A Message from the Accounting Chair

by Parveen P. Gupta, LL.B., Ph.D., Professor of Accounting

Dear Lehigh Accounting Alumni and Friends:

Best wishes from your Accounting Department!

It is my pleasure to present to you our annual newsletter. The academic year 2013-14 was successful and exciting for the Accounting Department at Lehigh University. This newsletter is published annually to update you on the news and accomplishments of Lehigh’s Accounting Department.

Although the 2013-14 academic year was filled with abundant opportunities for our accounting students and faculty, let me share with you some of the highlights of the year. Lauren Silberman ’12 became one of the few young accountants, and the fourth in four years from Lehigh’s Accounting Program, to earn the prestigious Elijah Watts Sells Award for outstanding performance on the Uniform CPA Examination. You may recall that Christopher Joseph Scholl and Paul Ziambardo won this award in 2010 and Megan Cody was the winner in 2011. Lauren is also the recipient of Charles Waldo Haskins Gold Award for achieving the highest score on the CPA Exam (390 out of 400) in the state of New York. Click on the link below to read her story: http://www1.lehigh.edu/news/alumna-tops-ny-and-nation.

Cathy Engelbert ’86, made history on February 9, 2015 when she was named as the Chairman and Chief Executive Officer of Deloitte LLP. With this appointment, she has shattered the glass ceiling and proved that, in the accounting profession, women can reach to the top. Cathy’s membership on the Accounting Department’s advisory board provides our students with a unique opportunity to interact with her. Included in this newsletter is an interview with Cathy. Click on the link below to read her story: http://www1.lehigh.edu/news/alum-be-first-female-ceo-%E2%80%98big-4%E2%80%99-firm.

In addition, three other Lehigh accounting alumni and advisory board members assumed positions of significant leadership in their respective organizations: Tracy Benard ’93, was named by KPMG as the Leader of the Firm’s Accounting Advisory Services network; Sean Denham ’94, was named as the Managing Partner of Grant Thornton’s Philadelphia Office; and Robert Levine ’87, was named as the Chief Operating Officer of EisnerAmper. On behalf of the Accounting Department, I congratulate them all and wish them success in their new roles.

The accounting faculty continues to advance the accounting profession by publishing discipline-based and inter-disciplinary research in internationally recognized journals. They are invited to present their intellectual contributions and research scholarship internationally. They are viewed as experts in their disciplines as they are quoted in business media. Many serve on editorial boards and other important professional committees within the academic and practice accounting community. During the year, the faculty published or had research articles accepted in premier accounting journals such as Accounting Horizons, Auditing: A Journal of Theory and Practice, and Behavioral Research in Auditing.

All in all, the accounting faculty was involved in more than three dozen contributions to discipline-based scholarship, learning and pedagogical research, and practice-focused articles. While engaging in scholarly inquiry, the accounting faculty not only informs policy and practice, but by sharing insights from original research with their students, they enrich their accounting students’ classroom learning and critical thinking skills.

Specials accolades go to Dr. Sanaz Aghazadeh whose research on how auditors cope with clients’ persuasion attempts was viewed as “ground breaking” by the Chairman of the Public Company Accounting Oversight Board (PCAOB) James Doty, who delivered a speech at a recent meeting of the American Accounting Association. Dr. Aghazadeh’s research (co-authored with Dr. Chris Hoang of Tulane) investigates if auditors notice persuasive language from their clients and whether this...
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affects auditor’s evidence gathering process, especially when they face client service pressures within their firm. Please click on the link below to read about Dr. Aghazadeh’s research http://www1.lehigh.edu/news/regulatory-agency-head-highlights-accounting-research. Concurrently, I invite you to peruse faculty research by visiting the department’s home page. Accounting faculty members are very excited to share their research and scholarship. Do not hesitate to contact them for a copy of the research papers or to invite them for a talk at your organization.

Accounting faculty, staff and students join me in welcoming Georgette Chapman Phillips as the Kevin L. and Lisa Clayton Dean of the College of Business and Economics starting July 1, 2014. Dean Phillips holds a J.D. from Harvard Law School and is a Professor of Real Estate in the Perella Department of Finance and Africana Studies Program. Dean Phillips is an internationally recognized scholar who has garnered many honors and teaching awards. Her research and teaching are focused on the intersection of law, economics, and public policy dealing with real-estate issues. Lehigh’s Accounting Department has contributed to the success of the college in many ways over the years and it has a significant role to play in advancing the mission of the college and the university. I look forward to working with Dean Phillips to take the Department of Accounting to the next level of recognition.

Last but not least, the reputation of Lehigh’s stellar Accounting Program continues to grow. During the year, LinkedIn and USA Today released rankings of top majors in business schools. The LinkedIn ranking, based on career outcomes, were released in October 2014. Your accounting program at Lehigh ranked #4 nation-wide (Click on the link to view full rankings: https://www.linkedin.com/edu/rankings/us/undergraduate-accounting?trk=edu-rankings-ctg-card). USA Today’s College Factual released its rankings in November 2014 and your accounting program at Lehigh was again ranked #4 nation-wide based for the highest paid accounting graduates. (Click on the link to view full rankings: http://www.collegefactual.com/majors/business-management-marketing-sales/accounting/rankings/highest-paid-grads/).

It is terrific to receive the external recognition through rankings and by other means. Irrespective of the rankings, the accounting faculty maintains an unwavering focus on our department’s mission and vision that includes providing accounting students with a distinctive learning experience throughout their accounting education at Lehigh. Our business model for accounting student success involves five key elements: attract the best and the brightest students to the accounting major, put them through a rigorous and a challenging classroom learning experience, train them relentlessly in professional business skills including critical thinking, oral and written communication, provide them with extensive networking opportunities, and then let the market compete for them fearlessly. The former US Secretary of State, General Colin Powell once said, “vision without execution is a hallucination.” I commend my accounting faculty and staff colleagues for their commitment and dedication in working with me to execute daily on our mission and vision.

Each year, the Accounting Department embraces change with open arms to continuously challenge itself to provide state-of-the-art curriculum and co-curricular programs to better prepare its students to compete effectively in the real-world. On the curriculum front, the Department focused on the undergraduate “Fundamentals of Auditing” (ACCT 320) course and experimented with the redesign of MACC 427 as an “Accounting for Financial Instruments” course. In the auditing course, Professor Sanaz Aghazadeh introduced new topics such as integrated audit with a focus.
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on business processes, professional skepticism, professional judgment frameworks, and interviewing skills. We thank PwC through its PwC INQuires Grant program in helping us redesign this course and implement changes to keep it current. Similarly, Professor Tamara Lambert, has spent considerable amounts of time to develop the “Accounting for Financial Instruments” course in response to the need for this skill-set deemed important by our employer community. The course focuses on developing in MSAIA students abilities (1) to understand and apply financial reporting rules for financial instruments and transactions, (2) to understand the role of incentives and management discretion in reporting choices relating to financial instruments, (3) to conduct GAAP research on complex accounting issues, and (4) to communicate technical accounting issues.

On the co-curricular front, during the year, we bid farewell to the more than two-decade long “Conference on Accounting Professionalism.” In its place, the Accounting Department introduced three different co-curricular programs. “Meet the Firms” night, directed by Professor Joseph Manzo, is held in early fall. It serves to connect the junior and senior accounting majors still seeking internships and full-time job opportunities with the recruiters still looking to fill the positions. “Careers in Accounting” day, co-directed by Professors Ken Sinclair and Grace Lee, serves to introduce Lehigh freshmen and sophomores to career opportunities in accounting. “From Dorm Room to Board Room: Getting Ready for the Real World,” day-long program co-directed by Professors Heibatollah Sami and Marietta Peytcheva, provides an unparalleled professional development opportunity to accounting majors as they prepare to enter the “real-life.” The Department also took this opportunity to transform its Annual Beta Alpha Psi induction ceremony into an Annual Senior Dinner and Awards Banquet to include all graduating accounting students. Last year, Ms. Cynthia Cooper, who blew the whistle on the World-com financial fraud, was the keynote speaker.

The department continues to host accounting leaders from across the spectrum to enrich our students’ learning experiences. During the year, we hosted Greg Scates, Deputy Chief Auditor from the Public Company Accounting Oversight Board (PCAOB) as our Annual Segal Distinguished Speaker. He visited accounting classes and delivered a public talk, “Auditors as Gatekeepers: Are Investors Protected?” We also welcomed John Veihmeyer, Global Chairman of KPMG International and Chairman and CEO of KPMG in...
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U.S., and Tim Ryan, Vice-Chairman, and Markets, Strategy & Stakeholders Leader at PwC. Both spent a full-day at Lehigh interacting with students, faculty and members of the University’s senior leadership team. Both delivered public lectures on current issues facing the accounting profession and answered student questions.

The 146th Commencement Exercises Bulletin lists 56 undergraduate accounting majors and 34 Masters of Science in Accounting and Information Analysis (MSAIA) graduates for the academic year ending June 30, 2014. Of the 56 undergraduate accounting majors, 17 were double majors with finance and 2 were with other majors. On average, the Accounting Department graduates 100 undergraduate accounting majors a year. And we are back on track with more than 90 undergraduate accounting majors eligible to graduate during 2015. Prior to the implementation of the 150-credit hour requirement, it was relatively straightforward to track students’ graduation timing as all students in a cohort group filed for graduation at the same time. However, now some students delay graduation by a semester to accumulate 150 credit hours which results in a mismatch of the expected with the actuals. The undergraduate accounting major enrollments are also affected by the overall trend and changes in the College of Business and Economics enrollments and the growth in the intercollegiate programs such as the Integrated Business & Engineering (IBE) and the Computer Science & Business (CSB). At every accounting department meeting, the faculty reviews and discusses the enrollment trends to pro-actively address any issues that may need attention.

Like previous years, our undergraduate and graduate students continue to be sought after by employers from many industries including public accounting, insurance, financial services, and manufacturing firms. Feedback from recruiters and alumni indicates that Lehigh accounting majors continue to excel in their entry-level jobs while competing admirably as they progress in their careers. Lehigh Accounting Majors start developing their entrepreneurial and leadership skills while on campus. For example, during the recent years a number of accounting major students have provided leadership by joining hands with other students across the campus to launch new student-led chapters/organization such as SQUAB (Society of Queer and Undergraduate Allies in Business), WiB (Women in Business), ALPFA (Association of Latino Professionals in Finance and Accounting), and ASCEND, a Pan-Asian organization for business professionals in North America. Similarly, the accounting students, continue to receive university-wide recognition through various awards and honors. During the 2013-14 academic year, undergraduate accounting majors received 14 awards and MSAIA students received five awards. Please review the student section of the newsletter to celebrate and recognize the achievements of our students. We take pride in all of our graduates and congratulate all the award winners. Winning these competitive awards is a testament to their hard work, leadership, and dedication to excellence. The success of our students’ attest to the highest standards of excellence in both of our accounting programs with an unrelenting focus on preparing our students to excel in the entry-level jobs and to assume positions of leadership later in their professional careers.

Finally, we are always looking for ways to recognize and highlight the accomplishments of our alumni. Thus, with this newsletter, we are starting a new column “Spotlight on Alumni.” This newsletter features Sarat Sethi, Managing Director, Principal, Portfolio Manager and Equity Analyst at Douglas C. Lane & Associates, Inc. Please send us your accomplishments and updates via an email to inppg@lehigh.edu. It is a pleasure to hear from our alumni.

I thank Professor David Folsom for working with me as the editor of this year’s newsletter and managing its production and distribution to our stakeholders. Special thanks go to the accounting students, faculty, staff, alumni, recruiters, and friends for their support and contributions over this past year. Your support and commitment makes it possible for us to nurture and sustain a high level of excellence in teaching and research. Your Accounting Department needs your financial help and support now more than ever before. Please see “We Need Your Help!” for more details on how you can support your accounting department.

Please enjoy this newsletter as you read about the many accomplishments of our students and faculty. If you wish to chat with me in more detail about any of the activities and articles mentioned in this newsletter, please do not hesitate to call me directly at 610-758-3343 or email me at ppg0@lehigh.edu. I look forward to hearing from you and seeing you at various Lehigh events.
Fourth Lehigh Elijah Watts Sells Award Winner in Three Years

Medical researchers haven’t discovered it yet, but it’s entirely possible that there is an accounting gene. At the very least, an affinity for the field seems to run in the bloodline of one recent alumna. Lauren Silberman ’13, says she became interested in the field of accounting because both her father and brother are certified public accountants (CPAs).

Lauren recently became one of a handful of young accountants, and the fourth in four years from Lehigh, to earn the Elijah Watts Sells Award for outstanding performance on the Uniform CPA Examination. According to the website of the American Institute of Certified Public Accountants (AICPA), which develops the exam, the Sells Award is given to those who pass all four sections of the CPA exam on their first attempt and the same sitting. Successful candidates must also achieve a cumulative average score greater than 95.50 across all four sections. More than 94,000 individuals sat for the 2013 Uniform CPA Examination and only fifty-five of them qualified for the Sells Award.

The AICPA created the Sells Award in 1923. The award is named for one of the founders of the AICPA and one of the founding partners of Haskins and Sells, a predecessor of Deloitte Touche Tohmatsu Limited.

Lauren further distinguished herself by winning the Charles Waldo Haskins Gold Award for achieving the highest score on the CPA exam—390 out of 400—in the state of New York. That award, given by the New York State Society of CPAs, is named for the first NYSSCPA president, who advocated the licensing of CPAs and the establishment of the CPA exam.

“When I started taking accounting classes at Lehigh, it came pretty naturally to me and the concepts were easy to grasp,” said Silberman, who today is putting those concepts to use in the alternative investments assurance group at PricewaterhouseCoopers (PwC). Like Deloitte, PwC is one of the four largest professional service firms in the United States.

“It is an exciting job as I get to work on clients such as hedge funds, fund of funds, etc.,” Silberman said. “I have had the opportunity to learn about the business of my clients, the alternative investment industry, and the risks and responsibilities involved in performing an audit. PwC is very team-oriented, which allows me to work with, and learn from, some of the most intelligent people in the industry.”

Parveen P. Gupta, the Clayton Distinguished Professor of Accounting and chair of the Department of Accounting, recalls Silberman as “a committed individual who was very, very focused on the education she was receiving. “Lauren had the right focus,” Dr. Gupta said. “There are many extracurricular activities that you can be involved in at Lehigh and I always tell my students that these activities mean nothing if your academics are not great. They are sort of a nice topping on a cake.”

Silberman, a former officer in the Lehigh Accounting Club, is the fourth Lehigh accounting graduate to earn the Sells Award. Previous winners include Paul Zimbardo ’09, and Christopher Schoell ’09, who in 2010 became the first graduates of Lehigh’s Accounting Department to receive the prestigious Award. A year later, Megan Cody ’10, became the third.

Professor Gupta attributes the success of Lehigh’s accounting alumni to several factors. “I take a great deal of pride in our students and faculty,” he said. “We do attract brighter undergraduates. There is a perception that the accounting major is the toughest major in the business college. Once we are able to attract the best and brightest, we offer them a tremendous learning experience and a plethora of co-curricular activities. We provide a very rigorous curriculum. And, I take special pride in our advising to the majors—both academic and career advising.

“It is that combination that is producing this type of stellar performance in our students. There is an uncompromising focus on our accounting majors’ learning and professional development by the accounting faculty who are thought leaders through their research and scholarship in the problems facing the accounting profession today.”

Silberman echoed Gupta’s enthusiasm. “The accounting and business professors at Lehigh were wonderful,” she said. “They were passionate while teaching and about their careers in the business world.”

Silberman is already looking to the future and the new skills she will master. “I am a firm believer that we should all learn something new every day,” she said. “So far, each day has been a new and exciting experience for me. “I hope to continue learning throughout my career and see what opportunities come my way.”

Adapted from a news article written by Jennifer Marangos. Online access is available at: http://www1.lehigh.edu/news/alumna-tops-ny-and-nation
Lehigh Accounting Alumna Named CEO of Deloitte LLP

With her new promotion to be Chief Executive Officer of Deloitte LLP, the Accounting Department wants to congratulate Cathy Englebert ’86. Below is a conversation with Cathy.

What has been your career path and how has this path led to your recent appointment as CEO of Deloitte LLP?

After graduation from Lehigh, I started out as a staff accountant in our Philadelphia office of Deloitte & Touche LLP (Deloitte), which was near where I grew up. After 5 years and being promoted to manager, I wanted to do something different, so I took a management development program position in our National Office in Connecticut doing accounting research for 2 years. It was this experience that provided me with broad exposure to the firm and standards setting, and helped me build technical acumen, particularly as it related to derivatives financial instruments. This experience was also an excellent networking opportunity that I still leverage today, over 20 years later. This program set me on a path to serve some of our largest and most complex audit clients in a variety of industries, and most recently I have focused on global companies in the life sciences and consumer products industries. I was named Chairman and Chief Executive Officer of Deloitte in June 2014 and was appointed as a member of the Financial Accounting Standards Advisory Council in January 2014. I also serve on the Accounting Advisory Board at Lehigh.

Why did you choose accounting and auditing as a career? Why has this career worked for you?

I never imagined when I was an undergraduate at Lehigh that I would one day be the Chairman and CEO of Deloitte & Touche. At first, I wanted to be a computer engineer or a computer science major. But in my sophomore year at Lehigh, I received advice that I look back on today as very sage…to transfer to the business school. And once in the business school, I received more advice about how dynamic the accounting profession could be, and that it wasn’t just about bookkeeping, and debits and credits, but about logic, protecting the capital markets, and working with top finance professionals in major corporations in the U.S. So that started my journey and I am thankful to Lehigh for guiding me in the right direction. My Lehigh education helped position me and prepare me to take on the unlimited opportunities afforded by pursuing a career in accounting. The other most significant factor in my career was choosing Deloitte. When I was a senior at Lehigh, I attended our annual career fair and members of the Big 8 (now Big Four) firms were recruiting accounting majors. Deloitte’s demonstrated commitment to long-term career growth stood out to me as did its culture and personal touch – partners took an interest in me, including sending me hand written notes when they saw the results of one of my basketball games in the newspaper. And then once I began my career in 1986, Deloitte encouraged and fostered risk-taking and forging different career paths. I viewed these as opportunities, and so I took some risks and gained invaluable experience in different disciplines that helped me grow – both personally and professionally. It has also been a great career to balance my family and career, as I have two children, who are now teenagers.

What advantages have you experienced due to your connections to Lehigh?

It was my Lehigh professors who encouraged me to pursue an accounting career with one of the major global accounting firms, so you really can trace my career back to the advice of those who I respected immensely and trusted completely. Also, I recall when being recruited by the big accounting firms, one of the partners said to me, “Lehigh provides such a well-rounded education…we love to hire Lehigh students because they are well grounded personally and professionally.” But beyond influencing my decision to join Deloitte, my Lehigh connections – as are all business relationships – are critical. Just recently, I walked in to a client meeting and it turned out that the Chief Financial Officer was a fellow Lehigh alumni. So, my message to future Lehigh undergraduates is to make sure you realize that you are graduating from a top university and to use that fact to your advantage – both now and in the future. We are only as strong as our personal networks, and I cannot stress enough the importance of networking and having mentors and sponsors throughout one’s career.
You have continued to serve the Lehigh community (and particularly the Accounting Department) in a variety of ways. Why is it important to you to give back to Lehigh?

Giving back, be it to the Lehigh community, the Accounting Department in particular, or the accounting profession overall, is personally rewarding to me. I was fortunate to play lacrosse and basketball at Lehigh while receiving an outstanding education. My experiences at Lehigh helped me grow and develop as a leader as well as a technical expert at Deloitte. I’m proud to help Lehigh graduates and look for opportunities to mentor young professionals. At a recent Accounting Alumni Reception and recruiting event, I had the opportunity to speak with more than 50 students and 150 alumni. I encouraged all of them to find what their passion is and strive to achieve it. Networking with graduates from past classes as well as current students was valuable to all involved, as we can all learn valuable lessons from each other’s experiences. I also serve on the Accounting Advisory Board at Lehigh, working with Dr. Gupta and other Board members to advise the faculty as it prepares the curriculum for the accounting and auditing professionals of the future.

What advice do you have for accounting students currently enrolled at Lehigh?

First, enjoy your last couple of years at Lehigh. The friendships you make and networks you form will last you a lifetime. Also, as you embark upon a career in accounting and auditing, be proactive about your career, and take risks by seeking challenging assignments. When I was a manager, I served a two year-assignment in the accounting research department of Deloitte’s National Office. This helped me develop a niche around derivatives that provided me with the opportunities to work with some of our largest and most complex clients. And as a young partner, I joined one of our advisory practices for four years – also a shift from my traditional audit role. Looking back, these were probably two of the most rewarding periods of my career that set me on the path to where I am today. My other piece of advice: consider spending time abroad and learning new cultures and business environments. The business world is becoming increasingly more global and the pace of change driven by technology is altering the way business is conducted around the world.

Lehigh has had an increased focused on diversity and equality in recent years. What advice do you have for women who are in the accounting program or are recently alumni?

When I started at Lehigh and when I joined the profession, both were very male dominated (I was one of only a few females in my freshman English class!). That said, I am proud of the enormous progress Lehigh and the accounting profession have made to attract both women and men. Deloitte is recognized nationally and within the profession for its leadership in advancing and retaining women. My advice for men and women is to look for a work/life fit balance. My family is my first priority and the public accounting profession offers flexibility that I wouldn’t necessarily have in other professions. There will be sacrifices, but if you balance and prioritize appropriately, the accounting profession can be very rewarding both personally and professionally.
CONGRATULATIONS TO THESE ACCOUNTING MAJORS FOR RECOGNITION FROM THE UNIVERSITY AND PROFESSIONAL ORGANIZATIONS FOR THEIR ACHIEVEMENTS!

JEREMY BAILEY: Association of Certified Fraud Examiners Award (awarded to a student with academic excellence in accounting with high morals). Jeremy, who is from Fort Washington, Pennsylvania, graduated in January 2014. He began working with PricewaterhouseCoopers’ (PwC’s) Asset Management Assurance group in the Philadelphia office. Jeremy previously completed an internship in Dublin, Ireland, for PwC in the Asset Management Group as a Tauck Scholar. While at Lehigh, he was selected as intramural manager of the year for his work in intramural sports. Jeremy was also a member of the Lambda Chi Alpha fraternity.

ERYNE L. BOYLE: Class of 1904 Scholarship (awarded to a rising senior on the basis of character, scholarship, qualifications indicating promise of future leadership, and extracurricular activities). Eryne is from Mount Olive, New Jersey, and expects to graduate in May 2015 as an accounting major and Sociology/Social Psychology minor. She was an assurance intern this past summer with Ernst & Young in New York City. Eryne is also the co-founder and president of the Society of Queer and Undergraduate Allies in Business (SQUAB), a Technology, Research, and Communication (TRAC) Fellow, and an inductee into Beta Gamma Sigma and Beta Alpha Psi.

WHITNEY CHALLENGER: Martindale Student Associate (awarded to a select group of Lehigh juniors and seniors to actively explore global business and economic issues). As a Martindale Student Associate, Whitney visited Portugal this past summer. She also interned with PricewaterhouseCoopers’ (PwC’s) Boston assurance practice. Whitney, who is from Jefferson, Massachusetts, expects to graduate in May 2016 as an accounting major and psychology minor. She currently serves as the vice president of Phi Sigma Pi, the vice president of Beta Alpha Psi, and is a member of Beta Gamma Sigma. Whitney also is a member of Lehigh’s Philharmonic Orchestra.

ERIC GOLDSTEIN: Elizabeth Major Nevius Award (awarded to fifth year students at Lehigh on the basis of leadership, citizenship, and scholarship). Eric is from Parsippany, New Jersey and received his B.S. in Accounting from Lehigh in 2013 and his M.S. in Accounting & Information Analysis in 2014. He previously received the Institute of Management Accountants Senior Award, the University Service Award, a Williams Writing Prize, and a Presidential Scholarship. He also was a contributing member of Beta Alpha Psi, Beta Gamma Sigma, and the Accounting Club while at Lehigh. Eric will be joining PwC in the Florham Park office’s Audit practice in the Fall 2014.

SHAAN GURNANI: Martindale Student Associate (awarded to a select group of Lehigh juniors and seniors to actively explore global business and economic issues). This past summer, Shaan visited Portugal as part of the Martindale Student Associates Program. He has also previously interned at Freestream Aircraft, Updata Partners, and Gracie Asset Management. Shaan is a double finance and accounting major (expected graduation in May 2016) from Warren, New Jersey. He currently serves as the president of the Investment Management Group at Lehigh, the treasurer for the Student Senate, and as a member of the Inter-fraternity Judicial Council.

DAVID J. HINES, JR.: Pennsylvania Institute of Certified Public Accountants Prize (awarded to a senior accounting major who is outstanding in academic achievement and leadership). David is from Middletown, New Jersey and received his B.S. in Accounting from Lehigh in May 2014. While at Lehigh, he served as the president of Beta Alpha Psi and was a member of Phi Sigma Pi. Upon graduation, David joined the New York City office of Ernst & Young, where he will be working in assurance services for the firm’s financial services practice.

MAYRA JUAREZ GUTIERREZ: Class of 1904 Scholarship (awarded to a rising senior on the basis of character,
accounting, qualifications indicating promise of future leadership, and extracurricular activities). Mayra is originally from Guanajuato, Mexico, and immigrated to Parkesburg, Pennsylvania in 1997. She is part of the class of 2015 and plans to graduate with a B.S. in Accounting and a minor from Lehigh’s Integrated Real Estate Program. She plans to pursue her master’s in either Forensic Accounting or Real Estate Development. Previously, Mayra interned in KPMG’s forensic accounting practice in New York City. She currently serves as the president of the Lehigh chapter of the Association of Latino Professionals in Finance and Accounting (ALPFA), which she helped organize in the Spring 2013.

TYLER LEWIS: Elizabeth Major Nevius Award (awarded to fifth year students at Lehigh on the basis of leadership, citizenship, and scholarship). Tyler, from Hershey, Pennsylvania, was a four-year member of the Lehigh University Ice Hockey team and the captain during his junior and senior seasons. He was awarded the PwC Fellowship Scholarship in 2013. Tyler participated in the PricewaterhouseCoopers (PwC) Leadership Program in the summer of 2011 and was a summer intern in 2012, working in the financial services sector in the New York City office. Tyler became a full-time associate with PwC following graduation from the MSAIA program in May 2014.

LY NGUYEN: Tauck Scholar (awarded to the highly motivated juniors and seniors to give them the chance to do international summer internships that will help them in their career endeavors). Ly, who is from Rockaway, New Jersey, spent this past summer interning with Ernst & Young in Tokyo, Japan in E&Y’s Financial Services Office Assurance practice. She expects to graduate with a B.S. in Accounting in 2015. Ly has also previously received a Lehigh University Community Service Scholarship. She currently is a member of Alpha Gamma Delta and serves as the vice president of the Women in Business club.

RYAN KNOUSE: Institute of Management Accountants Senior Award (awarded to a senior who is outstanding in accounting). Ryan graduated as an accounting major in May 2014. After graduation he began working in Ernst & Young’s Financial Services Office in New York City in business advisory. Ryan, originally from Perkasie, Pennsylvania, received many accolades while at Lehigh, including a Dean’s Scholarship, being on the Dean’s list every semester, membership in the National Society of Collegiate Scholars, and membership in the National Society of Leadership and Success. While a member of Lehigh’s Varsity Cross Country and Track Field Teams, Ryan also was on the Patriot League Academic Honor Roll, served as a student-athlete council representative, and was a member of Lehigh Athletics’ Emerging Leaders program.

BRANDON MAUSS: Tauck Scholar (awarded to the highly motivated juniors and seniors to give them the chance to do international summer internships that will help them in their career endeavors). This past summer, Brandon interned in Dusseldorf, Germany, for Grant Thornton. He then continued his internship experience in Grant Thornton’s New York City office. Brandon previously interned for the real estate firms Thor High Street Advisors and U.S. Realty Advisors in New York City. Brandon, who is from Freehold, New Jersey, expects to graduate with his accounting degree in May 2015. He is also involved in various extra-curricular activities, including being the president of the Lehigh real estate club, the recruitment chair for the Alpha Epsilon Pi fraternity, and a member of Lehigh’s club basketball team.

CHRIS PARSONS: Tauck Scholar (awarded to the highly motivated juniors and seniors to give them the chance to do international summer internships that will help them in their career endeavors). This past summer, Chris participated in the Lehigh in Prague Program and completed an internship in Prague, Czechoslovakia for PricewaterhouseCoopers (PwC). He also interned in PwC’s Philadelphia assurance practice. Chris, who expects to graduate in May 2015, is from Garnet Valley, Pennsylvania. He is also a CBE Fellow and a member of Beta Gamma Sigma.

ALEXANDRA PELUSO: Pennsylvania Institute of Certified Public Accountants Scholarship (awarded to outstanding accounting students from the PICPA organization). Alex interned this past summer with KPMG in their international internship program. She also worked in the Short Hills, New
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Jersey audit practice. Alex, who is originally from Cresskill, New Jersey, will graduate with her B.S. in accounting in May 2014 and plans to join KPMG’s Short Hills office. She currently serves as a CBE Helping, Advice, Willing, and Keen (HAWK) student advisor and plays on Lehigh’s club soccer team.

ELIZABETH PINES: Strive for Excellence Award (awarded to select students for working to enhance diversity and inclusiveness at Lehigh University). Elizabeth, originally from Staten Island, New York, has been a finance intern at Johnson & Johnson in Somerville, New Jersey. She expects to graduate in May of 2016. Elizabeth has been involved in numerous extracurricular activities at Lehigh, including being a Technology, Research, and Communication (TRAC) Fellow and co-founded of the Society of Queer and Undergraduate Allies in Business (SQUAB). For the 2014-2015 academic year, she will serve as the vice president of SQUAB and the president of the Accounting Club.

JAVON TAI: Martindale Student Associate (awarded to a select group of Lehigh juniors and seniors to actively explore global business and economic issues). Javon visited Portugal as part of the Martindale Student Associates Program this past summer. He also interned at Grant Thornton in the Business Advisory Services practice in their New York City office. Javon, who is from Brooklyn, New York, has previously interned at Ernst & Young. He currently serves as the president of Lehigh’s chapter of the National Association of Black Accountants (NABA). Javon has also been a Lehigh orientation leader to help first-year students transition to university life and has participated in a Habitat for Humanity service trip in South Carolina.

KARA TWING: Elizabeth Major Nevius Award (awarded to fifth year students at Lehigh on the basis of leadership, citizenship, and scholarship) and Federation of Schools of Accountancy Award (awarded to an outstanding MSAIA student). Kara is from West Chester, Pennsylvania and graduated from Lehigh’s MSAIA program in May of 2014 after graduating with a B.S. in Accounting in 2013. During her time at Lehigh, Kara served as the Public Relations Chair of Phi Sigma Pi National Honors Fraternity and participated in Beta Alpha Psi. She also studied abroad for a semester in Tel-Aviv, Israel, and completed a summer internship program at Ernst & Young. After graduation, Kara joined Ernst & Young’s Financial Services Assurance practice in their New York City office.

YIRU (IVY) WANG: Institute of Internal Auditors Senior Award (awarded to an outstanding senior who is interested in auditing and has a high scholastic standing and qualities of leadership). Ivy is from Nanjing, China, and received her B.S. from Lehigh in 2014 with double major in Accounting and Finance. She joined Ernst & Young’s Transaction Advisory Services practice in their New York City office upon graduation. While at Lehigh, she was a member of Phi Sigma Pi and Beta Alpha Psi. Ivy also previously received the CBE Nelson Leighton Bond Memorial Prize and the Class of 1904 Scholarship.

KIMBERLY WEYAND: CBE Nelson Leighton Bond Memorial Prize (awarded to the most outstanding junior in the CBE). Kimberly is from Severna Park, Maryland and expects to graduate in May 2015 with a B.S. in Accounting and a minor in Applied Mathematics. This past summer, she interned in both the Prague, Czechoslovakia and Philadelphia offices for PricewaterhouseCoopers (PwC). Kimberly is a member of Lehigh’s Varsity Swim team. As a member of this team, she earned the 2013 Lehigh Swimming and Diving Scholar Athlete Award and served as co-director of the Swimming and Diving Academic Leadership program. She is also a CBE Fellow and a member of Beta Alpha Psi and Beta Gamma Sigma.

RUIHAN (GRACIE) XIA: MSAIA Academic Excellence Award (awarded to outstanding Master of Accountancy students at Lehigh University). Gracie, from Shenyang, China, graduated in May 2014. She previously interned at Halliburton Energy Services in Houston and Crowe Horwath, LLP in China. After graduation, Gracie will work at Halliburton Energy Services Inc. as an associate accountant. While at Lehigh, Gracie worked as a research assistant and grader and was a member of the Accounting Club. She also regularly volunteered at Broughal Middle School.
Accounting Major
Undergraduate Honors Graduates (2012-2013)

**HIGHEST HONORS**
Ryan Knouse
Yiru Wang

**HIGH HONORS**
Courtney Enderle
Scott Grossnickle
Caitlin Keefe
Kathleen Larkin
Xiaohan Li
Joshua McGrew
Sami Qadah

**HONORS**

- Jeremy Bailey
- Karen Bellinger
- Meaghan Bricker
- John Ciavardelli
- Mark Fonseca
- Sara Glynn
- Allyson Harada
- Martin Henderek
- David Hines
- Lauren Hochman
- Allison Huckfeldt
- Yishuang Li
- Daniel Lisowski
- Jessica Liu
- Matthew Lyons
- Alexander Marcantonio
- Geoffrey Newman
- Matthew Oil
- Noelle Rogers

*Editor's Note: I gathered these names from the 2014 Commencement Program and apologize if I overlooked anyone.*
STUDENT CAREER DEVELOPMENT OPPORTUNITIES

Lehigh’s Accounting Department partners with Career Services and a multitude of employers to prepare our students for successful careers following their time here on South Mountain. These events are an invaluable addition to our students’ education while at Lehigh.

2013 ACCOUNTING CAREER FAIR

Students filled the Rauch Business Center Galleria to meet prospective employers at the third annual Accounting Career Fair. The career fair is one component of the career planning support that is provided to our students by the Accounting Department at Lehigh. Eighteen organizations participated in the event which provides firms with an effective setting for one-on-one discussions with students as well as an opportunity to share important insights about the profession and their own organizations with a large number of students.

More than 150 students took advantage of this unique opportunity which culminated in a networking reception where students were able to continue their discussions with representatives of the visiting organizations. If your organization is interested in participating in future career fairs, please contact David Hinrichs (dlh404@lehigh.edu) who is the director of the annual Lehigh Accounting Career Fair.

MEET THE FIRMS

In a new annual Accounting Department event beginning in 2013, numerous public accounting and industry firms visited Lehigh to meet undergraduate accounting majors. Over 100 participating students had networking opportunities to meet firm representatives and practice networking skills. They also had workshops on developing networking and job-seeking skills.

Students were divided into two groups (freshmen/sophomores and juniors/seniors) and participated in workshops about networking. Underclassmen learned the basics of networking and upperclassmen learned about more advanced networking techniques. Students then had opportunities to practice their newly learned skills in a speed networking activity and over a dinner with invited representatives from various firms and companies.

If you are interested in participating in future Meet the Firms events, please contact Professor Joseph Manzo (jmm6@lehigh.edu) who is the director of this event.
FROM DORM ROOM TO BOARD ROOM – DEVELOPING STUDENTS FOR THE REAL WORLD

During the spring semester, junior and senior accounting students participated in a day-long event focused on developing “soft” skills necessary in today’s business world. The Accounting Department sponsored this event to help Lehigh graduates “hit the ground running” in their first jobs after graduation.

During this event, students learned about important topics such as working effectively in diverse and global teams, how to appropriately dress in the workplace, and how to project a professional presence. They also had workshops that gave them practical strategies to be able to be effective in their first jobs. Students learned about appropriate use of social media (both the “do’s” and the “don’ts”), how to effectively communicate via email, and how to interact and successfully communicate with different people who have various working styles. Students also learned about proper dining and interview etiquette. The day of interactive sessions culminated in a sit-down dinner, during which students took part in a hands-on demonstration of proper dining etiquette led by an etiquette expert.
Numerous Lehigh accounting students participated in two different case competitions during this academic year. PwC’s xTREME Games campus case competition at Lehigh required teams to provide consulting advice for a fictional company. More than 50 students participated in 13 teams in this case competition. Mentored by Professor David Folsom, the winning team, which included Nigel Corea, Foster Rankin, Max Liu, Andrew Sandor, and Carolyn Mazzie, split a $1,000 prize.

Numerous students also participated in the KPMG International Case Competition. Lehigh was chosen from a select group of 33 U.S. universities to compete in the competition, and our “Dream Team” was Chen Zhong, Guo Yu, Cheryl Wei and Emma Zhang. They travelled to the regional finals in Boston, Massachusetts to compete against other university teams. The team worked together to develop solutions to analyze a case about a merger and how to improve future performance. We are proud to have competed well in these competitions!

The case challenges you a lot, and I think we learned a lot from it. I think that we stood out among the other teams because we came up with a solution from three different perspectives. It’s important to have diverse students on your team.

Emma Zhang, member of Lehigh’s winning team for the KPMG International Case Competition

The 2013-2014 academic year was filled with many outstanding extracurricular programs for not only our accounting majors, but for all CBE students. The Accounting Club (which serves sophomore and junior accounting and potential accounting majors), our chapters of Beta Alpha Psi, the National Association of Black Accountants (NABA), and the Association of Latino Professionals in Finance and Accounting (ALPFA) all gave engaging and vital professional development and leadership opportunities for students. These student-led organizations and activities provide a vital extension for the Accounting Department not only to deliver valuable learning and professional opportunities for our students, but also to develop our students into exceptional leaders.
Lehigh University’s Beta Epsilon chapter of Beta Alpha Psi had a very impressive and transformational year. At the beginning of the year, the chapter welcomed Professor Tamara Lambert as the new faculty advisor to Beta Alpha Psi. Her enthusiasm and dedication to Beta Alpha Psi was a valuable resource to the chapter over the past year. The chapter was very appreciative of the hard work that Professor Joseph Manzo, the outgoing faculty advisor, put into the club in past years and was saddened to have him step down.

Continuing to emphasize a commitment to service, the chapter implemented two new service programs in addition to the introductory accounting tutoring program that has been in place since last year. Beginning in the fall semester, the chapter began auditing and reconciling the university’s student activities office’s accounting records for all student clubs on campus. This opportunity allowed members to get some practical, hands-on exposure to auditing. New in the spring semester, the chapter implemented a peer-to-peer mentoring program. This program paired junior Beta Alpha Psi members with recently declared undergraduate accounting majors. The chapter hopes this program will provide newly declared students with another resource they can utilize to assist them during their time at Lehigh and potentially throughout their careers.

When planning events for the year, Beta Alpha Psi placed an emphasis on holding events which promoted the accounting profession and help students develop essential business skills. In addition, the chapter hosted events that were intended to raise discussions regarding key business issues. In the fall, the chapter sponsored an Externship & Summer Leadership Program fair designed to expose underclassmen to the opportunities available to them with some of the large accounting and financial services firms. Also in the fall the very popular Excel Skills Workshop was presented by PwC. In the spring semester, the chapter sponsored a presentation and discussion entitled, “The Imminent Debt Crisis,” by Professor Robert Duquette. The event was aimed at increasing student awareness regarding the fiscal issues affecting our nation. Lastly, the chapter sponsored a Professional Services Ethics Panel of recent Lehigh University graduates. The alumni, who now work at Big Four accounting firms, discussed how ethics play a significant role in professional services firms and gave advice to students preparing to begin their careers.

The achievements made by the Beta Epsilon chapter were made possible thanks to the organization’s members and dedicated executive board. The chapter has an even brighter future ahead thanks to a dedicated group of recently initiated members and a strong incoming executive board led by Erika Schmidt, Whitney Challenger, Neha Rachumallu, and Scott Grossnickle.

Contributed by David Hines, Outgoing President of Lehigh’s chapter of Beta Alpha Psi.

![Image of Beta Alpha Psi members during an event]

The induction of new Beta Alpha Psi members.

Table: 2013-2014 Beta Alpha Psi Inductees

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<thead>
<tr>
<th>Academic Year '13 - '14</th>
<th>Academic Year '14 - '15</th>
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<tr>
<td><strong>President</strong></td>
<td>David Hines</td>
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<td><strong>Vice President</strong></td>
<td>Celia (Yishuang) Li</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>Jordan Levy</td>
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<td><strong>Reporting Secretary</strong></td>
<td>Caitlin Keefe</td>
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<tr>
<td><strong>Faculty Advisor</strong></td>
<td>Tamara Lambert</td>
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<tr>
<td><strong>Graduate Students</strong></td>
<td>Yinwen (Max) Hua</td>
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<td>Ruiihan Xia</td>
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<td></td>
<td>Qiaoyu (Candy) Yan</td>
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<td><strong>Undergraduate Students</strong></td>
<td>Eryne Boyle (Junior)</td>
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<td>Whitney Challenger (Junior)</td>
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<td></td>
<td>Ly Nguyen (Junior)</td>
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<td>Neha Rachumallu (Junior)</td>
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<td>Erika Schmidt (Junior)</td>
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<td>Kimberly Weyand (Junior)</td>
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<td>Scott Grossnickle (Senior)</td>
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<td>Martin Henderek (Senior)</td>
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<td>Christopher Holt (Senior)</td>
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New officers of Beta Alpha Psi being sworn into office: (from left to right) Scott Grossnickle, Neha Rachumallu, Whitney Challenger, and Erika Schmidt.

![Image of new officers during an event]

**LEHIGH BETA ALPHA PSI CHAPTER OFFICERS**

**OFFICE**  | **ACADEMIC YEAR '13 - '14** | **ACADEMIC YEAR '14 - '15**
---|---|---
President | David Hines | Erika Schmidt |
Vice President | Celia (Yishuang) Li | Whitney Challenger |
Treasurer | Jordan Levy | Neha Rachumallu |
Reporting Secretary | Caitlin Keefe | Scott Grossnickle |
Faculty Advisor | Tamara Lambert | Tamara Lambert |
ALPFA Update

Lehigh’s ALPFA chapter was formally recognized both by Lehigh University and as an ALPFA national charted student club during the Spring 2013 semester. After recognition, several chapter officers attended the national ALPFA convention in Washington, D.C. during the summer of 2013. These officers received encouragement and training on how to successfully organize and develop an ALPFA chapter on campus.

During the past academic year, Lehigh’s ALPFA chapter sponsored and co-sponsored many successful events. These events included an ice cream social with Lehigh’s chapter of NABA, attendance at the Hispanic Choice Awards in Philadelphia, and a career fair workshop provided by Lehigh’s Services and the Roger CPA Review. The chapter’s inaugural professional event, “Una Cena con ALPFA and KPMG”, was especially successful. The interactive dinner celebrating Hispanic/Latino Month, allowed the Lehigh community to connect with ALPFA and KPMG professionals. The keynote speaker, Patricia Boshuizen, shared her experiences and gave students advice on how to be successful in the professional workplace. She is a thriving Latina immigrant who is a leader in her profession and her community. Participating Lehigh students refined their professional and networking skills because of the event’s hands-on activities, networking opportunities, and Ms. Boshuizen’s keynote address. Most importantly, students were able to create connections and acquire advice from successful Latinos in business.

ALPFA events, such as “Una Cena con ALPFA and KPMG”, give the Lehigh community unique opportunities to connect with Latino professionals. Students have enjoyed increased networking opportunities and have learned from professionals what skills are necessary to be successful in their professional lives. As Lehigh’s ALPFA chapter continues expanding, we hope to continue to sponsor interactive events that help Lehigh’s inspired student body to further develop their professional skills.

Contributed by Mayra Juarez Gutierrez, Lehigh ALPFA Chapter President

Accounting Club Update

The Accounting Club had a very successful year and continues to hold excellent events and presentations for the CBE student body. During the 2013-2014 academic year, the club hosted numerous firms on campus. Six companies participated with the club during the Fall semester and another seven companies were able to visit campus in the Spring semester. The organization was also able to visit two major accounting firms in New York City. All the events focused on professionalism in the workplace and capitalizing on current market trends. For example, Ernst & Young discussed globalization during their on-campus visit and PwC provided helpful hints on how best to prepare a resume. The Accounting Club strives to help students develop “soft” business skills necessary to meet each student’s individual goals. These types of events tend to broaden students’ perspective of the accounting field and provide valuable networking opportunities.

Our annual trips to New York City offer a great opportunity to visit and see some of the largest international accounting firms firsthand. During this past year, the club visited KPMG, Grant Thornton, and gathered at PwC’s offices for an alumni reception. These visits focus on team building and allow students to observe a typical day at an accounting office. In previous years, the club has visited offices of Deloitte, Ernst & Young, and Rothstein Kass. These trips are excellent opportunities for students to witness the daily responsibilities of accounting professionals.

One of the greatest benefits to Accounting Club members is the various networking interactions with Lehigh alumni offered through club events. At least one or two alumni make the trek back to Lehigh during each of our hosted visits. The Accounting Club is incredibly grateful for their generosity and career advice. It is impressive meeting countless alumni at all different career stages that can directly relate to the Lehigh students. This commitment and passion for Lehigh speaks volumes about our school and the Accounting Department.

The outgoing leadership of the Accounting Club has enjoyed serving its membership during the 2013-2014 academic year. They feel privileged to have interacted with fellow accounting students and to have worked with outstanding Lehigh accounting faculty and dedicated Lehigh alumni. The club leadership also wants to thank the many firms and companies (PwC, EY, Deloitte, KPMG, Grant Thornton, Eisner Amper, Prudential, and Rothstein Kass to name a few) for their support, enthusiasm and ongoing contributions to the Lehigh Accounting Club. None of this would have been possible without their trust and continued investment in our future.

Contributed by Erika Schmidt, Outgoing President of the Accounting Club
LEHIGH ACCOUNTING CLUB OFFICERS

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<tr>
<th>OFFICE</th>
<th>ACADEMIC YEAR ’13 – ’14</th>
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<tr>
<td>President</td>
<td>Erika Schmidt</td>
<td>Elizabeth Pines</td>
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<tr>
<td>Vice President</td>
<td>Neha Rachumallu</td>
<td>Phuong Nguyen</td>
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<tr>
<td>Treasurer</td>
<td>Mitchell Biler</td>
<td>Wenbo Tang</td>
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<tr>
<td>Newsletter Editor-in-Chief</td>
<td>Emily Lan</td>
<td>Emma Hillman</td>
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<td>Newsletter Creative Editor</td>
<td>N/A</td>
<td>Alexandra Georgalas</td>
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<td>Newsletter Story Editor</td>
<td>Darby Wieagnd</td>
<td>Jessica Robinson</td>
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<tr>
<td>Communications Director</td>
<td>Rebecca Holko</td>
<td>Carly Lombardo</td>
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<td>Community Service Director</td>
<td>Jacob Mutchler</td>
<td>Melissa Botero</td>
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<td>Faculty Advisors</td>
<td>Joseph Manzo and</td>
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<td>Parveen Gupta</td>
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A communication exercise at PwC’s New York office for Accounting Club students.

Accounting Club students working on a team building exercise as KPMG during the annual NYC Sophomore Trip.

A visit to KPMG during the Accounting Club’s annual NYC Sophomore Trip.

Professor Gupta meets with recent alumni during the NYC Alumni Reception that concludes the Accounting Club’s annual NYC Sophomore Trip.
During the 2013-2014 academic year, the Lehigh University NABA Chapter took major strides in establishing itself on campus. Throughout the year, the Chapter’s president, Javon Tai, worked with his executive board to increase the organization’s membership and provide professional development opportunities to its members. Professor Manzo served as NABA’s faculty advisor, supporting its growth and aiding in developing a vision for NABA and its role on campus.

NABA kicked off the fall with an ice cream social to recruit new members. Co-hosted by the Association of Latino Professionals in Finance and Accounting (ALPFA), the event created an intimate environment conducive to relationship-building. The chapter capitalized upon the success of the first event throughout the year. During the spring semester, NABA co-sponsored an event organized and led by the Society of Queer and Undergraduate Allies in Business (SQUAB). Aptly named “Celebrating Diversity”, the event featured a panel with nine minority professionals from the Big Four who offered insight into overcoming issues of diversity in the workplace. NABA’s most notable event throughout the year was the “Dinner & Laser Tag” networking social hosted by Ernst and Young, which also served as a membership drive. The event resulted in 15 students completing membership forms, which will prove to be important for the chapter’s continued growth.

Perhaps NABA’s most important moment in the spring was its strategic planning meeting with PwC. Organized by the chapter’s founder and Lehigh alumnus, LeVaughn Nesbitt, the meeting was held to ensure the long-term success of NABA, ALPFA, SQUAB, and the Ascend chapter (the largest Pan-Asian business organization in the United States) that will be coming to campus in the Fall 2015. PwC professionals, key faculty and alumni had open discussions with the executive boards of each organization to create a plan for increasing membership and delivering value-added events to the campus. The strategic planning meeting will provide direction and focus for Javon and his executive board’s leadership of the chapter during the upcoming academic year. NABA is positioned for further growth and development and will strive to build stronger ties with its corporate sponsors and other student organizations throughout the upcoming academic year.

*Contributed by Javon Tai, Lehigh NABA Chapter President*

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<tr>
<th>LEHIGH NABA CHAPTER OFFICERS</th>
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<tr>
<td>President</td>
<td>Javon Tai</td>
<td>Javon Tai</td>
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<td>Vice President</td>
<td>Brittany Layton</td>
<td>Brittany Layton</td>
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<tr>
<td>Treasurer</td>
<td>Julian Copeland</td>
<td>Savannah Monser-Kernosh</td>
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<tr>
<td>Vice President of Marketing</td>
<td>Ansah Yasmine Kamara</td>
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<td>Secretary</td>
<td>Kaamilah Furqan</td>
<td>Kaamilah Furqan</td>
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<tr>
<td>Faculty Advisor</td>
<td>Joseph Manzo</td>
<td>Jay Brodish</td>
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Attracting Accounting Majors

New in this past academic year, the Accounting Department sponsored two new events to celebrate accounting majors. The first, “Careers in Accounting,” was targeted to undeclared underclassmen in the CBE to expose them to the varied opportunities an accounting degree offers. The second was a celebration of our graduating senior accounting majors. This wonderful dinner allowed faculty to honor the hard work and success of last year’s graduating class. Because of the success of these events, we anticipate making these events an annual tradition at Lehigh.

Careers in Accounting – Helping Students Understand the Accounting Major

More than 100 freshman and sophomore students attended a day-long event to learn about the numerous and varied career opportunities a degree in accounting offers. Numerous successful Lehigh accounting alumni returned to South Mountain to discuss the career paths they have chosen after graduation. Students attended panel discussions centered on careers in audit and assurance, tax accounting, consulting and advisor work, and financial services. These interactive sessions allowed students to better understand different options they have after graduating with a degree in accounting.

The event culminated with an address from Ray Cooper ’87, the Managing Director of Citigroup’s Global Healthcare Investment Banking division. Mr. Cooper spoke about how understanding and applying accounting principles is vital to any company’s success. Accounting serves as a starting position to understand basic business decisions as is the universal language of business. Mr. Cooper was grateful for his accounting background from Lehigh and said that the rigor of Lehigh’s accounting program prepared him for future studies and work. He emphasized to students that accounting skills are easily transferred to many different entry-level positions in various business areas, making accounting an ideal major for any CBE student.
Graduating accounting seniors were invited to a dinner celebrating their successes at the end of the last academic year. This dinner gave faculty the opportunity to recognize the achievements and hard work of the graduating class from the Accounting Department. In addition, numerous awards were given to outstanding accounting students. In what we hope to be a new annual event, students were able to visit with each other, faculty, and selected alumni to remember their years at Lehigh. A few even witnessed Professor Gupta on the dance floor!

As part of the evening, Cynthia Cooper spoke with students about her experiences at WorldCom and the importance of integrity in business. Ms. Cooper was formerly the Vice President of Internal Audit at WorldCom. While in this position, she investigated and unearthed a $3.8 billion fraud at the company (then the largest accounting fraud in U.S. history). She was named one of Time Magazine’s Persons of the Year for her role in unraveling this fraud. Besides telling her story, Ms. Cooper also encouraged students to be ethical in their professional and personal lives. She spoke of the importance of having integrity in all aspects of life.
Diversity Awareness from SQUAB and the Accounting Department

Many accounting students have taken leadership roles to increase awareness of diversity on Lehigh’s campus and in the College of Business and Economics. For example, two accounting students, Eryne Boyle and Elizabeth Pines, started a new student-led organization named the Society of Queer & Undergraduate Allies in Business (SQUAB) in the College of Business and Economics. Lehigh accounting majors Ly Nguyen, Erika Schmidt, Jess Robinson, Neha Rachumallu, and Rebecca Holko have leadership positions in Lehigh’s Women in Business student organization. These students receive support from accounting faculty and staff to increase awareness about diversity issues in the workplace.

SOCIETY OF QUEER & UNDERGRADUATE ALLIES IN BUSINESS (SQUAB)

The Society of Queer & Undergraduate Allies in Business (SQUAB) was founded in the Fall of 2013 in order to provide Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) students with the opportunity to network with inclusive employers and to provide an educational outlet to discuss how issues of sexual orientation and gender identity take form in the workplace. SQUAB exists as a platform to begin discussions surrounding prevalent issues in both the LGBTQ and business communities, such as a lack of representation of LGBTQ people in Fortune 500 companies and the extent to which inclusive policies translate to inclusive cultures. By the Spring of 2014, SQUAB’s mission had extended to create sustainable institutional change at Lehigh University. The organization has begun its journey through partnerships with NABA, ALPFA, and Women in Business, presentations at CBE faculty meetings to discuss what an inclusive classroom looks like, co-sponsorships of CBE Diversity Dinners, and the creation of programs surrounding gender identity. Through partnerships with Ernst and Young, KPMG, PwC, and Deloitte, as well as other companies, communities, and campus organizations, SQUAB strives to extend the conversation beyond inclusive policies and substantially contribute to inclusive businesses.

SQUAB sponsored many events during the past academic year. In October, the club held its first educational event where Professor Matthew Melone spoke about the implications of the Supreme Court’s decisions on the Defense of Marriage Act and Proposition 8. SQUAB also co-sponsored an LGBTQA Faculty/Student/Staff Mixer with LGBTQIA Services and Spectrum. This networking event invited LGBTQA students, faculty, staff, and alumni to connect otherwise separate parts of the Lehigh community. The club also co-presented a workshop with Chiquita Geldorp of Career Services at the third annual LGBTQIA Intercollegiate Conference hosted at Lehigh University.

The presentation gave participants tangible advice for how to present their involvements in diverse organizations on a resume and during an interview, as well as discussed the legal and societal challenges for LGBTQ people in the workplace. Perhaps the most impactful event SQUAB helped to organized was the “Celebrating Diversity Panel,” co-hosted with the Accounting Club, the Lehigh chapter of NABA, the Rauch Center for Business Communications, and with contributions from the Accounting Department. These groups invited minority professionals representing various races, ethnicities, cultures, genders, and sexual orientations from Deloitte, EY, KPMG, and PwC to discuss their experiences. Moderated by Professors Parveen Gupta and Jacqueline Krasas, panelists discussed their experiences as minority professionals, the resources provided by their firms, the value of diversity, and provided students with advice on navigating a diverse workforce.

Contributed by Eryne Boyle, President of SQUAB
WOMEN IN BUSINESS (WIB) AT LEHIGH UNIVERSITY

Women in Business at Lehigh University promotes our members’ personal and professional development by engaging them in activities and workshops that support business skills and etiquette. This university club organization strives to assist student-women develop skills that will assist them to have more successful careers upon graduation.

A key value of the organization is fostering a supportive environment to address significant issues that women may face in the workplace. Recently, the club invited a multinational company to speak to our members about these challenges and how they can better position themselves in their fields. We have also invited to campus notable alumnae including Beth Ann Eason ’89 and Regina Lewis ’91 to speak about professional development for women.

In the next academic year the club is planning a spring conference that will provide a distinguished opportunity for Lehigh students and alumni to engage in professional and personal development through a value-added speaker series. The series will inspire individuals and promote awareness of important issues facing women leaders. This unique networking event will give business students an opportunity to grow and to develop confidence to make an impactful difference in their professional fields.

Contributed by Ly Nguyen, President of Women in Business at Lehigh University

CELEBRATING DIVERSITY EVENT

With resumes in hand, more than 100 Lehigh students packed into Lamberton Hall recently to hear from the Big Four public accounting firms - Deloitte, EY, KPMG, and PwC - and perhaps make a connection that will lead to a job after graduation.

Recruiting and networking events take place frequently on campus, but this one was different. The event was co-sponsored by the Society of Queer and Undergraduate Allies in Business (SQUAB), the Accounting Club, Lehigh’s chapter of NABA, and the Rauch Center for Business Communications and focused on career development and growth in the business world for minorities and other underrepresented groups.

SQUAB is a new student-led organization on campus that promotes professional development and networking opportunities for LGBTQ students. Accounting majors Eryne Boyle ’15 and Liz Pines ’16 were inspired to start SQUAB in the Fall of 2013 when they learned about other student affinity groups that focus on diversity in the workplace.

“The idea came up organically when I was in my intermediate accounting class and professor Parveen Gupta asked members of different groups about any upcoming
events they might have,” Boyle said. “I thought we should have an organization like this for LGBT students and allies in the business school to discuss our issues specifically as they pertain to the workplace.”

Professor Gupta, chair of the Accounting Department, and associate professor Jackie Krasas, director of the women, gender and sexuality studies program, moderated the discussion. They asked the panelists to discuss their personal work experiences as members of underrepresented populations. Panelists also detailed their respective companies’ commitments to diversity and inclusion and offered advice for students entering today’s workplace.

Chris Macies of Deloitte shared how he handles situations where someone may not be accepting of his identity as a gay man. While he emphasized that he feels completely supported at his home office, he interacts with many different clients around the world.

“You have to balance what’s authentic and what’s appropriate in a situation,” he said. “So, for instance, in a place where people may be more conservative, I work to develop a strong relationship first and gauge how much of my authentic self I might share over time. I’ve found that when this happens, my working relationship grows and the outcome is an even stronger tie to the client.”

All of the panelists agreed that their companies believe diversity gives them a competitive advantage, both in terms of attracting quality employees and building their client lists.

“We want our people to be comfortable at work,” Vinnie Perito of PwC said. “We don’t make products. Our people are our products, so we need to make sure we can be who we are. It’s too exhausting to be somebody else for eight to fourteen hours a day.”

Darwin Jones, a tax manager and member of the African American Network at KPMG, encouraged students to see their identities as an asset. “Don’t worry,” he advised. “A lot of people worry ‘what are people going to think of me?’ It’s important that you arrive in the workplace unapologetically yourself. When you make it to the point where you stop apologizing for who you are, others are more comfortable with you as well.”

Freddy Coleman, president of Lehigh’s Class of 2017, was impressed by the commitment the Big Four have to diversity and inclusion. “I learned a lot about how they use diversity in their business and how central it is to them. I found out how it brings them together as individuals in a company and helps them collaborate and connect.”

Pines and Boyle were gratified with the response by the firms, as well as the excellent student turnout for the event.

“As we all know, the past couple of months, in terms of diversity issues at Lehigh, have been a little rocky, so to have employees from firms here representing different types of diversity and placing so much value on inclusion means a tremendous amount to the Lehigh community,” Pines said.

Panelists at the Celebrating Diversity Event (from left to right): Chris Macies, C.J. Gatto, Basil Chidi, Caitlin Davis ’15.

“For us, as business and accounting majors, it’s especially important because we want our students coming out of Lehigh with competency and literacy in issues of diversity in addition to their technical skills.”

Dr. Gupta was proud that two accounting majors are leading on diversity and inclusion on campus. “In my mind, this [event] was a huge success,” he said. “I interact with the senior leadership of the Big Four firms all the time and it is amazing the importance they put on this. The firms are pushing hard for it. They are leading the way in that direction.”

Jena Burgess of EY says attending the event benefitted her firm as much as the students. “We focus on Lehigh as a priority school for recruiting into all of our business lines,” she said, “so we want the students to understand what’s important to the firm, and diversity and inclusion are central to our business.”

Professor Gupta hoped the students came away understanding the connection between inclusion and the bottom line. “There is a business case for diversity, and we want the Lehigh student community to be sensitized to its importance in the global workplace.”

Adapted from a news article written by Hillary Kwiatek. Online access is available at: http://www4.lehigh.edu/news/newsarticle.aspx?Channel=%2fChannels%2fNews%2f2014&WorkflowItemID=39d3e0f6-e3cc-4cc7-af82-2b9d191516f4

Accounting students Ly Nguyen and Neha Rachumallu demonstrating networking skills at the Celebrating Diversity event.
PwC HOSTS DISCUSSION ABOUT WOMEN IN LEADERSHIP

Panelists Dean Georgette Phillips, Samantha Bellows '11, and Karen Stuckey '75 address students in a discussion about women in leadership.

Sixty-plus Lehigh students, faculty, and staff joined university students across the nation to watch a webcast about women’s leadership roles in business. PwC hosted the webcast featuring Sheryl Sandberg and Rachel Thomas, founders of Lean In, an organization inspired by Ms. Sandberg’s book that offers women ongoing support in reaching their goals. Besides founding Lean In, Ms. Sandberg is also the Chief Operating Officer of Facebook. During the webcast, students learned about the measurable gains in women’s leadership roles in business settings. Though U.S. companies still have more to do, students were encouraged to take advantage of every opportunity they have. They were further advised to have a general idea of the direction of their career, but not to map every step. Successful professionals are flexible to accepting new opportunities that may not be expected.

After the webcast, a panel consisting of new CBE Dean Georgette Phillips, retired PwC partner Karen Stuckey ('75), and current PwC manager Samantha Bellows ('11) discussed the webcast and answered questions from Lehigh students on campus. Dean Phillips spoke about how business professionals need to make opportunities to meet people outside of their own affinity groups to be exposed to a variety of different outlooks and ideas. She stressed that the current business environment will not change until businesses seek out and examine diverse opinions and thoughts. She stressed that Lehigh students must contribute to these discussions both while at Lehigh and after graduation.

All of the panelists expressed the importance of having confidence, particularly for women in business. Ms. Stuckey admonished students to contribute, to share their ideas in the workplace, and to not doubt oneself. Students were also advised to continually develop new skills and to seek for opportunities outside of their comfort zones. Full participation in coursework and the many extracurricular activities offered at Lehigh give students many opportunities to develop these skills and be competitive upon graduation.

A Global Focus in the Accounting Department

Lehigh accounting students and faculty have diverse international experiences. Faculty members are either from or have lived in various international locations including China, India, South Korea, Bulgaria, England, the Dominican Republic, and Iran. In addition, the department hosted two international scholars this past academic year. Dr. Monica Singhania, a visiting scholar from the University of Delhi, spent a semester at Lehigh teaching introductory accounting classes and offering her perspectives about international accounting issues. Dr. Luo Suqing was a visiting scholar from Zhejiang Normal University in China. She visited as a research scholar working with Professor Sami. She presented her research examining the development and internalization of Chinese accounting standards. We enjoyed learning from these visiting international scholars.

Beyond faculty efforts to explore global issues in accounting, many Lehigh accounting students participated in diverse international learning experiences.
LEHIGH IN PRAGUE

Professor Jim Hall organized another successful educational and internship experience for students in Prague, Czechoslovakia this past summer. Many students through the years have benefited from the annual Lehigh in Prague program. This past summer 25 students from across the university participated in the program. Students take two courses taught by Lehigh professors while in Prague and also participate in an international internship experience. Programs such as Lehigh in Prague not only expose students to new cultures, but also allow them to see how business operates in international settings.

The impact of programs like Lehigh in Prague reverberates for many years after the experience. Christine Lindholm was part of the first Lehigh in Prague internship program. She describes how her experiences in Prague have helped her throughout her career:

I felt I’d be remiss not to thank you for what I believe started my success. I had the opportunity to intern at EY Prague through the Lehigh in Prague program. To this day, that internship remains one of the best talking points on my resume (in addition to being one of the best life experiences). From that, I was given my full-time offer in the New York financial services office at Ernst & Young and 12 years later I’m now a partner in the audit practice. When I took on the BIS degree, I wasn’t sure where it would take me but I can definitely say that what I learned in those courses have been critical to my success.

We are excited to announce that during Lehigh in Prague in 2015, Intermediate Accounting I (ACCT 315) will be offered for accounting students. This course, taught by Professor Heibatollah Sami, will allow students to see how financial accounting concepts are applied in a real-world, international setting.
Accounting News

MARTINDALE STUDENT ASSOCIATES PROGRAM

Each year, the Martindale Student Associates Program takes a select class of students on a 10- to 12-day research trip for study and fact finding. These students explore global business, economic, and public policy issues outside of traditional classroom studies. After the trip, students complete their research and write a professional-quality journal articles that is published annually in the Martindale Center’s undergraduate research journal, Perspectives on Business and Economics.

During the 2012 summer, accounting major Madeline Weiss participated as a Martindale Student Associate. She visited Colombia and published her research in the 31st volume of Perspectives on Business and Economics. Her research centered on whether recent reforms in the Colombian healthcare system have been effective in improving healthcare outcomes. Colombia now has a universal health care system with nearly a 97 percent coverage rate as of 2012. The country, however, has a predetermined healthcare budget which limits spending. Madeline offers various solutions that may assist policymakers maximize the benefits given Columbia’s budget constraints.

This past summer, three accounting majors (Whitney Challenger, Shaan Gurnani, and Javon Tai) participated as Martindale Student Associates. These students are studying economic and business issues in Portugal. Their studies began last spring with weekly meetings where various presenters discussed different aspects of Portugal and its economy and business environment. Before travelling to Portugal, these students visited Washington D.C. to meet with Portuguese embassy officials and the U.S. State Department. Last May, the associates travelled to Lisbon and Porto, Portugal and met with many different groups including newspaper reporters, government officials (including the Portuguese Prime Minister’s office and the U.S. Embassy in Portugal), and industry experts such as the International Monetary Fund. The students also visited various companies to understand the Portuguese economy. The trip included visits to wine-making facilities, Amorim (the largest cork-producing company in the world), a Volkswagen auto factory, and a large pulp and paper company. These undergraduate scholars will complete their research for publication during this academic year.

Being able to study abroad at Lehigh was an invaluable experience. I saw principles I had studied in my coursework used in real-world situations. Many times it seems like we are learning things in class just to know them, but to see these concepts actually being used and applied in a problem solving situation was very motivating. It was also great to experience another culture and another part of the world first-hand. I now better see the differences and similarities between people across the world. I think it will certainly help in the future when working with people from many different backgrounds.

Whitney Challenger, 2014 Martindale Student Associate

Lehigh Martindale Associates (including accounting majors Whitney Challenger, Shaan Gurnani, and Javon Tai) while on research trip to Portugal.
TAUCK SCHOLARS

Each year, selected rising seniors from the College of Business and Economics (CBE) are given scholarships to gain international summer internships in cultural settings that are new and “foreign to them.” This program was started 20 years ago by CBE alumnus Arthur C. Tauck Jr. (1953). This past summer, accounting majors Brandon Mauss, Ly Nguyen, and Chris Parsons were selected to receive scholarships. Brandon completed an internship in Dusseldorf, Germany with Warth & Klein, Grant Thornton’s exclusive partner firm in Germany. Ly interned with Ernst & Young in Tokyo, Japan while Chris interned with PwC in Prague, Czechoslovakia.

Brandon, Ly, and Chris all saw how business works in international settings. They were exposed to different accounting systems than U.S. GAAP and learned about the importance of communication in global business. Beyond learning about global business, each also became immersed in a new culture. All had opportunities to travel and discover new aspects of the world.

There is a lot of value behind having an international experience while you are at Lehigh. In the classroom, students learn that having a diverse team will lead to a better end product. By having an international work experience, students will more easily understand what that exactly means. Working with people who have a different business etiquette and different ways of thinking and conveying information, was a challenging experience. However, it tested me to think differently about myself and to understand issues from different perspectives.

Ly Nguyen, 2014 Tauck Scholar
Master’s of Science in Accounting and Information Analysis (MSAIA) Program

Under the direction of new program director Professor David Hinrichs, the MSAIA program continues to help students successfully graduate with in-depth accounting skills. For most students, graduation from the MSAIA allows them to complete the 150-hour requirement now needed to become a CPA in most states. The courses required in the Master’s program allow students to more deeply understand accounting principles and how these principles are applied in business settings. These courses also help students develop better critical thinking skills that will be beneficial throughout their careers.

The 2013-2014 graduating class included 35 students. Nearly 100 students were enrolled in the program last year. Being a select program that is AACSB accredited, we are fortunate to attract high-quality students from Lehigh’s undergraduate business programs and graduate students from across the globe.

Also beginning the 2013-2014 academic year, Professor David Hinrichs is serving as the director of the MSAIA program. He replaces Professor Heibatollah Sami who has been diligently serving since 2010. We thank Professor Sami for his effective contribution in directing the program for the past three years.

During the past academic year, Lehigh faculty and students produced two information videos about the MSAIA program. If you wish to learn about our Master’s program (or if you know of someone who may benefit from our program), please view and share these videos at the following links:

MSAIA Student Panel: https://cloud.ensemblevideo.com/Watch/Go92Ekc3

Online Information Session: https://cloud.ensemblevideo.com/Watch/ZLp20q9c30iwLbo-LZymCA

The MSAIA program has allowed to not only increase my knowledge of the accounting field, but also to gain a greater understanding of global issues – past and present. I feel more confident entering the work force as a mature, educated contributor.

Samuel Dember, 2014 graduate from the MSAIA program

Professor Parveen Gupta and Cynthia Cooper with several graduating members of the MSAIA program.

Graduating MSAIA students Sam Dember, Tyler Lewis, Beichen (Sherry) Fan, Ruihan (Gracie) Xia, and Ben Softy.

Professor Heibatollah Sami with graduating MSAIA students Qing (Celeste) Li, Beichen (Sherry) Fan, and Ruihan (Gracie) Xia.
Tim Ryan, PwC Vice Chairman Speaks about Global Megatrends

Tim Ryan, Vice Chairman of PricewaterhouseCoopers (PwC) visited Lehigh in January 2014 as part of the Accounting Department’s Executive Leadership in Residence Program. Mr. Ryan is also currently PwC’s Markets, Strategy, and Stakeholders Leader. He has over 25 years of experience serving clients in the financial services industry. Previous to his current role, he led PwC’s assurance practice.

During his visit, Mr. Ryan gave an interactive presentation to students about global megatrends. A megatrend is a large societal change that can be quantified. Businesses that do not provide their customers value in response to a megatrend may not survive. These trends offer both risks and opportunities for future growth. Successful professionals will be flexible in their responses as various megatrends occur. Mr. Ryan identified five current megatrends PwC has identified that offer opportunities for business.

**Megatrend #1: Accelerating Urbanization** – Currently 50 percent of the world population lives in urban areas. However, this proportion is expected to increase to 75 percent in the next 25 years. Numerous “megacities” will emerge, with many located in emerging markets. This megatrend will change both how regulation and governance are enacted as cities increase in their influence in setting policies. In addition, these changes will require many changes in the current infrastructure throughout the world.

**Megatrend #2: Climate Change and Resource Scarcity** – Successful businesses will become more efficient in their resource use and will find ways to take advantage of governmental incentives to become greener. Regardless of a firm’s political views regarding climate change, companies will need to react to consumer perceptions of their actions and will strive to be viewed socially responsible.

**Megatrend #3: Changing Demographics** – For established economies, low birthrates make workforce replacement difficult. These economies also face increasing elderly and retiring populations and will have many opportunities to leverage technology to assist in this demographic change. In contrast, emerging economies are experiencing population growth and a increasingly diverse middle class that can be served by global businesses.

**Megatrend #4: Shifts in Global Economic Power** – Although the aggregate GDP of current G7 countries is much larger than the GDP of emerging economies, emerging economies are expected to overtake G7 economies in the next 20 years. This change will increase the value of collaboration across different cultures and settings.

**Megatrend #5: Technological Breakthroughs** – Technology will adapt to overcome challenges causes by megatrends. In particularly, data analytics will drive technological advancements.

Mr. Ryan encouraged students to be ready for and open to change in response to these megatrends. He also emphasized that successful professionals will be passionate, engaged, and courageous in this changing environment. Successful leaders will be able to make difficult decisions and will take risks, but will not sacrifice their integrity in making these decisions.
The Accounting Department was pleased to host a leadership visit from John Veihmeyer, the Chairman of KPMG International, and Chairman and CEO of KPMG in the United States. Mr. Veihmeyer is responsible for over 22,000 employees and leads over 1,800 partners in his current positions. He has more than 35 years of experience and has held numerous leadership roles at KPMG. Mr. Veihmeyer has also been recognized for his leadership, including being named as one of the “Top 100 Most Influential People in Accounting” by Accounting Today magazine, one of the Top 100 Most Influential People in Corporate Governance by Directorship Magazine, and was honored as the “Responsible CEO of the Year” by Corporate Responsibility Magazine in 2013.

While visiting with Lehigh students, Mr. Veihmeyer discussed the various challenges facing new accounting graduates as they begin their careers. He spoke how firms have higher expectations for new employees than ever before. Technological advances and outsourcing have eliminated much of the routine and tedious work previously assigned to new graduates as they acclimate to full-time careers. Instead, new graduates start with challenging work requiring personal interactions with clients and customers. Due to these changes, new graduates have less time to develop professional skills on the job. Further, new hires are asked to collaborate in international settings much earlier in their career. Students that begin developing professional skills that can be applied in international settings will have advantages in this new marketplace.

When asked about the future prospects in the business community in coming years, Mr. Veihmeyer expressed optimism. He told students they are joining the accounting and finance professions during an exciting and transformative period. Technology will continue to change business practices throughout the globe. The rise of “Big Data” and cloud computing will create a premium for employees who can analyze data effectively to improve
customer experiences. Analytical and modelling skills are important to develop and can help our profession answer difficult questions such as the appropriate use of fair value accounting. Mr. Veihmeyer also cautioned students to be open to new experiences. In an ever-changing business environment, long-horizon career paths are difficult to “map” because students cannot foresee future changes in business practices. He suggested a graduating student’s career path may change 10 to 15 times over the course of typical career. Being open to new possibilities and having flexibility will benefit students throughout their careers.

In the question and answer session, numerous students asked Mr. Veihmeyer about how to thrive in an increasingly international business environment. He spoke about the challenges facing the accounting profession as sovereign nations often impose different requirements and laws governing financial reporting and auditing. Partnerships with both regulatory officials and public accounting firms in various nations are needed to improve cooperation and provide resolutions for differences between various international systems. On a more personal level, Mr. Veihmeyer also suggested that accounting professionals show empathy when difficulties arise. By trying to understand another’s perspectives, one starts to truly understand problems. He also described the importance of diversity as being part of KPMG’s business strategy in working effectively in an international setting. A diverse workplace will help to promote the best ideas, regardless of the race, gender, sexual orientation, etc. of the individual with the idea.

Students also asked Mr. Veihmeyer about how he has developed balance between his work, personal interests, and considerable time spent in philanthropic pursuits. He answered by saying work and “life” are intertwined for everyone, but these can be balanced by having good people surrounding you both at work and in your personal life. He praised his spouse, Beth, for helping him maintain perspective. He also spoke about how making the community better is a foundational principle in both his life and in KPMG’s strategy. Mr. Veihmeyer said we all have a responsibility and obligation to be catalysts to improve the firms we work for and the communities we live in.
Sarat Sethi (B.S., Lehigh, ’92) is a Managing Director, Principal, and Portfolio Manager/Equity Analyst at Douglas C. Lane & Associates, Inc (DCLA®). Mr. Sethi graduated magna cum laude from Lehigh University in 1992 where he was a Martindale Scholar, earning a Bachelor of Science in Business and Economics.

After working at Coopers & Lybrand as a certified public accountant, Mr. Sethi attended Harvard Business School where he earned a Masters in Business Administration. Sethi worked for JP Morgan in the Mergers & Acquisition/Corporate Finance area focusing on domestic and cross-border transactions until joining DCLA® in 1999.

Mr. Sethi serves on Lehigh University’s Board of Trustees, is the President of the Martindale Society, is a member of the University’s Endowment Investment Committee, and is a member of the University’s Endowment Investment Committee. He was also President of the Lehigh University Alumni Association. Mr. Sethi serves on the Children’s Hope Advisory Board, a New York-based non-profit organization that provides assistance to numerous children’s programs in India and the United States.

Mr. Sethi holds the Chartered Financial Analyst® designation, is a Chartered Investment Counselor and a member of the New York Society of Security Analysts. He appears regularly on CNBC, Bloomberg TV and CNN as a market strategist and equity analyst. Mr. Sethi is also a member of the Young Presidents’ Organization (YPO). He became a principal of DCLA® in 2001, and in 2013 became a Managing Director and member of the firm’s Executive Committee.
The Opportunities of a Lehigh Accounting Degree

In an interview with accounting faculty, Mr. Sethi described how an accounting education provides students with the building blocks to understand the language of business. A strong accounting background offers a foundation for students to understand how business works. He spoke how his accounting education at Lehigh gave him confidence to perform both qualitative and quantitative analyses in real business settings. This confidence allowed Mr. Sethi to ask appropriate questions and to develop a deeper understanding of business transactions quickly. Of course, a new accounting graduate will not understand all aspects of business, but the Lehigh Accounting Degree gives students sufficient background to ask the right questions to learn about business on the job. An accounting degree will give students tools to continue their education after graduation in an ever changing world.

Mr. Sethi also noted that an accounting degree does not limit a graduate to only accounting jobs, but opens up many opportunities in all areas of business. He spoke about learning more about how business operates as a CPA at Coopers & Lybrand. However, he was able to use his accounting background to explore other areas of business such as strategy and finance. Mr. Sethi also spoke about how the rigor of Lehigh’s Accounting Program prepared him to succeed at Harvard in their Master’s of Business Administration Program and in taking the Chartered Financial Analyst® exam. Ultimately, an accounting degree will give graduates many opportunities in varied career paths.

Lehigh’s Advantages

One of the biggest strengths of Lehigh’s business programs is the many networking opportunities given to both students and alumni. Lehigh accounting alumni want to stay in contact with each other, meet new alumni, and help each other in their careers. For example, Mr. Sethi was first introduced to Doug Lane by Professor Rich Aronson. This meeting eventually led to Mr. Sethi’s opportunity to join DCLA® and later to become a principal at the firm.

When visiting Lehigh, Mr. Sethi often encourages students to take advantage of the many varied opportunities available at Lehigh. He suggests students take some academic classes outside of the College of Business and Economics. Taking non-CBE classes will give students a more well-rounded education and viewpoint about the world. Outside of academics, students should also participate in the many social activities offered at Lehigh. In addition, Mr. Sethi advises students to be involved in the Lehigh community through service opportunities, whether in extracurricular clubs or by serving in the Bethlehem community.

Mr. Sethi recognizes how his experiences at Lehigh have helped him grow both personally and professionally. He enjoys giving back and serving the Lehigh community to help current students and alumni experience similar growth. Recent (and not-so-recent) graduates can also give back and stay connected to Lehigh in many ways. Mr. Sethi noted that maintaining these connections requires effort, but the personal rewards from giving back to Lehigh are worth these efforts.
The Accounting Department was pleased to invite Greg Scates, Deputy Chief Auditor at the Public Company Accounting Oversight Board (PCAOB) as the 2013 Segal Speaker. His address, entitled “Auditors as Gatekeepers: Are Investors Projected?” focused on the role and mission of the PCAOB to ensure high quality audits that protect investors from misstatements or fraud. He spoke about how the PCAOB inspection process works. In particular, Mr. Scates discussed how PCAOB inspectors examine auditing firm’s risk areas. To assess this risk, inspectors assess what drives an audit firm’s business and what incentives audit partners face to increase their audit practices. In addition to assessing the audit procedures of public accounting firms, PCAOB inspectors also examine how firm partners are compensated, how firms decide on accepting new clients or retaining current clients, and what happens when clients are lost.

Mr. Scates also emphasized the importance that accounting professionals develop strong codes of ethics. He told the story of how golfer Bobby Jones unintentionally moved his ball while setting up for a shot in the 1925 U.S. Open. Although no one except Jones saw this violation of golf rules, he admitted the error and assessed himself a one-stroke penalty as required under the rules. Ultimately this admission cost him the U.S. Open title, as he later lost in playoff after tying for the lead.

Mr. Scates discussed how this type of integrity is needed by accounting and finance professionals. He spoke of integrity as doing the right thing even when no one is watching, much like Bobby Jones in the 1925 U.S. Open. Mr. Scates encouraged students to practice this type of integrity in their classwork.

Mr. Scates discussed several ideas currently being considered by the PCAOB to improve the protection offered to U.S. investors through audits. The PCAOB’s goal is to better communicate the reasons for audit deficiencies and to help firms remediate these deficiencies. To correct these deficiencies, audit firms need to find the root cause of the problem. The PCAOB is working with firms to better identify these root causes. Mr. Scates also identified a current difficulty facing the audit profession in identifying and measuring audit quality. In other words, how can professionals identify a quality audit? He believes finding appropriate measures of audit quality will help the PCAOB better serve the public’s interests. He also discussed potential expansions to the audit report, the benefits and costs of naming the lead engagement audit partner on the audit report, and the potential rotation of audit firms.

Mr. Scates also encouraged students to develop professional skepticism. He believes auditors should be more skeptical of client assertions and should ask clients to provide increased evidence to support their claims. He advised students to learn how to be skeptical while remaining respectful and professional with clients in their professional interactions.
2013–2014 Faculty Activities and Research

SANAZ AGHAZADEH, PH.D.
(University of Oklahoma), assistant professor; managerial accounting and auditing; sanaz@lehigh.edu. Sanaz’s research interests are in judgment and decision making, specifically as they relate to the audit profession. This past year, she presented her research at the Accounting, Behavior, and Organizations meeting in San Diego, CA and the International Symposium on Auditing Research in Maastricht, The Netherlands. Additionally, she attended the CAQ Symposium and the PCAOB Academic Conference.

JAY D. BRODISH, B.S.
(Lehigh University), CPA, professor of practice; financial accounting and financial statement analysis, forensics and fraud; jdb366@lehigh.edu. Jay served PwC for 14 years as a practice partner and later as national director of auditing. In 1998, Jay became the risk management leader for the Americas audit practice of PwC. In 2001, he was elected to the Board of U.S. Partners of PwC and to the PwC Global Board, and served as chief advisor to the China/Hong Kong firm of PwC.

ROBERT DUQUETTE, CPA, MBA
(University of Maine), tax and financial accounting; red209@lehigh.edu. Bob is a retired senior tax partner who served Ernst & Young for approximately 30 years, first as an auditor, then as a graduate of E&Y’s Accelerated Tax Training Program in their National Tax office, after which he was their director of Tax for Central Pennsylvania, and then as their Philadelphia office practice leader for Tax Transactions—Mergers and Acquisitions until his retirement in 2009. He serves in various leadership roles at the state level of the Pennsylvania Institute of CPAs (PICPA) including being chairman of the PICPA task force on Tax Reform and Federal Deficit. In addition, Bob has served as a National Board Member of the AICPA. This past year, he gave presentations at the 2013 Annual Tax Forum, sponsored by Lehigh and the PICPA, and the American Accounting Association Mid-Atlantic regional meeting.

DAVID M. FOLSOM, PH.D.
(University of Iowa), assistant professor; financial and managerial accounting; dmf209@lehigh.edu. Dave’s research examines how rules- or principles-based accounting standards influence financial reporting quality and how market-wide investor sentiment affects the interpretation of accounting information. This past year, Dave presented his research at the 2014 American Accounting Association Financial Accounting Reporting Section annual meeting, for which his paper was considered for best research paper at this conference. He also presented research at BYU’s Annual Accounting Research Symposium.

PARVEEN P. GUPTA, PH.D.
(Pennsylvania State University), Professor and Department Chair; Corporate Governance, Audit Quality, Sarbanes-Oxley, Internal Controls and Financial Reporting Reliability, Risk Management and Cost of Capital; ppg0@lehigh.edu. One co-authored conceptual research piece on Board Risk Oversight was published as Directors’ Notes by The Conference Board of the U.S. and one co-authored empirical research paper was accepted for publication in the Journal of Contemporary Accounting and Economics. Two co-authored research papers were presented respectively at the 2013 Annual Meeting of the American Accounting Association and at the 2014 Annual Symposium of the Journal of Contemporary accounting and Economics. Presented a Webcast hosted by The Conference Board on “Board Oversight of Risk.” Served as a member of (1) Scientific Review Committee of the European Accounting Association’s 2013 Annual Conference; (2) Financial Executives International’s Committee on Governance, Risk and Compliance, and as a member of the editorial review board of the Asian Review of Accounting. Parveen was also quoted in media publications such as the Agenda (a Financial Times Publication), Lehigh Valley Business, and The Morning Call on topics relating to Governance, Risk and Control. He also appeared on WFMZ TV Channel 69 to comment on CEO change at Air Products in light of investor activism.

JAMES HALL, PH.D.
(Oklahoma State University), associate professor and Bennett Chair; accounting information systems; jah0@lehigh.edu. Jim is the co-director of the Computer Science and Business Program. The 8th edition of Jim’s widely adopted text, Accounting Information Systems, was published by South-Western in January 2012. Jim is currently revising the 4th edition of Information Technology Auditing, also to be published by South-Western.

DAVID J. HINRICHS, MBA
(Lehigh University), CPA, lecturer; managerial and financial accounting; djh404@lehigh.edu. Beginning this academic year, Dave is coordinating Lehigh’s MSAIA program. He is a member of the MBA core team and co-teaches Managing Information and Managing Financial and Physical Resources in the MBA program. Dave also teaches Accounting Information Systems and Introduction to Managerial Accounting in the undergraduate program.
Yoon Ju Kang, Ph.D.
(University of Illinois at Urbana–Champaign), assistant professor; financial accounting and auditing; yok212@lehigh.edu. Yoon Ju recently left Lehigh for a position at University of Massachusetts at Amherst.

Tamara Lamber, Ph.D.
(Drexel University), assistant professor; financial accounting; tal413@lehigh.edu. Tamara’s research interests include judgment and decision making and the impact of audit- and regulatory-related variables on financial markets. In August of 2014, Tamara’s article, “Office-Level Characteristics of the Big 4 and Audit Report Timeliness” will be published in Auditing: A Journal of Practice and Theory. She serves on the editorial boards of Issues in Accounting Education and Behavioral Research in Accounting. She was appointed as the Charlotte and Robert Brown Research Fellow in July.

Hyeseung (Grace) Lee, Ph.D.
(University of Arizona), assistant professor; financial reporting/capital markets; hsl210@lehigh.edu. Grace’s research interests are primarily centered on the effects of financial and tax reporting on capital markets, and extend to the interaction between macroeconomic factors and accounting information as well as the relationship between CEO succession origin and corporate policies. She presented her research at the 2013 American Accounting Association Annual Meeting.

Yvonne Y. Lu, Ph.D.
(Stanford University), CPA, assistant professor; financial accounting; yyl209@lehigh.edu. Yvonne’s research focuses on understanding management discretion in financial reporting. Yvonne teaches intermediate accounting and financial accounting for MBAs.

Joseph M. Manzo, MBA
(Lehigh University), professor of practice; coordinator for Introduction to Managerial Accounting, introduction to financial accounting, business ethics; faculty advisor for Accounting Club and NABA; jmm6@lehigh.edu. Joseph has worked with companies such as Philips Van Heusen, Ann Taylor, Toys R Us, Accenture, McKinsey & Co., and Brinton Eaton. He has held positions in Merchandise Planning, Information Systems, and Strategic Planning. He authored seven textbooks addressing financial and management accounting applications for Microsoft Excel and Access. His most recent textbook is How to Use Microsoft Excel 2010: The Careers in Practice Series, published by Flatworld Knowledge in 2012.

Marietta Peytcheva, Ph.D.
(Rutgers University), assistant professor; financial accounting; map608@lehigh.edu. Marietta’s research focuses on audit judgment and decision making, and business ethics applied to accounting issues. In 2011, Marietta published her article “How Partner Views Influence Auditor Judgment” in Auditing: A Journal of Practice and Theory. She also presented her research at the Annual Meeting of the AAA in Washington, DC. During 2013-2014, she held the Thomas J. Campbell ’80 Professorship.

Hebatollah Sami, Ph.D.
(Louisiana State University), Mercy Professor; financial and international accounting; hes205@lehigh.edu. Hebatollah had four papers published and two conditionally accepted for publication in Contemporary Accounting Research, Accounting Horizons, Journal of Contemporary Accounting and Economic, and Asia Pacific Journal of Financial Studies. He presented papers at the 2013 AAA Annual Meeting, 2014 Annual Congress of the European Accounting Association, and 2014 Symposium of the Journal of Contemporary Accounting and Economics. Hebatollah served as a discussant of a paper during the 2014 Symposium of the Journal of Contemporary Accounting and Economics, and chaired a session during the 2014 Annual Congress of the European Accounting Association. He is currently serving as the co-editor of The International Journal of Accounting and the associate editor of the Journal of Contemporary Accounting and Economics.

Kenneth P. Sinclair, Ph.D.
(University of Massachusetts), professor; cost and managerial accounting; kps1@lehigh.edu. Ken coordinates several department and college activities, including the College AASCB accreditation (with successful reaccreditation in 2007 and 2012). The recipient of many teaching and service awards, Ken recently received Peer Mentors Program Recognition in 2012, was spotlighted by the Office of Fraternity and Sorority Affairs in 2011, and was honored with the Lehigh University Hillman Award for Excellence in Undergraduate Student Advising in 2008. He served from 2005 to 2014 as Audit Committee Chair of the Board of Directors of Lannett Corporation, a manufacturer of generic pharmaceuticals.

Theresa Muniz, academic coordinator; tmm512@lehigh.edu. Terry has previous work experience with Bell Atlantic Mobile, Lucent Technologies, Avaya Telecommunications, and Automatic Data Processing, Inc. (ADP) and has held a variety of positions in sales, client services, and administration. While at Lucent/Avaya, Terry designed and implemented telecommunication applications for over 400 businesses.
The Accounting Department is pleased to announce the promotion of Professor James A. Hall to full professor. Professor Hall currently also holds the Peter E. Bennett Chair in Business and Economics. He joined Lehigh in 1979 after graduating from Oklahoma State University with his doctorate. He has provided countless hours of service to the university both in and outside of the classroom.

Professor Hall is an expert in internal control, computer fraud, and information technology outsourcing. He has published numerous academic articles in both academic and professional journals. He has published articles in *The Journal of Accounting, Auditing & Finance*, *Journal of MIS*, *Communications of the ACM*, *Management Accounting*, *Journal of Computer Information Systems*, *The Journal of Accounting Education*, *The Review of Accounting Information Systems*, and other professional journals.

Professor Hall is also an outstanding educator, particularly in the field of information systems and auditing. He is the author of *Accounting Information Systems* (now in its 8th edition) and *Information Technology Auditing and Assurance* (now in its 3rd edition). These textbooks are used by universities across the nation and world. Professor Hall is also the co-director of the Computer Science and Business (CSB) program at Lehigh. This joint program between the College of Business and Economics (CBE) and department of Computer Science and Engineering (CS&E) integrates computing technologies and business topics at an unprecedented level.

Besides co-directing the Computer Science and Business program, Professor Hall has also served on numerous college and university committees while at Lehigh. He has been instrumental in directing curriculum and policy in the College of Business and Economics. Professor Hall has also been the co-director of the Lehigh in Prague program since its inception. This program allows students to have an educational learning experience abroad.

Please join with the Accounting Department in congratulating Professor Hall on this promotion!

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**Faculty Awards and Accolades**

**SANAZ AGHAZADEH** and **MARIETTA PEYTECHEVA** received a $5,000 Martindale Research Center Grant to pursue their research in auditing behaviors.

**DAVID FOLSOM**’s manuscript “Principles-Based Standards and Earnings Attributes” (coauthored with Paul Hribar, Richard Mergenthaler, and Kyle Peterson) was selected as a finalist for the inaugural Financial Accounting and Reporting Section’s Midyear Meeting Best Paper Award.

**PARVEEN GUPTA** was appointed to the William L. Clayton Distinguished Professorship in Accounting by Lehigh University Provost and Vice President for Academic Affairs, Dr. Patrick V. Farrell.

**PARVEEN GUPTA** received the 2014 Donald B. and Dorothy L. Stabler Award for Excellence in Teaching at Lehigh University. Awarded to one faculty member annually based on nominations by the undergraduate students.

**TAMARA LAMBERT** received the Charlotte & Robert L. Brown III ’78 Research Fellowship.

**JOSEPH MANZO** was recognized as an Honored Lehigh University Faculty Author. He also received the Commitment to Universal Design for Learning (UDL) award. This award is given to faculty who engage students using multiple approaches to meet the needs of diverse learners.
Accounting Department Chair and Professor Parveen Gupta of Lehigh University knows the importance of regulating public companies. In light of the financial crises of the past several years, the landscape of conducting business has changed, as companies are being held to a higher standard of responsibility in their accounting and financial disclosures.

Some of the intricacies of those issues were explored during this fall’s Deloitte Fireside Chat, a panel discussion Dr. Gupta moderated between authorities in the financial world. In recognition of the 40-year anniversary of the Financial Accounting Standards Board (FASB), Russell Golden, the board’s new Chairman, and Joseph Ucuzoglu, National Managing Partner of Regulatory and Public Policy at Deloitte, LLP, talked about what the board has achieved and what its role going forward might involve. Just a few of the topics they covered included the mission of the Board, investor protection, post implementation review of accounting standards, politics and lobbying influences in setting accounting standards, and international accounting standards.

Because Professor Gupta enjoys bridging the gap between the professional world and his classroom whenever possible, he encouraged students from his undergraduate intermediate accounting class to submit questions directly to the host, the SEC Historical Society. He also got his departmental colleagues and accounting advisory board members involved in submitting questions to him.

“Chapter one of this course talks about the institutional environment surrounding the accounting standards setting. And each year, I teach this class, students ask me how important it is for them to know about the FASB and its standard setting activities. This year, I finally got an opportunity, through this broadcast, to demonstrate to them in real time why they need to pay attention to such issues.” Dr. Gupta said.

Professor Gupta started the conversation with Mr. Golden and Mr. Ucuzoglu by asking their views on whether, during the last 40 years, the FASB has delivered on its mission of providing investors with information that would be useful...
for decision-making. They answered by citing accounting standards such as share-based payments, pensions, business combinations, and derivatives.

Professor Gupta pushed the two guests on the current Lease Accounting Standard which has been a sore spot for the FASB for years now. Currently, the Board is reviewing the draft standard on Lease Accounting, and it has received more than 600 comment letters from its constituents, who differ significantly in their opinions. Mr. Golden acknowledged that the lease transactions are the “largest off-balance sheet transactions in our economy,” so the Board needs to get the accounting right. Mr. Ucuzoglu concurred by noting that real-life lease contracts “literally run in the thousands of pages with a series of highly complex rights in risks and rewards that don’t always lend themselves to simply debiting a number and crediting an equal number on the right-hand side of the balance sheet.”

“Cost/benefit considerations are always important and need to be balanced whether you are setting accounting standards or writing financial or other regulation,” Dr. Gupta noted.

Mr. Golden acknowledged that no matter what, “the investor is ultimately bearing the cost.” Mr. Ucuzoglu added by saying that complexity in the accounting standards also drives the cost, but accounting is complex because it is attempting to account for complex business transactions. However, under Mr. Golden’s leadership, the Board is acutely aware of the need to balance the cost-complexity trade-offs with attendant benefits to investors.

On behalf of his students, Professor Gupta asked “why our elected officials in Congress, or for that matter, why the preparers, investors, auditors and other stakeholders are allowed to lobby the FASB? What are these groups trying to gain by meddling into the FASB standards-setting?” The stock-option accounting saga of a few decades ago and the more recent fair-value accounting controversy are prime examples that the Board is not “left alone” to do its job on behalf of the investors.

Acknowledging the lobbying activity that occurs due to the economic consequences of the accounting standard setting, Mr. Golden emphasized that the board is always “trying to develop standards that neutrally reflect the economics of the transaction.”

Created with the mission to establish an improved financial accounting and reporting standards to provide useful information to investors and other users of financial reports, the FASB has to hear from its stakeholders. “At the end of the day,” said Mr. Ucuzoglu, “it’s left to their professional judgment, those we’ve entrusted on the FASB to sort through conflicting perspectives, but it’s absolutely critical that voices are heard from a broad cross-section.”

“The FASB is the entity in the USA with the power to set accounting standards and rules for all public companies. All companies listed on the U.S. exchange have to follow these standards,” Dr. Gupta said.

“The economic environment in which the FASB will find itself during the next 40 years is going to be a much different environment than the past 40 years,” Professor Gupta said. Irrespective of what FASB’s role would be in the world where pressure for international convergence is rising, Professor Gupta noted that the U.S. accounting is the “gold standard” around the world, and FASB deserves a lot of credit for that.

Since the inaugural Deloitte Fireside Chat broadcast in 2009 by the SEC Historical Society, the series has examined such issues as exploring principles versus rules-based accounting and auditing standards, responsibility for preventing and detecting financial reporting fraud, and the Securities and Exchange Commission’s role in setting accounting standards.

“It was a tremendous experience for me, personally, to moderate this broadcast. I very much enjoyed it. I hope that my students found listening to it worthwhile,” Professor Gupta said, who traveled to Washington, D.C. to moderate this broadcast.

Adapted from a news article written by Manasee Wagh. Online access is available at: http://www4.lehigh.edu/news/newsarticle.aspx?Channel=%2FChannels%2FNews+2013&WorkflowItemID=5d1f5cf4-74dc-4c6f-81ae-c0414acfcf6c
DAVID FOLSOM and HEIBATOLLAH SAMI published “Accounting Conservatism, Earnings Persistence, and Pricing Multiples on Earnings” in Accounting Horizons (coauthored with Lucy Huajing Chen and Wonsun Pack). Accounting conservatism (i.e., managers’ choice to report bad news in a timelier manner than good news in earnings) has been shown to affect earnings persistence asymmetrically in past research. This paper examines how accounting conservatism affects earnings persistence (i.e., the recurring portion of earnings year after year) generally. The authors find that accounting conservatism is associated with lower earnings persistence on average. Decreased earnings persistence generally result in lower price/earnings ratios (or pricing multiples on earnings). However, managerial choices to implement conservative reporting may allow investors to predict the effect of conservatism on earnings persistence and adjust their trading behaviors to avoid decreases in price/earnings ratios. Prior research has also documented various positive benefits of accounting conservatism, including reductions in information asymmetry between managers and investors, reduced company litigation risk, and improved firm contracting. Thus, it is unclear if the reduced earnings persistence stemming from conservative reporting will translate into lower price/earnings ratios. Empirically, the authors find that the reduction in earnings persistence due to accounting conservatism translates into lower price-earnings ratios. Thus conservative accounting treatments appear to reduce both the persistence of earnings and the pricing ratios on conservative earnings.

PARVEEN GUPTA and his co-author Tim J. Leech had their article entitled “Risk Oversight: Evolving Expectations for Boards” appear in print in Director Notes from The Conference Board Governance Center in January 2014. This thought leadership piece reviews the findings and conclusions of many Blue Ribbon Commissions and Regulatory Committees and Investigation Reports on failures of firm risk management in the aftermath of the financial crisis. It discusses the implications of the findings for board oversight of management’s risk appetite and tolerance. The article also discusses the challenges that corporate directors face today in meeting evolving and ever-changing expectations. It concludes by recommending specific steps an organization can take to implement a board-driven, objective-centric approach to risk governance. This article is available online at: http://www.wlrk.com/docs/RiskOversight.EvolvingExpectationsforboards.pdf.

HEIBATOLLAH SAMI and his co-author, Lucy Huajing Chen, recently published an article entitled “The Impact of Firm Characteristics on Trading Volume Reaction to the Earnings Reconciliation from IFRS to U.S. GAAP” in Contemporary Accounting Research. In the article, they examine how various firm characteristics, such as institutional ownership and past occurrences of IFRS/U.S. GAAP reconciliations, affect abnormal trading volume subsequent to the release of reconciliations of IFRS earnings to U.S. GAAP. As expected, they find that trading volume reaction to earnings reconciliations is smaller for firms with larger fractions of institutional owners. This finding is consistent with institutional owners being able to better interpret IFRS accounting reports and relying less on IFRS-to-U.S. GAAP reconciliations. The authors also document increased trading volume reaction to the first-time filing firms that provide an earnings reconciliation. Finally, they document decreased trading volume reaction for firms that implement IFRS as issued by the IASB. This decreased reaction to earnings reconciliation likely reflects better understanding of IFRS rules as issued by the IASB rather than jurisdictional versions of IFRS as investors appear to be less reliant on earnings reconciliations for these firms.
SANAZ AGHAZADEH AND MARIETTA PEYTCHEVA were invited to present their research at the International Symposium on Auditing Research in Maastricht in the Netherlands June 20-21 2014. Professor Aghazadeh presented the paper, “Do Investors Find Audits of Material Weakness Remediation Disclosures to be Valuable?” (coauthored with Professor Peytcheva). The paper’s main findings indicate that audits increase the credibility of both entity-level control material weakness remediation disclosures and account-specific material weakness remediation disclosures. Professor Peytcheva presented the paper, “How do Behavioral Indicators of Audit Committee Effectiveness Influence Audit Effort?” (coauthored with Professor Aghazadeh and Professor Kang). The paper’s main findings indicate that auditors view audit committees that schedule unexpected meetings and ask probing questions as having a strong “tone at the top.” This leads the audit committee to decrease audit effort which is consistent with the audit risk model, but inconsistent with regulators’ expectations.

MARIETTA PEYTCHEVA published “How Does the Strength of the Financial Regulatory Regime Influence Auditors’ Judgments to Constrain Aggressive Reporting in a Principles-Based Versus Rules-Based Accounting Environment?” in Accounting Horizons (coauthored with J. R. Cohen, G. Krishnamoorthy, and A. M. Wright). With the movement towards adoption of International Financial Reporting Standards (IFRS) worldwide, a question arises as to whether the adoption of a principles-based approach such as IFRS will ultimately result in higher quality financial reporting. This issue is particularly relevant as the SEC and FASB consider convergence with IFRS for U.S. financial reporting requirements. To examine this issue, the authors employ an experiment with 97 experienced auditors as participants. Using a case setting involving the classification of a lease (operating versus capital), they manipulate the accounting standard type as rules-based or principles-based, and the regulatory regime as stronger or weaker. The lease setting is one where managers often have incentives to leave the debt off of the balance sheet and hence engage in aggressive reporting. The study finds, as expected, that auditors are more likely to constrain aggressive reporting under principles-based accounting standards than under rules-based standards, under both stronger and weaker regulatory regimes. Importantly, from a public policy perspective, the results indicate that auditors’ judgments under principles-based standards, regardless of the strength of the financial regulatory regime, lead to more conservative reporting when compared to rules-based standards coupled with a stronger financial regulatory regime (as the U.S. financial reporting regime is often characterized). The results may also provide insights to regulators who are concerned about the implementation of IFRS across different countries with varying regulatory standards.
In a plenary session at the AAA Auditing Section Midyear Conference, James Doty mentioned how recent research by Lehigh Professor Sanaz Aghazadeh and her coauthor Kris Hoang are influencing policy decisions at the Public Company Accounting Oversight Board (PCAOB). Mr. Doty was appointed as the Chairman of the PCAOB in 2011. As part of his address, he mentioned how Professor Aghazadeh’s research affects current audit practices.

Professor Aghazadeh’s research article, entitled “Does Pressure to Satisfy Clients Influence How Auditors Perceive and Respond to Client Persuasion?” investigates if persuasive language from clients affects if and how auditors seek audit evidence. Funded by the Center for Audit Quality (CAQ), Professor Aghazadeh and her coauthor design an experiment where experienced auditors face persuasive language in client explanations about revenues. They find that auditors perceive such language as persuasion attempts by clients. Despite recognizing their clients’ intentions, auditors only search for the appropriate additional audit evidence when under weak client service pressure. In stronger situations of client service pressure, auditors do not seek the additional evidence warranted in the presence of client’s persuasion attempts.

The Accounting Department is pleased that Professor Aghazadeh’s work is having an impact on current audit policies. She is currently preparing the article for submission to a top-tier accounting research journal for future publication.

The Impact of Professor Aghazadeh’s Research on Auditing Policy

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Accounting Research Seminar Series

Several accounting scholars have presented their work at Lehigh as part of the Research Seminar Series. Presentations during the last three years are as follows:

Academic Year 2011/2012

- Dan Collins, University of Iowa, “The Effects of Firm Growth and Model Specification Choices on Tests of Earnings Management”
- Eric Yeung, University of Georgia, “The Economic Consequences of Accounting Comparability in Security Pricing and Compensation Contracting”

Academic Year 2012/2013

- Dan Dhaliwal, University of Arizona, “Taxes and the Market Value of Foreign Cash Holdings”
- Tony Meder, Binghamton University–SUNY, “Bond Yield Spreads and Board of Director Characteristics: The Role of Cross-Acceleration”
- Suresh Radhakrishnan, University of Texas at Dallas, “Management Forecasts Around the World”

Academic Year 2013/2014

- Jennifer Joe, University of Delaware, “Use of Third Party Specialists’ Reports When Auditing Fair Value Measurements: Do Auditors Stay in their Comfort Zone?”
- Dan Simunic, University of British Columbia, “Transaction Costs and Competition among Auditors in Local Markets”
- Wayne Thomas, University of Oklahoma, “Tax Havens and Disclosure Aggregation”
Advisory Board News

TRACY BENARD (’93) was recently named by KPMG as the leader of the firm’s Accounting Advisory Services network. She previously served as KPMG’s Accounting Advisory Services industry leader. Ms. Benard is also a New York-based partner in the Transactions and Restructurings Advisory service group.

SEAN DENHAM (’94) was recently named to be the managing partner of Grant Thornton’s Philadelphia office. Previous to this new appointment, Mr. Denham was the leader of the Northeast region audit practice and as the assistant office managing partner of operations in Grant Thornton’s New York practice. He also is a Northeast professional practice partner in Grant Thornton’s National Professional Standards Group.

CATHY ENGELBERT (’86) is the CEO-elect of Deloitte LLP (to begin on March 11, 2015). She previously oversaw Deloitte’s U.S. audit practice as the Chairman and Chief Executive Officer of Deloitte LLP’s audit subsidiary. She is also a member of Deloitte’s U.S. Board of Directors. Ms. Englebert was also recently named a member of the Financial Accounting Standards Advisory Council.

ROBERT LEVINE (’97) was recently promoted to be Chief Operating Office of EisnerAmper LLP. Mr. Levine has 27 years of experience in public accounting. Prior to his appointment as COO, he was EisnerAmper’s Partner-in-Charge of Professional Development, leading the firm’s learning and development activities through EisnerAmper University. He was in the audit practice for 20 years with a focus on public and private technology companies. In his new position, Mr. Levine manages overall firm operations (including human resources, information technology, and finance teams) to ensure the firm reaches its strategic goals.

JOIN US IN CONGRATULATING SEAN, CATHY, AND ROB ON THEIR NEW POSITIONS!

Accounting Program Advisory Board Members (2013-2014)

TRACY S. BENARD (B.S., Lehigh, ’93), CPA, leads the Accounting Advisory Services (AAS) Practice within Transaction and Restructurings for KPMG LLP. She has over twenty years of experience in providing assurance and consulting services to a global client base with an emphasis on financial service providers. Tracy currently works out of KPMG’s New York office.

TODD BIALICK (B.S., Lehigh, ’95; MBA, Wharton), CPA, is a Risk Assurance partner for PwC. He currently works in the Florham Park, NJ, office. He has nineteen years of experience working with multinational clients in the technology, finance, and communications industries. Todd is currently PwC’s Third-Party Assurance Leader for Products and Services.

JOSEPH P. CHARLES (B.S., Lehigh, ’96), CPA, is a partner based in KPMG’s Philadelphia office, where he delivers audit and advisory services to companies in the retail energy, regulated utility, retail, and manufacturing industries. Joe has previous experience in KPMG’s National Technical Accounting office and is an IFRS expert. He is currently the lead Audit Methodology and Tools Specialist for KPMG’s Pennsylvania Business Unit.

LEONARD COMBS (B.S., Lehigh, ’92; MBA, NYU), CPA, is a partner in PwC’s Florham Park, NJ office currently a leader in the firm’s national quality organization. Len has over twenty years of experience providing accounting, auditing, and advisory services to multi-national clients. He has also served on the boards of the Historical Society of Pennsylvania and Junior Achievement of Southeastern PA.
SEAN DENHAM (B.S., Lehigh, ’94), CPA, is the managing partner of Grant Thornton’s Philadelphia office. Previously, he was a Northeast professional practice partner in Grant Thornton’s National Professional Standards Group. With over seventeen years of experience in public accounting, Sean has specialized in Securities and Exchange (SEC) regulatory matters and interfaces for Grant Thornton with the Public Company Accounting Oversight Board (PCAOB).

CATHY ENGELBERT (B.S., Lehigh,’86), CPA, is currently a member of Deloitte’s U.S. Board of Directors and was recently named the Chairman and Chief Executive Officer of Deloitte & Touche LLP, overseeing Deloitte’s U.S. audit practice. With over twenty-seven years of experience at Deloitte, Cathy is one of the top technical partners in Deloitte’s Northeast Region and an expert in financial instruments, credit, and fair value issues. She also serves as the lead partner on large multinational life sciences companies, and has served on pharmaceutical industry working groups for the FASB’s Emerging Issues Task Force. She has received the YWCA’s Tribute to Women in Industry Award and was nominated to The Woman’s Fund of New Jersey 25 Most Influential Women in Finance. Cathy has two children, ages 16 (potential Lehigh student) and 13.

RICHARD KOENIGSBERG (B.S., Lehigh,’76), CPA, is the Managing Partner at Spielman Koenigsberg & Parker. He is a noted expert in individual and corporate taxation for both domestic and international tax laws. He has served on various industry committees including those involved with entertainment, financial media and taxation. While Richard’s clientele cover a broad spectrum, he concentrates his practice in the areas of financial management & taxation in the fields of entertainment, media, new media and technology. He is best known for his ability to simplify and provide reasonable solutions to complex issues, whether they are budgets, taxes or financial & estate plans. He currently sits on the Board of Directors of a major motion picture studio.

ROBERT LEVINE (B.S., Lehigh, ’87), CPA, is EisnerAmper’s LLP Partner-in-Charge of Professional Development, overseeing the firm’s learning and development activities through EisnerAmper University. Rob oversees the firm’s learning and development activities through EisnerAmper University’s five colleges and the Executive College. The Audit College, Private Business Services College, Special Services College and Tax College focus on developing the technical knowledge of firm personnel and the Leadership College builds vital leadership skills. EisnerAmper’s Executive College offers complimentary continuing professional education programs for clients, firm alumni and other friends of the firm. Rob also has an active role in recruiting undergraduate students and leads the firm’s recruitment efforts at Lehigh University. Prior to his role in learning and development Rob was an audit partner with a focus on public and private software, Internet, biotechnology, and other technology-related businesses.

TAYLOR LIMBERT (B.S., Lehigh, ’93), CPA, is a partner in the New York office of Deloitte. He is a partner with more than 20 years of experience in serving clients in New York, Tokyo and Washington D.C. focusing primarily on retail brokerage, investment management, and sales and trading clients. Taylor has extensive experience with auditing and consulting financial institutions in the areas of accounting, internal control readiness assessment and effectiveness testing, operational improvement, and regulatory compliance.

LINDA MURAD (B.S., Lehigh, ’02; M.S. in Accounting, Lehigh, ’03), CPA, is the director of financial planning and analysis for Corporate iHeartMedia. Before joining iHeart Media, she was a vice president of Finance for JCDecaux North America and she spent three years in public accounting at Ernst & Young. While at Lehigh, Linda received Tauck, Martindale, and Presidential scholarships.
Michele Scaringella (B.S., Lehigh, ’90), is the Executive Vice President and Chief Financial Officer of CBS Television Stations, based in New York City. As CFO, Michele has financial oversight for the twenty-nine local television stations owned and operated by CBS Corporation. Prior to this position, she was Senior Vice President Internal Audit, for CBS Corporation, since CBS separated from Viacom in 2006. Prior to joining CBS Corporation, she worked for Viacom as the vice president in charge of Financial Reporting and Analysis.

Stephen Smith (B.S., Lehigh, ’81), CPA, recently accepted a position as executive vice president and chief financial officer with The Hain Celestial Group, Inc., a leading natural and organic food and personal care products company in North America and Europe. Prior to this new position, he was the executive vice president and chief financial officer for Elizabeth Arden, Inc., and a partner with PwC in the New York metro region. He is also Finance Secretary and on the Board of Trustees of Montebello Jewish Center.

Bob Watters (B.S., Lehigh, ’85), CPA, is an audit partner Ernst & Young’s Northeast assurance practice. He has nearly thirty years of experience providing audit services to many large global clients. For three years, Bob was the Global Strategy and Planning Partner based in London and led engagement teams around the world. He often serves as the independent review partner for many of Ernst & Young’s largest and most complex arrangements.

New Accounting Program Advisory Board Members
(Starting June 30, 2014)

Ray Cooper (B.S., Lehigh, ’87; MBA University of Chicago) a Managing Director for Citi Global Healthcare Investment Banking focusing on health care services including Managed Care and Pharmacy Benefit Management, Health Care Information Technology and Pharmaceutical Outsourcing. He joined Citi in September of 2008. Before joining Citi, Ray was a Managing Director in healthcare Investment Banking at Lehman Brothers.

D. Scott Showalter (B.S., University of Richmond, ’75), CPA and CGFM, is a professor of practice in the Poole College of Management at North Carolina State University. Scott joined Poole College of Management in 2008 after an over 33 year career with KPMG LLP. He teaches auditing at the undergraduate and graduate levels as well as graduate-level research and sustainability courses. In addition to his teaching responsibilities, Scott is currently a member of the PCOAB Standing Advisory Group, Federal Accounting Standards Advisory Board and the Pathways Commission.

Ralph Albert Thomas (B.S. Lehigh ’76, MBA Lehigh ’77G), CGMA, has served for the past fourteen years as the CEO and Executive Director of the New Jersey Society of Certified Public Accountants (NJSCPA), a nonprofit, professional business organization comprised of more than 15,500 CPAs and prospective CPAs. At the NJSCPA, Ralph has responsibility for four entities, including one of the largest Scholarship Funds in the country supporting students pursuing degrees in accounting. Prior to joining the NJSCPA, Ralph spent almost thirteen years at Citibank as Vice President and Region Audit Head in the M&A and Structured Finance Group. He serves on business school and/or accounting advisory boards for four New Jersey colleges and universities and on the AICPA’s inaugural National Commission for Diversity and Inclusion. Ralph is a lifetime member and former national president of the National Association of Black Accountants (NABA) and serves on NABA’s President’s Advisory Council, Finance Committee and Corporate Advisory Board. He was selected in 2010, 2011, 2012 and 2013 by Accounting Today as one of the “Top 100 Most Influential People in Accounting.”
Lehigh University’s Department of Accounting ranked #4 nationwide in USA Today* for “Highest Paid Accounting Graduates”

LinkedIn ranked Lehigh University’s Department of Accounting #4 nationwide “Best Universities for Accounting Professionals”

“My Lehigh education helped to position and prepare me to take on unlimited opportunities afforded by pursuing a career in accounting.”

“My accounting degree wasn’t just about bookkeeping and debits and credits, but it was about logic, protecting the capital markets and working with top finance professionals in major corporations in the U.S. It provided me insight on how dynamic the accounting profession could be.”

—Cathy Engelbert ’86, Chief Executive Officer Deloitte, LLP

*Rankings provided by College Factual
We Need Your Help!

The Accounting Department continues to positively impact the professional lives of students and graduates. We take great pride in the fine education that we provide and the preparation for careers in professional accounting that we offer to our accounting majors. We recognize that students’ education and training occurs “holistically” both in and out of the classroom. Accounting Department activities, and the university as a whole, benefit from donations by alumni, friends, and employers. These contributions add to the university’s budget allocation to support us in innumerable ways to deliver on our mission. Increased financial support of exceptional MSAIA students through our research assistant program allows gifted CBE students to succeed and receive an improved educational experience. Your generosity also allows accounting faculty to engage in research and scholarship that informs accounting policy and practice, and enriches our students’ classroom experience. All gifts, large or small, uphold the people and programs that make Lehigh’s Accounting Program exceptional. We need your help. Contributions of any amount to the Accounting Department will assist us in continuing to be nationally recognized by offering a distinctive learning experience to our students and enabling our faculty to be the thought leaders in research and scholarship.

DESIGNATING GIFTS

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