONGRATULATIONS TO ALUMNUS AND ADVISORY BOARD MEMBER, BILL EISIG, ON HIS NOVEMBER 1, 2017 ELECTION TO CHAIRMAN OF THE BOARD OF DIRECTORS OF BDO USA.
The Smith School’s AIA PhD Program continues to thrive—recruiting top students and placing graduates in faculty position in business schools at leading universities around the world (e.g., University of Michigan, Washington University, McGill University, HKUST, Singapore Management University). In addition, our recent PhD alumni have published their research at top accounting journals including The Accounting Review, Journal of Accounting and Economics, and the Journal of Accounting Research. Our current students have presented research papers (or have papers accepted for presentation) at the most prestigious conferences.
Accounting Club Links Students to Alumni, Faculty and Employers

The Accounting and Business Association (ABA) is one of a number of student-run organizations providing a wonderful way for Smith School students to connect with each other, as well as interact with faculty, alumni and potential employers. On September 12, 2017, the College Park chapter held its annual Undergraduate Accounting Career Fair at the Riggs Alumni Center. The event attracted more than 30 firms and organizations.

ABA Faculty Advisor with ABA Leaders: From left, ABA Faculty Advisor with ABA Leaders: Dr. Gary Bulmash, Hannah Kim, Hanna Guevara, Lauren Maphlali, Cece Ukejianya, Bethany Scheerer, Amanda Bittiny, Gabrielle Bianchi, Josh Singshinsuk

Outstanding Educator Award

Smith BS, MBA, PhD Alumna, Pincus, Receives American Accounting Association’s Outstanding Educator Award

Dr. Karen V. Pincus, (pictured center) was recognized at the Annual Meetings of the American Accounting Association (AAA) in August 2017 with the Outstanding Accounting Educator Award. Pincus earned her BS, MBA and PhD degrees at the University of Maryland. The title of her doctoral dissertation was “Fraud detection ability: Individual differences and their relationship to cognitive style differences,” and AIA Professor Emeritus Dr. Stephen E. Loeb chaired her dissertation committee.

The AAA together with the PricewaterhouseCoopers Foundation presents the award based on contributions to accounting education from scholarly endeavors in teaching and research over a sustained period of time. Pincus is the Doyle Z. and Maynette Derr Williams Professor of Accounting at the University of Arkansas. Her accomplishments include serving as president of the American Accounting Association, as the U.S. member of the International Accounting Education Standards Board, and as a member of the AICPA Board of Directors. On two separate occasions, Accounting Today recognized her on its list of the Top 100 Most Influential People in Accounting.
MS Alum Finds His Rhythm Using Technology in Accounting

College Park native Jonathan Emmell grew up wanting to be a Terp, but financial challenges forced him to leave the University of Maryland soon after he started. He worked long hours at restaurants, country clubs and banks to eventually earn a bachelor’s degree from University of Maryland University College. The same day he finished his last class assignment, he rushed to apply to the Smith School’s Master of Science in Accounting program. He graduated in December 2014 and now, thanks to a referral from a Smith classmate, he has the career he’s always wanted.

Emmell is now a senior consultant at Deloitte. As a CPA, his core expertise is accounting, but he has always had an affinity for technology. He first dabbled in computer programming in middle school, writing graphing calculator programs to help with his homework. Now Emmell uses programming code to modernize client accounting operations with technology as part of a Deloitte initiative.

“I do what a normal accountant would do, but I turn clients’ existing business processes into automated processes that open up more time for them to do work that really adds value to their business,” says Emmell. He says the focused accounting knowledge and familiarity with technology he gained at Smith have propelled his career.

When not at work, he has made it a point to stay involved at Smith and serves as a mentor for students working toward accounting degrees. Emmell also spends his free time playing drums in a local band with fellow Smith alums.
Outstanding Senior Awards
BRIAN FREY AND MENAZA FERNANDO

Brian Frey was honored as the Outstanding Senior in Accounting at the Smith School’s 17th Annual Undergraduate Awards Banquet held on May 4, 2017. During his time at Smith, Brian maintained a nearly perfect GPA while giving back to his colleagues as an Accounting Teaching Scholar (see page 13) and a teaching assistant in the Gemstone Honors Program. He also served as President of the Gemstone Student Council. Brian is beginning his career with KPMG in its federal audit practice in Washington, DC.

Menaza Fernando, who studied at both our College Park and Shady Grove campuses, received two prestigious awards in less than 24 hours last spring. On the evening of April 20, 2017, at the Accounting Teaching Scholars Dinner, Menaza received the Maryland Association of CPAs Outstanding Senior Award and delivered one of the two ATS Experience feature talks. The next morning at the Universities at Shady Grove Annual Student Achievement & Leadership Awards Breakfast, Menaza was recognized as the Outstanding Accounting Senior for the Class of 2017 at Shady Grove. She finished her accounting degree with a cumulative GPA of 3.97, and is beginning her career as a Risk Advisory Associate at EY in New York City.

Awards for Outstanding Service to Fellow Students and the Department

2017 Award Winners, Sara Ho and Celia Dinn
Leslie Mostow, CPA, CGMA: Easy Rider or The Wild One?

ACCOUNTANT OF MANY PASSIONS & ACHIEVEMENTS GUIDES MSA STUDENTS

Teaching accounting and mentoring students are just two of the many passions of Leslie Mostow, the Assistant Director for Placement and Professional Issues in the Masters of Science in Accounting Program. His other passions include sports, motorcycles, and fast cars.

A native Washingtonian, Mostow participated in many sports during high school, with pole vaulting and track being his favorites. He was also a bat boy for the visiting team with the Washington Senators. In this role he was able to meet such Hall of Famers as Mickey Mantle, Yogi Berra, and Ted Williams. As a motorcycle enthusiast, Mostow has ridden his Harley throughout the United States and Canada. Turning to his passion for fast cars, he was an instructor in high performance driving for Porsche. Mostow is now an advocate for electric vehicles and is a proud owner of a Tesla.

As a partner at CohnReznick, a top twenty accounting firm, Mostow was a recognized industry leader. He was appointed to the Maryland State Board of Public Accountancy by three different governors and presently serves under Governor Hogan. Mostow also served as a member of the Board of Examiners, a senior committee of the American Institute of Certified Public Accountants, where he helped write the current CPA exam.

Have a question about taking the CPA exam? Mostow is the person to see!
Teaching Excellence

In 1986, Maryland accounting alumnus (class of 1954) Allen J. Krowe established The Krowe Teaching Excellence Awards in the Robert H. Smith School of Business to recognize and promote excellence in teaching and reward innovation in the classroom. These awards are given to the Smith School’s best instructors in May of each year. The school’s Teaching Enhancement Committee selects award winners based on nominations and teaching evaluations.

In May 2017, AIA Lecturer Sam Handwerger, CPA, received a Krowe Award for Teaching Excellence. Thus, Sam joins a large club of AIA faculty who have won a Krowe Award in past years. These past winners include Progyan Basu, Gary Bulmash, Eugene Cantor, Lawrence Gordon, Rebecca Hann, Michael Kimbrough, Stephen Loeb, James McKinney, Ariel Ramirez, Sandra Rose, Nicholas Seybert, and David Sites.

Sam Handwerger displays boundless enthusiasm for teaching and brings a wealth of practical experience into the classroom, as well as a wonderful sense of humor. Moreover, he exhibits genuine concern for his students and goes out of his way to help them with career development and placement.

Sam deserves special recognition for what he has done in initiating and coordinating our highly successful TerpTax program that gives our students (at the undergraduate and masters level) tax training and real world experience while providing a great service to the community. TerpTax’s IRS endorsed VITA program made a big impact on the campus and local community in 2017.

In 1986, Maryland accounting alumnus (class of 1954) Allen Krowe established The Krowe Teaching Excellence Awards to recognize and promote excellence in teaching and reward innovation in the classroom. Krowe was a fighter pilot for the U.S. Air Force, an accountant with Deloitte & Touche, a Chief Financial Officer at IBM and then at Texaco, where he was also a senior vice president.

Congratulations also to the AIA’s recipients of Smith School’s 2017 Distinguished Teaching Awards: Progyan Basu, Gary Bulmash, Eugene Cantor, Jeffrey Milton, Nicholas Seybert and Sijing Wei.
Understanding the Risks of Privatization

HOW OWNERSHIP STRUCTURE AFFECTS THE COST OF DEBT

While privatization comes with benefits — such as not being beholden to market speculation or a chorus of diverse shareholders — it also carries risks. Privately held companies, for instance, have limited access to public equity markets, which complicates their ability to keep operations afloat when cash is tight.

Recent research forthcoming in Management Science by AIA Assistant Professor Dr. Hanna Lee and three co-authors demonstrates why privately owned companies are risky investments. Lee and her co-authors analyzed a sample of public bonds to determine how the cost of public debt differs between privately and publicly owned companies. Their research revealed that, after controlling for factors identified by past research as affecting the cost of debt (including firm fundamentals, bond characteristics and the firm’s information environment), the cost of public debt issued by privately owned companies — as captured by ratings and yield spreads — is significantly higher than that issued by publicly owned companies.

The researchers also found that distress events happened more frequently for private firms relative to what would be expected based on their fundamentals.

This creates a greater default risk for their creditors, which is likely related to the public equity markets being largely out of reach for private firms. What’s more, private firms experience a higher cost of debt during recessions, periods in which accessibility to the capital market is critical to avoid default.


The cost of public debt issued by privately owned companies is significantly higher than that issued by publicly owned companies.
The Smith Undergraduate Student Association Club (SUSA) recognized AIA Clinical Professor Dr. Jim McKinney as the 2017 Club Advisor of the Year for being the “advisor who has been the most involved with their club and continuously provided their club with resources and advice.” Jim advises ALPFA, Ascend, the National Association of Black Accountants (NABA) and the Alpha Kappa Psi Business Fraternity, attending numerous events and advising a club team in a national case competition. Ascend, the Asian focused affinity club, won the 2017 USA Cup as the club at Smith with the most events hosted, points, and member involvement (see photo on back cover).

Ascend’s President, Mei Li, won Club President of the Year. ALPFA, the Latino focused affinity club, Ascend, and NABA won the 2017 USA Event of the Year with their Annual Speed Interview Event.

At the 2017 Annual Meetings of the American Accounting Association (AAA), AIA Assistant Professor Dr. Tharindra Ranasinghe’s co-authored paper, “Real Effects of Governmental Accounting Standards: Evidence from GASB Statement No. 53 – Accounting and Financial Reporting for Derivative Instruments,” was presented with the AAA’s Government and Nonprofit Section Midyear Meeting Best Paper Award. Ranasinghe was recognized with an AAA Financial Accounting and Reporting Section Excellence in Reviewing Award.

AIA Associate Professor Dr. Michael Kimbrough recently made his first trip to Asia to present his work at University of Hong Kong, National University of Singapore, and Singapore Management University. Recent Maryland alums and current faculty members Dr. Kyunggran Lee (University of Hong Kong), Dr. Congcong Li (Singapore Management University), Dr. Wenfeng Wang (City University of Hong Kong), and Dr. Yue Zheng (Hong Kong University of Science and Technology) made the experience enjoyable and memorable by showing Kimbrough the sights of Hong Kong and Singapore. One of the perks of placing doctoral students in faculty positions at top universities around the world is that they make great hosts when you visit their countries.

The University of Maryland’s Teaching and Learning Transformation Center selected AIA Tyser Teaching Fellow Dr. Mary Keim as a 2018 Elevate Fellow. Keim is the faculty advisor to the Club 5, the student-run organization facilitating the growth of the dual BS/MSA Accounting program (also known as the 4+1 program) by providing networking opportunities that enhance students’ academic and professional experience. Recent events featured speakers from Deloitte, KPMG, Kearney & Co., the National Aquarium, the Public Companies’ Accounting Oversight Board, the Maryland Association of CPAs, the FBI, and the Smithsonian Institution.

AIA Adjunct Lecturer and former Assistant Inspector General for Investigations at the U.S. Securities and Exchange Commission David P. Weber was highlighted in Poets & Quants “Our Favorite MBA Professors of 2017” – https://poetsandquants.com/2018/01/10/our-favorite-mba-professors-of-2017/3/. Weber also was selected to be a 2018-2019 TIAA-CREF/UMD Do Good Fellow, being awarded funding to redesign his Fraud, Scams, and Thefts course to train undergraduates to mine and utilize data in the leaked Panama and Paradise Papers, for which Weber served as the ICJ’s US banking expert. Moreover, Weber had his first contributor column, focusing on origins of U.S. whistleblower protection, published in The Hill.

EY Alumni Professor Dr. Lawrence A. Gordon gave an invited talk at the University of Tokyo on the Gordon-Loeb Model for Cybersecurity Investments. AIA faculty members Gordon, Loeb, and Zhou started research on cybersecurity issues in the 1990s, before most in accounting realized the importance of the topic. The accounting profession along with the general business community now realize that you cannot have reliable financial reporting systems without secure information systems – a point made emphatically during Gordon’s 2007 Congressional Testimony.

AIA Adjunct Lecturer Jeffrey Milton organized a guest lecture for all sections of BUAC 765 Business Ethics for Accountants and Auditors. Maryland Alumni and Maryland’s Securities Commissioner Melanie Lubin was a featured speaker along with AIA Adjunct Lecturer and Ethics Officer, US Government Accountability Office (GAO) James Lager. On another note, Milton, who developed a graduate Real Estate Taxation course, conducted a two-day workshop in October in Havana, Cuba at the invitation of Beijing Enterprise Group Real Estate Co. and Cuba Golf.
CFOs’ Accounting Choices Respond to Increased Personal Litigation Risk

Recent research by AIA Assistant Professor Dr. Emanuel Zur, along with Hagit Levy (Baruch College) and Ron Shalev (New York University), finds evidence that CFOs respond to personal litigation risk over and above corporate litigation risk. The response takes the form of a more negative speech tone during earnings calls, reporting bad news earlier, and reporting more conservatively. Their paper, titled “The Effect of CFO Personal Litigation Risk on Firms’ Disclosure and Accounting Choice,” is forthcoming for publication in Contemporary Accounting Research and is currently available at http://onlinelibrary.wiley.com/doi/10.1111/1911-3846.12378/full.

Hann and Zheng—Award Recipients

AIA PhD Coordinator and Associate Professor Dr. Rebecca Hann (pictured left) was the recipient of the 2017 Smith PhD Program Faculty Mentor of the Year Award.

Dr. Hann’s student, Dr. Yue Zheng (pictured right), received the 2017 Frank T. Paine Award for Academic Achievement at the Smith School’s Annual Doctoral Award Dinner in May. Dr. Zheng is now an assistant professor of accounting at HKUST.
Slow Motion Earnings Revisions on Wall Street

Speed matters on Wall Street, but according to the latest research by AIA Assistant Professor Dr. Musa Subasi, information processing may not be as speedy as you think. In a paper forthcoming at the Journal of Financial Economics, Dr. Subasi and co-authors Ferhat Akbas (University of Kansas), Stanimir Markov (Southern Methodist University), and Eric Weisbrod (University of Miami), find information processing delays can range from 9 minutes to nearly 5 days when news triggers an analyst forecast revision for a publicly traded company.

Using data from the Thomson Reuters (TR) Institutional Brokers’ Estimate System, the study examines nearly 1 million forecast revisions covering U.S. public companies between 2003 and 2013. Time stamps on each forecast revision allow the authors to measure the gap between its announcement by the analyst and activation on Thomson Reuters’ products.

The team’s research explains the range in revision processing times as well as announcement and post-announcement stock returns and sheds light on the price discovery role of data aggregators — companies that collect information from individual analysts and distribute consensus estimates to investors. Three broad groups of variables — investor demand for quick processing, the complexity of new information, and limited attention — explain the activation delay. “Overall, the TR activation delay is a good proxy for market’s information processing delay and is potentially exploitable as a trading strategy,” says Subasi.


Celebrating Its 12th Year

The Smith MSA Program

The Robert H. Smith School of Business’ Master of Science in Accounting (MSA) program is in its twelfth year. The latest MSA cohort includes students from our dual BS/MSA program. This program (also known as the Plus 1 program) provides students with an opportunity to obtain a rich education in accounting, achieving both their bachelor’s and master’s degrees in five years or less.

MSA students follow tracks that take into account their prior accounting education. Current students entering the program with undergraduate degrees in accounting choose between the Information Security, Internal Audit and Control track, the Tax track, and the Financial Accounting track. They also have the opportunity to take a mini-specialization in Accounting and Cybersecurity. In Fall 2018, we plan to expand the course offerings in analytics and the latter track will become more appropriately named Accounting, Analytics, and Auditing.

Students with a minimal background in accounting usually take the Public Accounting track. This track prepares students for jobs in public accounting or
AIA Researchers’ Gordon-Loeb Model Recommended by Better Business Bureau

The Better Business Bureau (BBB) is advising small business owners to consider using the Gordon-Loeb Model to mitigate cyberattacks. The prescription is part of the Bureau’s announcement of its State of Small Business Cybersecurity in North America report.

According to the BBB, its report, "emphasizes the need not only for education and training, but for cost-benefit analysis of cybersecurity measures." In the report, the Better Business Bureau recommends the Gordon-Loeb Model as a framework that, "...provides a useful guide for organizations trying to find the right level of cybersecurity investments."

Accounting and Information Assurance Professors Drs. Lawrence A. Gordon and Martin P. Loeb developed the model, which guides spending to protect information to not exceed 37 percent of the expected loss resulting from a breach.

"... a useful guide for organizations trying to find the right level of cybersecurity investments."

\[ z^{II*}(v) = \frac{\ln(1 - \alpha v L(\ln v))}{\alpha \ln v} < (1/e)vL \]

other areas of the accounting profession irrespective of their undergraduate studies. In the latest cohort, we have students whose undergraduate degrees were in unrelated fields (including Biology, Statistics, Criminology, Public Policy and Japanese) as well as related fields (Economics, Marketing, and Finance). The public accounting track is the particular favorite of the new MSA Academic Director, Dr. Stephen Brown, whose own undergraduate major was in engineering science and economics, before he moved into public accounting to work for Arthur Andersen—at the time, one of the Big 8 firms.

MASTER OF SCIENCE IN ACCOUNTING

The 4+1 program provides students with an opportunity to obtain both their bachelor’s and master’s degrees in five years or less.
SEC Chief Accountant Bricker Featured at Journal of Accounting and Public Policy Conference

Wesley R. Bricker, Chief Accountant for the U.S. Securities and Exchange Commission gave the luncheon keynote address. According to Bricker, “Academic research is valuable in providing theories, testable hypotheses, and evidence that help us to understand issues we frequently encounter in our work.” Bricker suggested several topics for continued emphasis in accounting research, including: financial accounting, governance and controls, auditing, investment decision-making, and reporting of other information.

JAPP’s focus is on the intersection between accounting and public policy, with a preference for papers that use theoretical or empirical analysis to illuminate the effects of accounting on public policy or vice-versa. JAPP is one of a small number of accounting journals covered by the prestigious Social Science Citation Index (SSCI). In 2017, JAPP celebrated its 36th Year of Publication. JAPP’s next conference will be held at the London School of Economics and Political Science on June 7, 2018.

The 2018 conference will focus on:
Limits of Accounting Regulation

The Journal of Accounting and Public Policy (JAPP), whose editor-in-chief (Lawrence A. Gordon) and editor (Martin P. Loeb) are AIA professors, held its 2017 Conference at the UMD’s Robert H. Smith School of Business on June 9, 2017. This was the sixth in a continuing series of JAPP conferences that rotate among the London School of Economics (LSE), IE Business School in Spain, and the University of Maryland’s Robert H. Smith School of Business.

Professors Alnoor Bhimani (LSE) and Salvador Carmona (IE) coordinated the conference along with Gordon and Loeb. The theme of the 2017 conference was “The Interactions between Regulatory Institutions and Accounting: A Public Policy Perspective.”
Accounting Teaching Scholars Program

2017-2018 Accounting Teaching Scholars: Front row from left: Erica Shields, Jessica Martins, Dr. Gary Bulmash, Dr. Progyan Basu, Chelachi (Cece) Ukejianya, Christina O’Connell Middle Row from left: Bradley Patrick, Joseph Piscitelli, Samantha Makris, Andrew Kova, Allison Herskovitz, Simran Monga Top row from left: Jonathan Chang, Kyle Brown

The Accounting Teaching Scholars (ATS) program, a premier Undergraduate Fellows programs in the Smith School, is now in its 12th year. Each year, Faculty Champions Clinical Professors Drs. Progyan Basu and Gary Bulmash select a group of junior and senior level accounting majors in a highly competitive process to serve as teaching assistants for the Principles of Accounting I and II courses. These ATS lead independent discussion sections, hold office hours for one-on-one help and perform various administrative duties to improve the learning experience of nearly 2,000 students in our Principles of Accounting courses. The ATS sharpen their accounting and communication skills while gaining poise and confidence. They share office space in the AIA faculty area of Van Munching Hall making lifetime friendships and a strong professional network (and they get paid!).

This year marks a milestone in the program, as two former ATS are now teaching at the university level. Liora Schulman (ATS 2007-2009) is now an assistant professor of accounting at Pace University’s Lubin School of Business. Nicholas (Nick) Zemil (ATS 2009-2010) now teaches for Smith School’s AIA Department as an adjunct lecturer. Nick’s full-time position is as Tax Controversy Associate with Morgan, Lewis & Bockius LLP/ Bingham McCutchen LLP.

“Applying for the ATS program was one of the best decisions I made during my time at Smith. Every student that comes into office hours has a different learning style. Having to explain the material in different ways really forces you to master the material in a way that I never did when taking the course. There is no greater satisfaction than helping a student master a topic that they had been struggling with. I really found myself rooting for all my students and invested in their success. Students really do look up to you and many will come to office hours not just for help with the course material, but with career advice and guidance on how to be successful business students.” — Heidi Shiau
Progyan Basu, PhD, Clinical Professor, joined Smith School in 2007. Basu earned his doctorate in accounting from the University of Nebraska, and taught previously at the University of Georgia. Basu teaches the Undergraduate Principles of Accounting course, as well other courses in the Executive MBA, Online MBA and regular MBA programs. He also serves in multiple roles at Smith School, including Faculty Champion of the Accounting Teaching Scholars Program (see page 13), Faculty Director of the Smith PT MBA program, and Cohort Director for the Smith Executive MBA program at College Park. His various awards and recognitions at University of Maryland have included: (1) Undergraduate Studies Faculty Fellowship, (2) Teaching and Learning Transformation Center Elevate Fellowship, (3) Allen J. Krowe Teaching Excellence Award, (4) Faculty Mentorship of Philip Merrill Presidential Scholars Program, and (5) Smith School Distinguished Teaching Awards for 2013-14 and 2014-15.

Stephen Brown, PhD, Clinical Associate Professor, serves as the Academic Director of the Masters of Science in Accounting program. He holds a doctorate in accounting from Northwestern University and a Masters degree in Engineering Science and Economics from the University of Oxford. He has published a number of articles in the Journal of Accounting and Economics and has also published in the Review of Accounting Studies and the Journal of Business Finance & Accounting. During 2007/08, Brown served as an academic fellow in the Office of the Chief Accountant at the Securities and Exchange Commission. On graduation from Oxford, he joined Arthur Andersen and worked as a Chartered Accountant in both the audit and tax divisions. He ran his own accounting practice before coming to pursue his PhD in the United States. He has been a member of faculty of Goizueta Business School at Emory University in Atlanta and Bristol Business School at the University of the West of England.

Eugene Cantor, J.D., LLM, Associate Chair and Clinical Associate Professor, teaches courses in federal income taxation and financial and managerial accounting in the Smith School’s undergraduate, online and on-ground MBA, and MS programs. Previously, Cantor served 31 years with several federal government agencies, including the Comptroller of the Currency, General Accounting Office, Securities and Exchange Commission, and Department of Housing and Urban Development. He also practiced tax and corporate law in Miami and was the general counsel of a Miami-based investment banking firm. He holds a BS in accounting from the University of Maryland, a J.D. from Emory University and an LLM (Tax) from Georgetown University. Cantor is a member of the Florida Bar and a Maryland CPA. He received the Smith School’s Krowe Teaching Excellence Award for the 2006-2007 academic year and has received teaching recognition awards every year he has taught at Maryland.

Gary Bulmash, DBA, Clinical Professor and award winning teacher, is the faculty advisor to the College Park and Shady Grove Chapters of the Accounting and Business Association. He has accompanied accounting students to New York on trips sponsored by the Smith Undergraduate Student Association in fall semesters every year since 2008. Bulmash began teaching at Maryland as a doctoral student in the late 1960s and, after thirty years on the faculty of American University, joined the Maryland faculty in 2005. He was also employed by the AICPA and wrote parts of the CPA Exam from 1973-1975. Bulmash regularly conducts continuing education for CPAs and speaks at numerous conferences. In addition, he serves on various committees for the Smith School.

Shijun Cheng, PhD, Associate Professor of Accounting and Information Assurance, focuses his research on the role of accounting information in corporate governance and management control. His research has been published in journals such as The Accounting Review, The Review of Financial Studies, Journal of Financial Economics, Journal of Accounting and Public Policy, and Contemporary Accounting Research. He serves on the editorial boards of Contemporary Accounting Research and China Journal of Accounting Research.
Michael Finch, PhD, is the senior Tyser Teaching Fellow in the department. In addition to teaching a variety of undergraduate courses, he has taught the two core MBA accounting courses to thousands of Smith MBA students at our Baltimore, College Park, D.C., and Shady Grove campuses. He has also taught the core MBA accounting courses at Smith School programs around the world.

Lawrence A. Gordon, PhD, is the EY Alumni Professor of Managerial Accounting and Information Assurance and Affiliate Professor in the University of Maryland Institute for Advanced Computer Studies. His research focuses on cybersecurity economics, corporate performance measures, cost management systems, and capital investments. He authored several books and over 100 articles published in various journals (e.g., The Accounting Review; ACM Transactions on Information and System Security; MIS Quarterly; Applied Economics; Journal of Computer Security; Journal of Financial and Quantitative Analysis; Journal of Accounting and Public Policy; Journal of Cybersecurity, and Accounting, Organizations and Society). He is the Editor-in-Chief of the Journal of Accounting and Public Policy and a pioneer in the field of cybersecurity economics. In 2007, Dr. Gordon gave Congressional Testimony on his cybersecurity economics research, and received a 2016 NSA Award for his contribution to the cybersecurity literature.

Sam Handwerger, CPA, is a full-time Lecturer in the department, and is a University of Maryland undergraduate accounting alumnus. He also holds a Master of Science in Taxation degree from the University of Baltimore. Handwerger was a Senior Tax Researcher with EY in New York City and later led the Tax Planning and Preparation Departments of the CPA firm Handwerger, Cardegna, Funkhouser & Lurman. In 1996, he was awarded the Governor’s Volunteer of the year award in the State of Maryland for financial and management advisement to non-profit organizations. He received the Smith School’s Krowe Teaching Excellence Award for the 2016-2017 academic year. Before joining the Smith School on a full-time basis, Handwerger held adjunct positions at the Johns Hopkins University School of Business and the University of Baltimore Law School.

Rebecca Hann, PhD, Associate Professor of Accounting and Information Assurance, is the KPMG Faculty Research Fellow. Hann holds Masters and PhD degrees from the University of Pennsylvania’s Wharton School. She is an award-winning teacher having taught in the Smith School’s undergraduate, MBA, EMBA and PhD programs. She served on 12 PhD dissertation committees, including five as chair. She won the American Accounting Association’s 2015 Best Dissertation Supervision Award and the 2017 Smith PhD Program Faculty Mentor of the Year Award. Hann’s research examines issues surrounding financial reporting and disclosure, corporate diversification, and the role of accounting information in the macroeconomy. Hann has published in leading accounting and finance journals, including The Accounting Review, Journal of Accounting and Economics, Journal of Accounting Research, Journal of Finance, and Review of Accounting Studies. She is an editorial board member of The Accounting Review.

Mary Keim, PhD, Tyser Teaching Fellow, joined the AIA faculty in January 2013. She earned her PhD in 1998 from Carnegie Mellon University and her BA from Hastings College. She is a licensed CPA and has more than 20 years of experience teaching accounting and business topics at the undergraduate and graduate level. Her research areas have been in accounting for not-for-profits and in teaching cases, primarily in the area of accounting ethics. She has been an active member of the American Accounting Association, the American Institute of CPAs, and the California Society of CPAs. At the Robert H. Smith School of Business, she teaches primarily Intermediate Accounting, Auditing and Managerial Accounting at the undergraduate level.

**Michael Kimbrough**, PhD, Associate Professor of Accounting and Information Assurance, joined the department in 2010 after eight years on the faculty of Harvard Business School. Professor Kimbrough earned his BA in Economics from Washington University in St. Louis and his PhD in Accounting from Indiana University. Professor Kimbrough's research has been published in leading academic journals including *The Accounting Review, Journal of Accounting Research, Review of Accounting Studies, Journal of Marketing Research, and MIS Quarterly*. He is a member of the American Accounting Association and currently serves on the editorial board of *The Accounting Review* and the *Journal of Financial Reporting*. Professor Kimbrough has received numerous teaching awards, including the Krowe Award for Teaching Excellence.

**Hanna Lee**, PhD, Assistant Professor of Accounting and Information Assurance, earned her PhD in accounting at Columbia University, and earlier completed a Master’s degree in statistics from Harvard University. Lee also studied economics for a summer at the London School of Economics, after completing her BS degree at Seoul National University. Lee has professional experience working for Goldman Sachs in New York, Deutsche Bank, Citibank, and AsiaNet Corp in Asia. Her research interests include the study of debt markets, default prediction, disclosure, and financial reporting quality. Lee has a forthcoming publication at *Management Science* on how equity ownership affects corporations’ cost of debt.

**Martin Loeb**, PhD, is Professor of Accounting and Information Assurance and a Deloitte & Touche Faculty Fellow. Loeb’s research has been published in leading academic journals in economics (e.g., *The American Economic Review* and *Journal of Law and Economics*), accounting (e.g., *The Accounting Review* and *Journal of Accounting Research*) and computer security (e.g., *ACM Transactions on Information and System Security* and *Journal of Computer Security*). Loeb served on editorial boards of *The Accounting Review, Journal of Business Finance & Accounting, and Review of Accounting Studies*, and currently serves as an editor of the *Journal of Accounting and Public Policy*. He is a coauthor of *Managing Cybersecurity Resources: A Cost-Benefit Analysis* and his research has been supported by the National Security Agency and the Homeland Security Department. Loeb’s papers have garnered over 7,000 Google Scholar citations, including citations by eleven winners of the Nobel Prize in Economics.

**James McKinney**, PhD, Clinical Professor, is an award-winning author of accounting research, teacher, and student organization faculty advisor. McKinney was the 2011 President of the Academy of Accounting Historians, former Trustee, and past editor of *The Accounting Historians Notebook*. He is a member of the SEC Historical Society Museum Committee and Board of Advisors. McKinney is a past board member of the Maryland Association of Certified Public Accountants (MACPA) and currently co-chairs the MACPA Educators Committee. He is a Board member and Pre-Conference Chair of the Accounting Information Systems Educator Association. At the Smith School, McKinney is the faculty adviser for chapters of the National Association of Black Accountants, Association of Latino Professionals in Finance and Accounting, Ascend, and Alpha Kappa Psi Business Fraternity.
T I O N A S S U R R E N C E F A C U L T Y

Tharindra Ranasinghe, PhD, Assistant Professor of Accounting and Information Assurance, joined the Smith School in 2016. Previously, he was a faculty member at the Singapore Management University. His teaching interests include both financial and managerial accounting. Tharindra conducts empirical research on hedging and derivative instruments, executive compensation, and voluntary disclosure. His research has been published in leading journals such as The Accounting Review and Journal of Accounting and Public Policy. Tharindra earned his doctorate degree from the University of Houston. He is also a CFA charterholder.

Nick Seybert, PhD, Associate Professor of Accounting and Information Assurance, earned his bachelor’s degree in accounting from the Smith School and masters and doctorate degrees from Cornell University. He is interested in financial accounting and behavioral finance, with a recent focus on how CEO and CFO psychology influences corporate investment and financial reporting. His research has been published in leading journals, including The Accounting Review, Accounting, Organizations and Society, Journal of Accounting Research, Management Science, and Review of Accounting Studies. He currently serves on the steering board of the Financial Accounting and Reporting Section of the American Accounting Association. He also serves as the chair of the finance committee and treasurer for Wonders Early Learning, a not-for-profit early childhood education organization serving over 600 children.

Musa Subasi, PhD, Assistant Professor of Accounting and Information Assurance, joined the Smith School in 2015. He earned a master’s degree in economics from the University of Texas at Austin and a PhD in accounting from the University of Texas at Dallas. Prior to joining the Smith School, Subasi was a faculty member at the University of Missouri-Columbia. He has taught undergraduate intermediate accounting classes and a PhD seminar on information intermediaries. His research interests include information intermediaries such as sell-side analysts and information aggregators as well as the interaction between companies, institutional/individual investors, and sell-side analysts. He has extensive research experience on broker/analyst hosted investor conferences and their consequences for firms and analysts/brokers hosted them. His research papers have been published in leading accounting and finance journals, including the Journal of Accounting Research, Journal of Accounting and Economics, Journal of Financial Economics.

Lei Zhou, PhD, Visiting Assistant Professor first came to the Smith School to do doctoral work after earning a BS degree in Economics and Management from China’s prestigious Tsinghua University. Her doctoral thesis was on information security auditing and, with PhD in hand, she joined the Faculty of Management at McGill University. Zhou has published her research in the European Accounting Review, Journal of Computer Security, Journal of Accounting and Public Policy, Journal of Cybersecurity, and Journal of Information Security. She enjoys teaching managerial accounting, accounting systems and accounting analytics to Smith MS and undergraduate students.

Emanuel Zur, PhD, Assistant Professor of Accounting and Information Assurance, joined the faculty in 2013. Prior to joining Maryland’s AIA faculty, Emanuel was an assistant professor of accounting at Baruch College and a visiting assistant professor at MIT’s Sloan School of Management. He holds an LLB in law and a BA in economics from Tel-Aviv University in Israel, as well as an MPhil in management, and a PhD in business administration (accounting) from New York University’s Stern School of Business. Before entering academia, Emanuel worked as a consultant for EY and as a lawyer for one of the leading law firms in Israel. His research has been published in the Journal of Finance, Review of Financial Studies, Management Science, and Contemporary Accounting Research, and he has presented research papers at leading universities in Asia, Europe, and North America. His work on hedge fund activists have been cited in such media outlets as CNBC, The Washington Post, Forbes Magazine, and The New York Times.
Highlights of AIA faculty publications


Inaugural Manoff/EY Awards Presented at ATS Dinner

Mark Manoff ’78, along with an additional commitment from EY, created the Manoff Family Endowed Fund for Accounting in support of delivering undergraduate accounting education at the Smith School. The fund also created the Manoff/EY Awards for a deserving Accounting Principles students. The first awards were presented by Mr. Manoff at the Accounting Teaching Scholars Dinner on April 20, 2017.

Mark Manoff presenting Lauren Roche with the Manoff/EY Award for Outstanding Performance in Principles of Accounting I

Mark Manoff presenting Louis Malivai Razafimandimby with the Manoff/EY Award for Outstanding Performance in Principles of Accounting II

Internationally Recognized Internal Auditor Siegfried Leads Internal Auditing Track in MSA Program

Alan N. Siegfried, a UMD MBA alum, and a 2015 inductee of the Institute of Internal Auditors (IIA) American Hall of Distinguished Audit Professionals leads the Internal Auditing track of the Smith Schools’ Master of Science in Accounting (MSA) program.

As a former Big Four CPA Firm Internal Audit/Risk Advisory Services Partner and Director of Internal Audit for several organizations, Siegfried has more than thirty-five years of private and public sector experience in the field. He currently serves on several Boards and Audit Committees of regional and international organizations, including serving as the Vice-Chair of the UNICEF Audit Committee. His internal auditing research publications have been translated into more than 12 languages. Siegfried is also a past Chairman of the IIA North American Board.

As the Sarbanes-Oxley legislation was being developed in the early 2000s, Siegfried foresaw the expanded need for auditors with internal control and business process knowledge. He successfully pitched the idea of internal auditing training at the master’s level to the Smith School leadership and was instrumental in designing the MSA program. As an adjunct faculty member, Siegfried continues to share his expertise with our Master’s students, teaching Internal Audit, Information Systems Audit and ERM courses.
Smith School Part of UMD’s $5M National Science Foundation (NSF) Grant to Support Cybersecurity Education

Dr. Lawrence A. Gordon is one of the Co-Principal Investigators on the $5M NSF Grant to the University of Maryland for its premiere Advanced Cybersecurity Experience for Students (ACES) program that is offered through the Honors College. Other parts of the campus involved in this Grant are the A. James Clark School of Engineering, the College of Computer, Mathematical, and Natural Science, the Honors College, and the School of Public Policy. Gordon designed and teaches a unique course in the ACES program, titled “Accounting and Economic Aspects of Cybersecurity.”

How you can help

As with any organization, the Department, the Smith School, and the University welcome your contributions to fund their activities. The Department uses contributions to fund items and actions that include the cost of this newsletter, Advisory Board activities, curriculum development grants for course revision and creation, and faculty travel and research.

To ensure that your contribution is applied according to your preferences, please fill out the coupon to the right and include it with your check.

Please indicate below where you would like your contribution applied:

☐ Accounting and Information Assurance
  Department of the Smith School of Business

☐ Robert H. Smith School of Business

☐ University of Maryland

Please make checks payable to:
University of Maryland College Park Foundation

PLEASE MAIL TO:
Martin P. Loeb, Chair
Department of Accounting and Information Assurance
Robert H. Smith School of Business
University of Maryland
College Park, MD 20742-1815

Thank you for your contribution!

rhsmith.umd.edu/accounting
Accounting News 2017-2018

The Annual Newsletter of the Smith School's Accounting and Information Assurance Department

Smith School Student Club Award (from left): ALPFA President Paula Rabade, ALPFA Past President Nicole Lopez, Faculty Advisor Dr. Jim McKinney, Ascend Vice-President Hyun An, Ascend President Mei Lei. See article on page 8.