



Berkeley

CENTER for  
FINANCIAL REPORTING  
& MANAGEMENT

HAAS SCHOOL OF BUSINESS  
UNIVERSITY OF CALIFORNIA

Volume 38, Number 1 November 2007

# News

## Inside

<i>CFRM News</i>	4
<i>Meet Our Board</i>	5
<i>Financial Reporting Conference Highlights</i>	6
<i>Executive Education</i>	8
<i>Faculty Research</i>	10
<i>Teaching Enhancement</i>	11
<i>Career Enhancement</i>	12
<i>Student Activities</i>	15
<i>PhD Student News</i>	16
<i>Giving to CFRM</i>	18

## **Warren Buffett's Eight Elements of Success**

By Solomon Darwin, Executive Director, Center for Financial Reporting and Management

Mr. Buffett is one of the wealthiest men in the world being credited with several designations, such as the greatest investor of all time, the most generous philanthropist of our age and the Oracle of Omaha. On November 19th 2007, I traveled to Omaha, Nebraska on behalf of the Haas School of Business, University of California at Berkeley, with a group of Haas MBA students, to recognize one of Mr. Warren Buffett's many achievements. On the occasion of my visit, he was crowned with yet another honor of significant relevance. I was most privileged to present to Warren Buffett the prestigious Berkeley Award for Distinguished Contributions to Financial Reporting for 2007.



A few years ago, in the wake of many accounting scandals that plagued our nation, our accounting faculty, Professor Emeritus George Staubus and Dean Tom Campbell established an annual award called "The Berkeley Award for Distinguished Contributions to Financial Reporting". The purpose of the award is twofold: 1) to recognize an individual who has demonstrated courage, leadership, stewardship, or other meritorious performance in the interest of providing financial information useful to investors in decision making, and 2) to promote good role models for our students, in addition to incorporating ethics into our business curriculum.

*continued on page 2*

## **Warren Buffett's Eight Elements of Success**

Mr. Buffett accepted the award with a great deal of humility, insisting that he is not deserving of such a prestigious honor. During our dialogue, several questions were asked about his success, and he cited many examples with personal illustrations and life stories. I have consolidated them into eight components or elements that have been the key to his success:

**1. Family:** Having a good set of parents, he noted, makes all the difference in the world--even one good parent who is always there for you. His father has been his personal mentor, providing stability in the early years of life that has been most essential for his future success and development.

*"A child wants some kind of undisrupted routine or rhythm. He seems to want a predictable, orderly world. For instance, injustice, unfairness or inconsistency in the parents seems to make a child feel anxious and unsafe."*

*Abraham Maslow*

**2. Role Models:** Personal heroes will significantly have an impact in your life, he said, such as professors and founders of institutions and corporations. His father and his professor, Benjamin Graham, (who later became his employer), seemed to be the important heroes and role models who inspired him in life. Mr. Buffett believes in mentoring so deeply that he began to invite groups of students across America to his home to encourage them and impart his knowledge.

*"I am a success today because I had a friend who believed in me and I didn't have the heart to let him down."*

*Abraham Lincoln*

**3. Life Partners:** The most important decision you will make in your life, he says, is choosing your life partner because this will impact the rest of your days. He joked about the fact that marrying someone with low expectations will greatly help in this process. His famous quote reiterates this importance: "You have to learn to understand your partner, to be tolerant, sympathetic, encouraging. Those are skills that are not bad to have in life."

*"Two are better than one because they have a good return for their labor, for if either of them falls, the one will lift up his companion."*

*King Solomon*

**4. Values and Principles:** His values seemed to have formed very early in life through mentoring relationships with his parents and teachers. He is big on not compromising on his principles at the cost of giving up profits. He cited several examples here in his investment decision making. His principles deterred him from greed and taking on risks for higher profits. Money was never his motivation, but profits from healthy investments seem to be his goal and reward.

*"We live in a time of transition, an uneasy era which is likely to endure for the rest of this century. During the period we may be tempted to abandon some of the time-honored principles and commitments which have been proven during the difficult times of past generations. We must never yield to this temptation. Our American values are not luxuries, but necessities - not the salt in our bread, but the bread itself."*

*Jimmy Carter*

**5. Relationships:** Buffett stated that the most difficult decisions in his life are those having to do with ending relationships. Although he did not lay off many people over his life time, terminating employees and ending business relationships have been the most difficult decisions for him. It took considerable time to end his association with Benjamin Graham's firm as he valued his relationship far more than the business itself.

*"Technology does not run an enterprise, relationships do."*

*Patricia Fripp*

**6. Motivation/Passion:** "Do not take a job unless you love it" is one of Buffett's strong ideals. The decision to accept a job offer should not be based on income so much as on the potential for fulfillment the work offers. Likewise, a company cannot be built with management that is purely motivated by money. Performance can be enhanced when management loves the business it operates. "I tap-dance to work every day as I love what I do", he says. For Buffett, money is just a by-product of the relationship with his work, and not his central objective.

*"I'm not a driven businessman, but a driven artist. I never think about money. Beautiful things make money."*

*Lord Acton*

*"A business that makes nothing but money is a poor business."*

*Henry Ford*

**7. Judgment:** “Risk comes from not knowing what you’re doing - a public-opinion poll is no substitute for thought” has been his motto and he never relied on other peoples’ work and analysis in making decisions. His decisions are based on his own analysis and homework of the financials, unadulterated by analysts’ recommendations. His modest office in Omaha, away from the noise and buzz of Wall Street, provides a conducive environment for this purpose. He stays away from investing in companies that he does not understand. His most recent decision to sell his interest in Petro-China, although it’s stock price kept rising, was purely driven by valuation. Greed would have dictated to hang on to it for a little longer. Buffett told FBN that the recent price gains of Petro-China’s shares means he sold too soon and “left a lot of money on the table.” Berkshire’s investment strategy is to achieve above the average returns and not super high returns driven by speculation and greed. “We buy stocks because we’re confident of the company’s growth. People should be cautious when they see prices rising.” he says.

*“If you can’t explain it simply, you don’t understand it well enough.”*

*Albert Einstein*

**8. Failures:** “It is no fun if you win every time”, he says. “In golf, there is no challenge if you hit a hole every time you swing; on the other hand, if you fail every time, this is not good either. But if you learn through your failures, you keep progressing to the next challenge” .

*“My great concern is not whether you have failed, but whether you are content with your failure. I am not concerned that you have fallen, I am concerned that you arise.”*

*Abraham Lincoln*

The call for nominations for this award were publicized nationally in many well noted print media outlets. Our accounting faculty had the daunting task of narrowing down the list of nominees to a select few based on extensive research and background checks. The distilled list was then turned over to a Selection Committee consisting of national business leaders from industry, the accounting profession, investment profession and academia. Mr. Warren Buffett was selected as the winner of the Berkeley Award for 2007 from a list of many prominent nominees.

## **Why Buffett Won?**

The Selection Committee has taken note of the fact that Mr. Buffett has been the voice for corporate governance at a time when we needed it most. He has been quoted the most on this subject in accounting classrooms across this nation. He has served on special committees, given much of his time and taken a stand towards this noble cause in order to protect investors against corporate fraud and deception.

*“The hottest place in Hell is reserved for those who remain neutral in times of great moral conflict.”*

*Martin Luther King, Jr.*

As the presenter of the Award, I personally commend Mr. Buffett for his charitable works that will bless generations to come.

Following are the members of our distinguished committee that selected the winner of the award:

Dennis Beresford, Former Chair  
Financial Accounting Standards Board

Tom Campbell, Dean  
Haas School of Business, UC Berkeley

Jack Ciesielski, Owner  
R.G. Associates, Inc.

Arthur Fliegelman, Vice President  
Moody’s Investors Service

Cheryl Graziano, Research and Operations  
Financial Executives Research Foundation, Inc.

Patricia McConnell, Managing Director, Retired  
Bear Stearns & Company, Inc.

Rebecca McEnally, Director, Capital Markets  
CFA Institute

George Staubus, Professor Emeritus  
Haas School of Business, UC Berkeley

Michael Sutton, Former Chief Accountant  
Securities and Exchange Commission

## 32 Years of Progress at Haas

By Dayna Haugh, Assistant Director, Center for Financial Reporting and Management



I just reached a milestone in my life... having completed 32 years of service at the Haas School of Business.

My career began at the business school in 1975, which was then located in Barrows Hall. I worked in the steno pool and soon became Administrative Faculty Assistant for ten faculty. When the development and alumni relations office was established, I became the development office manager and later the Executive Assistant to the Director of Development, working closely with the directors during the capital campaign to raise funds for the new Haas School building. I have had the pleasure to work under six different Deans and two acting Dean's during my tenure at Haas.

I was asked what notable changes I have seen while at Haas. I can think of several:

When I started working at the business school, we typed with carbon paper because the copy machine was used sparingly. Yes...the business school was still a solid five years away from using word processing computers! The School has grown so much in the 32 years I have been working here. In 1975, the staff was small enough to take up just one floor of offices at Barrows Hall. The staff has now grown to where we are already outgrowing what was a new building, built in 1995.

In 1998, I worked with Professor Brett Trueman in establishing the Center for Financial Reporting

and Management (CFRM), formerly known as the Professional Accounting Program.

Today, in my role as Assistant Director of the Center for Financial Reporting and Management, I manage the Center and coordinate its many activities.

Also, there have been so many technological changes that have taken place at Haas, both in the classroom and office. The prestigious Haas School continues to climb in the rankings and I am very proud to work at such a well respected University.

Working with the Accounting Faculty has been such a pleasure. The Center continues to bring in new sponsors and offers more dynamic conferences and executive programs each year. Because the Center is always looking forward to change, my job never seems redundant. I am looking forward to working with the Executive Director of the Center to grow the Master of Professional Accountancy (MPAC) program that has been approved by Haas and is currently in the approval process at the University level. This program will provide great opportunities for students, and I look forward to interacting more closely with them.

When away from Haas, I enjoy volunteering at my church, spending quality time with my family, scrapbooking, and travelling. My husband, Kevin, and I will be celebrating 27 years of marriage in February. Our daughter, Kristina, is a freshman at the University of California, Riverside.

*"In the thirty years that Dayna has been with us at the business school, I have not heard of a single instance of a negative experience with her; she has batted 1,000 over a lengthy career. I think it is safe to say that no one here has set a higher standard of reliability, discretion and geniality than she has. What a treasure!"*

George Staubus  
Professor Emeritus  
Haas School of Business

*"Dayna has been my able help in many ways since I joined Haas. She is a great team player, loyal to the institution and is always willing to go the extra mile. I look forward to working with her as we expand our accounting program and activities at the Center."*

Solomon Darwin  
Executive Director, CFRM  
Haas School of Business

*"Dayna, without a doubt, is one of the most valuable assets of the center and has great vision. During the days when we lost our Director, Dayna shouldered all the extra work without even the slightest hesitation. On behalf of the entire accounting faculty, I would like to thank Dayna for her invaluable contribution to the success of CFRM."*

Xiao-Jun Zhang  
Faculty Director, CFRM  
Haas School of Business

# MEET OUR BOARD



Solomon Darwin  
Executive Director, CFRM



Xiao-Jun Zhang  
Faculty Director, CFRM

## **Founding Board Members – Executive Committee**



Andrew Cotton, E&Y  
America's Dir. of Software



Ellen Glazerman, E&Y  
Executive Director



Joe Hoffman, KPMG  
Senior Partner



David Marston, PwC  
Partner



Mark McComb, KPMG  
Partner



Alan Page, PwC  
Office Managing Partner



Jack Russi, Deloitte  
Vice Chair & Regional Partner



Tim van Oppen, Deloitte  
Professional Practice Director

## **Advisory Board – Corporate Sponsors**



Rachel Bell, Protiviti  
Director



Jeff Bodner, Intel  
External Rptg Controller



Gary Bong, BBR  
Managing Partner



Jim Campbell, Intel  
VP, Corp Controller



Loretta Doon, Cal Society of CPAs  
Chief Executive Officer



Bob Laux, Microsoft  
Dir., Tech Actg & Rptg



Ben Neuhausen, BDO  
Nat'l Dir of Actg



Betsy Rafael, Apple  
Corporate Controller



Robert Ripley, Chevron  
Policy Advisor



Ed Scheuer, Protiviti  
Managing Director



Don Seiler, Seiler  
Founder



Yuko Wakasugi, BDO  
Partner

# CONFERENCE HIGHLIGHTS



*Jim Ratley*  
ACFE



*Conrad Hewitt*  
SEC



*Larry Smith*  
FASB



*Bill Gradison*  
PCAOB



*Tony Cope*  
IASB

This year's 18th Annual Conference on Financial Reporting, held on November 9, 2007 at the San Francisco Airport Marriott Hotel, had a record number of attendees. Over 380 corporate executives and academics participated in the interactive sessions. Audience feedback was positive – that this year's conference was the best they had attended.

Key standard setters and regulators from FASB, IASB, SEC, PCAOB, AcSEC, and, FEI, as well as industry experts discussed the latest financial reporting trends and issues. Conrad Hewitt, Chief Accountant of the US Securities and Exchange Commission opened the conference with an update on current issues at the SEC.

Larry Smith, Board Member of FASB and Tony Cope, Immediate past Board member of the IASB offered updates on the FASB/IASB Technical Agenda. They then joined the Emerging Issues in Financial Reporting panel to discuss the key challenges presented by the joint projects for financial executives and users.

Rebecca McEnally, director of Capital Markets, CFA Institute, Centre for Financial Market Integrity, moderated

and the other panelists were: Bob Laux, Director of Technical Accounting and Reporting, Microsoft; Paul Munter, Partner, Department of Professional Practice, KPMG; and Ben Neuhausen, AICPA AcSec Chair and National Director of BDO LLP.

The second panel moderated by Maria Nondorf, Assistant Professor at the Haas School of Business, looked at the impact of globalization of IFRS on US and non-US companies. She was joined by panelists: Tony Cope, IASB; D. J. Gannon, Partner, National Office, Deloitte & Touche; Bill Gradison, Founding Board Member & Immediate Past Chair, PCAOB; Conrad Hewitt, SEC; and Bob Walker, Board Member and Immediate Past Chair of FEI.

Prior to lunch, Dean Tom Campbell announced that the winner of the Berkeley Award for Distinguished Contributions to Financial Reporting was Warren Buffett, Chairman and CEO of Berkshire Hathaway.

The audience enjoyed lunch keynote speaker, James Ratley, President of the Association of Certified Fraud Examiners, who showed video footage on "Profiles of the Crooked."



The first afternoon panel: Fair Value Measurement “Implementation Challenges” was moderated by Suneel Udpa, Visiting Lecturer, Haas School of Business. He was joined by panelists: Jim Campbell, Corporate Controller & Vice President of Finance of Intel; Joe McGrath, Partner, National Office, Ernst & Young; Larry Smith, FASB; and Bob Walker of FEI.

The last panel on Complexities in Financial Reporting: Exploring Solutions, was moderated by Bob Laux of Microsoft. Panelists Robert Andreatta, Chief Accounting Officer and Controller of Genentech; Tony Cope, IASB; Linda Griggs, Partner, Morgan, Lewis & Bockius and member of the SEC Committee on Improvements to Financial Reporting; Steve Meisel, SEC Services Leader, National Office, PricewaterhouseCoopers; and Larry Smith of FASB discussed many issues including SEC and FASB’s new commitment to reducing complexity.



## **CFRM Financial Reporting Conference Advisory Board**



Tony Cope  
Immediate Past Board Member  
International Accounting Standards Board



Solomon Darwin  
Executive Director  
CFRM



Bill Gradison  
Founding Board Member  
Public Company Acctng. Oversight Board



Bob Laux  
Director of Technical Accounting & Reporting  
Microsoft



Ben Neuhausen  
AICPA AcSec Chair  
National Director, BDO



# EXECUTIVE EDUCATION

## **Executive Accounting Program: March 6-7, 2008 International Financial Reporting (IFRS Workshop)**

### Program Designed for:

CFOs / Chief Accounting Officers  
Financial and General Controllers  
Heads of Financial Reporting  
IFRS/IAS Project Leaders  
Accountants/Corporate Accounting Consultants

*“This two-day interactive workshop is carefully designed to address the prevailing concerns of today’s financial executives. It provides a step by step overview of the technical issues involved in IFRS and the critical differences between IFRS and US GAAP.”*

*Solomon Darwin  
Executive Director, CFRM*

### Program Learning Objectives:

- Key Technical differences between US GAAP and IFRS requirements
- Rules relating to first-time adoption of IFRS
- Application of IFRS requirements and disclosures
- Case Studies of real-world scenarios to understand and evaluate the impact of these differences
- IFRS Measurement rules for assets, liabilities, revenues and expenses, gains and losses
- IFRS “fair value” measurement requirements
- Most recent IFRS standards (financial instruments, employee benefits, business combinations, intangibles, etc.)
- Potential future IFRS changes and other major national accounting standards for better strategic planning

### PROGRAM DAY 1

#### Module 1: 8:00 a.m. – 12 noon

- Philosophical and key differences between IFRS and US GAAP
- Comparison of the Conceptual Frameworks for IFRS and US GAAP
- Prospects and timetable for joint convergence projects
- Rules concerning First-time adoption of IFRS
- Business combinations
- Special purpose entities

#### Instructors:

1. Professor Xiao-Jun Zhang (Moderator)  
Haas School of Business  
University of California, Berkeley
2. Prabhakar Kalavacherla “PK”  
Partner, Audit and Risk Advisory Services  
KPMG LLP
3. Dara Bazzano  
Audit Partner, Western Area Professional Practice Group  
KPMG LLP

#### Module 2: 1:00 p.m. – 4:30 p.m.

- Investments in associates and joint ventures
- Revenue recognition and measurement of assets
- Construction contracts
- Share-based payment
- Intangible assets
- Impairment of assets

#### Instructors:

1. Professor Maria Nondorf (Moderator)  
Haas School of Business  
University of California, Berkeley
2. Alan Stephen Jones  
Director, Transaction Services Group  
PricewaterhouseCoopers LLP
3. Srijit Banerjee  
Principal, Transaction Services Group  
PricewaterhouseCoopers LLP

### PROGRAM DAY 2

#### Module 1: 8:00 a.m. – 12 noon

- Property Plant & Equipment
- Non-current assets held for sale
- Discontinued operations
- Financial instruments (derivatives & hedge accounting)
- Investment property
- Inventories
- Leases
- Provisions/non-financial

#### Instructors:

1. Professor Xiao-Jun Zhang (Moderator)  
Haas School of Business  
University of California, Berkeley
2. Kathie Bugg  
Partner, National Office SEC Services  
Deloitte & Touche LLP
3. Ignacio Perez  
Partner, National Office Accounting Consultation  
Deloitte & Touche LLP

#### Module 2: 1:00 p.m. – 4:30 p.m.

- Current and deferred taxes
- Foreign currency issues
- Financial statement presentation and specific disclosures
- Segment and Interim reporting
- Consolidated financial statements
- Technical review of common items on the SEC Form 20-F of IFRS
- Future IFRS developments/Pending IFRIC pronouncements

#### Instructors:

1. Professor Maria Nondorf (Moderator)  
Haas School of Business  
University of California, Berkeley
2. David G. Sawaya  
Partner, Assurance and Advisory Business Services, IFRS Expert  
Ernst & Young LLP
3. Sean Cremen  
Senior Manager, Assurance and Advisory Business Services, IFRS Expert  
Ernst & Young LLP

**For more details and to register online:**

<http://groups.haas.berkeley.edu/accounting/conferences&programs/Exec08>



## **California Society of CPAs Partner with CFRM in Planning Executive Education Classes**

The demands placed on business and financial professionals today—stronger corporate governance; more transparent financial reporting; tighter financial, security and information controls; real or near real-time information for decision making; and convergence of international accounting standards, to name a few—are greater than ever before. To compete effectively, generate positive financial results, and meet stakeholder demands, these business leaders are looking for relevant guidance, education and resources to give them a competitive edge. The Financial Leadership Forum (Forum) was developed by the California Society of CPAs (CalCPA) to meet this need.

The Forum is committed to ethical responsibility, excellence, strategic innovation and best practices in financial and business management. It also supports financial leaders and executives through powerful advocacy, thought leadership, executive education and essential resources.

To enhance its value to California's business leaders, CalCPA and the Financial Leadership Forum have announced a strategic partnership with the Center for Financial Reporting and Management (CFRM) at the Haas School of Business at UC Berkeley. The Forum's relationship with the CFRM will ensure that the Forum fulfills its commitment to its members by bringing them together with the best minds and experts in business education.

"CalCPA continues to expand and enhance the services it provides to CPAs in California as we approach 31,000 members statewide," says Susan Klein, Forum program director. "A significant portion of our members work in the business community as CFOs, financial executives and in many other crucial roles. Our goal is to keep match-step with their evolving needs as the challenges they face increase. Our collaboration with the Center for Financial Reporting and Management will help us accomplish this and shine more of the spotlight on the important role CPAs play in California business."

Additionally, notes Loretta Doon, CPA and CEO of CalCPA, "this is a critical time for the profession and



Susan Klein



Loretta Doon

higher education to work together. Legislation will be introduced in 2008 that will require 150 hours of education for CPA candidates before they can be licensed. UC Berkeley's Haas School of Business can be a major player in that effort with the new masters' program it is developing. Additionally, CalCPA can support these efforts through its scholarship programs, particularly those that support Ph.D. candidates and masters students."

The first collaborative executive education class offered by CFRM and the Financial Leadership Forum will be offered Feb. 8, 2008. For more information, go to <http://www.calcpa.org/forum>

### **Last Year's Executive Accounting Program on International Accounting was a Success**



Firms represented included financial executives from biotech, technology, and healthcare

# FACULTY & RESEARCH

## **Patricia Dechow Joins Haas School Accounting Group**



**Patricia Dechow**, a visiting professor from the University of Michigan, has accepted a full professorship position with an endowed chair in the Haas School Accounting Group.

Dechow came to Haas as a visiting professor in July after spending nine years at the University of Michigan's Ross School of Business and five years at the University of Pennsylvania's Wharton School of Business. Dechow, who originally hails from Perth, Australia, earned a Master of Science in Business Administration and Ph.D. in Accounting and Finance from the University of Rochester Simon Graduate School of Business.

"This is a wonderful hire for the Haas School," says James Lincoln, associate dean for academic affairs and the Warren E. and Carol Spieker Professor of Leadership. "In addition to her leading-edge research, strong teaching, and impressive record of professional service, Patricia will play an important leadership role in the Accounting Group and in the school more generally."

Dechow served as the director of the Harry H. Jones Endowment Fund for Research on Earnings Quality at the Ross School. She has focused her research on financial statement analysis, earnings management, understanding how investors interpret financial information, and the use of financial statement information to detect mispriced stock.

Dechow and three co-authors were sponsored by the Research Advisory Board established by big four accounting firms (PricewaterhouseCoopers LLP, Deloitte & Touche USA LLP, Ernst and Young LLP, and KPMG LLP) to develop a model to help identify firms that commit fraud or misstate earnings. Their model is based on a database that they created by examining more than 2,000 Securities and Exchange Commission Enforcement Releases, with the final sample consisting of 680 firms alleged to have misstated financial statements. The researchers described their findings in a working paper released just last March.

Dechow is teaching two classes at the Haas School: "Financial Information Analysis" to Evening & Weekend MBA students and the "Doctoral Seminar in Accounting II."

"I'm looking forward to helping further shape and expand the accounting department," Dechow says. "The Haas School is a great research environment, with wonderful students."

## **Predicting Material Accounting Manipulations**

Patricia Dechow's current research focuses on predicting material accounting manipulation. Dechow has created a database consisting of 680 firms where the SEC took enforcement action for alleged accounting manipulations. Dechow finds that most firms in her sample manipulate more than one income statement line item. Revenue is by far the most commonly affected item, with manipulations in 55 percent of the firms. Manipulations of inventory and cost of goods sold occur in 25 percent of sample firms. Manipulations of allowances, including the allowance for doubtful debt, are also common, occurring in 10 percent of sample firms. The most common industries in which manipulations occur are computers and computer services, retail, and general services (such as telecommunications and healthcare).

A consistent theme among manipulating firms is that they have shown strong performance prior to the manipulations. Manipulations appear to be motivated by managements' desire to disguise a moderating financial performance. Dechow finds that manipulating firms' stock returns outperform the broader market in the years leading up to the manipulation and begin to underperform in the years following the manipulation. In manipulation years, cash profit margins and earnings growth decline, while accruals increase. In addition, order backlog and employee headcount decline, indicating a drop in demand for the firms' products.

Dechow also finds large increases in leasing activity during manipulation periods. This suggests that manager use the flexibility granted by lease accounting rules to manipulate their firms' financial statements.

Investors have high expectations of future profitability for manipulating firms. Dechow finds manipulating firms have high price-to-earnings and market-to-book ratios during manipulation years. In addition, these firms tend to be issuing more debt and equity. These results suggest that manipulations are intended to avoid disappointing investors' high expectations and to raise capital on favorable terms while expectations are still high.

Dechow develops a prediction model to assess the probability of manipulation. The model uses all publicly listed firms and compares their characteristics to manipulating firms. The output of the model is an F-Score, where an F-Score greater than 1.00 indicates a higher probability of manipulation. The model is built in stages. Model 1 includes variables that are obtained from the primary financial statements. These variables measure earnings quality and firm performance. Model 2 adds off-balance sheet and non-financial measures such as leasing

activity and abnormal changes in employee headcount. Model 3 adds market-related variables such as prior stock price performance and the book-to-market ratio.

Dechow discusses how the F-Score could be incorporated into the audit process as a "first-pass" test in evaluating the likelihood of manipulation for client firms. A high F-Score does not guarantee a manipulation, but it does serve as a red flag, signaling the need for further analysis. A high F-Score can be explained to clients and used to justify a more thorough audit. Another use could be to assess individual audit partners' relative F-Score risks to determine whether particular partners are signing off on more risky clients.

Dechow was recently featured in Forbes discussing the F-Score.

This paper is available at:

[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=997483](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=997483)

Research in collaboration with:

Weili Ge, University of Washington Business School

Chad R. Larson, The Stephen Ross School of Business, University of Michigan

Richard G. Sloan, Barclays Global Investors

## TEACHING ENHANCEMENT



### ***Newly Developed Course in International and Forensic Accounting***

The following partners judged student presentations on accounting fraud in various companies:

Jennifer Lindsay, Forensic Partner, KPMG

Mike Foley, Senior Manager, PWC

James Meehan, Investigative Partner, PWC

Juan Gonzalez, Forensic Partner, KPMG

Mark McComb, Partner, KPMG

Susan Meyer, Partner, Transaction Advisory Services, E&Y

Chris Richardson, Investigative Sr. Manager, E&Y

Gerry Fujimoto, Forensic Partner, Deloitte & Touche

Ed Scheuer, Managing Director, Protiviti

# CAREER ENHANCEMENT



CFRM invites accounting professionals into the classroom to bring their real-world experiences into the classroom to further enhance Haas' curriculum.

## **TAX CAREER PANEL – SEPT. 24, 2007**

### **Professor Cerf – UGBA 121**

Ed Isely, Tax Director, BDO  
Ward Pynn, Partner, BBR  
Paul Reshke, Partner, PwC  
Brian Rowbotham, Partner, Rowbotham & Co.  
Mark Stefan, Principal, Tax, KPMG  
Mathew Urgina, E&Y  
Larry Varellas, Tax Partner, D&T  
Nancy Young, Manager, Seiler

## **CAREER PANEL – October 3, 2007**

### **Vic Stanton – UGBA 120A**

Chuck Chang, Partner, PwC  
Mr. Kin Tso, Mergers and Acquisitions, Chevron

## **CAREER PANEL – October 3, 2007**

### **Vic Stanton – UGBA 122**

Jeff Bodner, External Reporting Controller, Intel  
Gerry Fujimoto, Partner, D&T  
Randy Joshi, Manager, E&Y  
Jennifer Lindsay, Partner, KPMG

## **CAREER PANEL – October 17, 2007**

### **Rada Brooks – UGBA 102A**

Mark McComb, Partner, KPMG  
Jim Meehan, Partner, PwC  
Matthew Nadboralski, Manager, Seiler  
Joseph Rosenbaum, Investigative Partner, E&Y

Paul Sasse, Audit Manager, BBR  
Ed Scheuer, Managing Director, Protiviti  
Adam Scott, Audit Partner, D&T  
Yuko Wakasugi, Partner, BDO

## ***Dean Campbell Hosts Roundtable Discussions with CFO's***

Dean Tom Campbell hosted lunch for key financial executives to discuss issues of common interest and to exchange ideas. The guest list is intentionally kept small for personal interaction.

Dean Campbell invited suggestions from the attendees on how Haas can further enhance the accounting curriculum and work towards creating quality students and future CFO's. Solomon Darwin, Executive Director of CFRM joined the Dean in welcoming these executives. A second lunch was held on December 7.

This year's guests include:

Karin Cancino, Franklin Templeton  
Jennifer Ceran, eBay  
Christina Cook, Bank of Marin  
Steve McCann, Longs Drugs  
Sharon McCollam, Williams Sonoma  
Hans Ploos van Amstel, Levi Strauss  
Bob Walker, Financial Executives International



*Karin Cancino, Solomon Darwin, Steve McCann, Tom Campbell, and Jennifer Ceran*

## **Career Opportunities in the Accounting Profession**

A Career Enhancement Session (ACES) is offered by CFRM for the benefit of students interested in accounting careers. The Center hosted two ACES events this year.

### **JANUARY EVENT**

#### *Guest Speaker:*

Denny Reigle, Dir. of Academic & Career Development  
American Institute of Certified Public Accountants

#### *Moderator:*

Tom Campbell, Dean, Haas School of Business

#### *Q&A Panelists:*

Deloitte & Touche; Ernst & Young; KPMG; and  
PricewaterhouseCoopers

### **SEPTEMBER EVENT**

#### *Guest Speaker:*

Loretta Doon, Chief Executive Officer, California  
Society of CPAs

#### *Moderator:*

Dennis Geyer, Lecturer, Haas School of Business

#### *Q&A Panelists:*

BDO Seidman; Blanding; Boyer & Rockwell;  
Protiviti; and Seiler

#### *Participating Organizations:*

NABA (National Association of Black Accountants)

NAASA (National Asian American Society of  
Accountants)

ALPHA (Association of Latino Professionals in Finance  
and Accounting)

SEO (Sponsors for Educational Opportunity)

Beta Alpha Psi

Haas Undergraduate Program

UC Berkeley Career Center

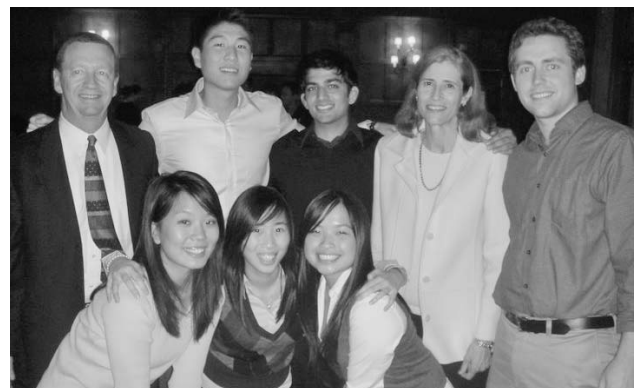


*Loretta Doon, CEO of CalCPA addresses undergrad students interested in accounting. Dennis Geyer moderated the session.*

## **Class Act Students Win PwC Case Competition**

PricewaterhouseCoopers once again sponsored a case competition at Haas this year.

On November 12, 2007, eight teams consisting of five students per team participated in the xAct Case Competition. The winning team, Class Act, is pictured in the photo below.



*(Top Row L-R): David Marston (PwC), Davis Liu, Milan Agarwal, Rada Brooks (Haas) and Brian Hunt (PwC mentor)  
(Front Row L-R): Christina Ting, Stephanie Chien and Cailin Trinh*

# CAREER ENHANCEMENT

## **Welcome Back Event**

Dean Campbell welcomed over 60 undergraduate students to an evening of fun as they enjoyed an interactive game of Jeopardy and won prizes.

This is an annual event that is offered exclusively to Sponsor's of CFRM. Firm's participating were KPMG, PWC, Deloitte & Touche, Ernst & Young, and Protiviti.

The accounting firms prepared Jeopardy topics that would address students' questions about the accounting profession. The focus of the evening was How to Secure a Leadership Position.



*Students enjoying interactive Jeopardy.*

## **352 New Undergrads learn about Accounting at a Day-Long Orientation**



The Haas School welcomed 352 new undergraduate business majors with a day-long orientation. The on-campus orientation began with community-building exercises led by the UC Berkeley's Center for Student Leadership. That afternoon, students were introduced to clubs and Haas School departments in a carnival-like setting with games, activities, and prizes. The day concluded with smaller advisory groups gathering for in-depth discussions.

The Center for Financial Reporting and Management hosted a booth where long lines of students spun the wheel to win logo gift items from CFRM sponsoring firms. Accounting firm representatives answered students' questions about accounting careers and had an opportunity to meet the talented incoming students.

CFRM sponsors were represented by:

BDO Seidman  
Blanding, Boyer, & Rockwell  
California Society of CPAs  
Deloitte & Touche  
Ernst & Young  
KPMG  
PricewaterhouseCoopers  
Protiviti  
Seiler



*Students spin wheel to win prizes from CFRM sponsors.*

# STUDENT ACTIVITIES

## **Letter from the President of Ascend (formerly NAASA)**

The national organization Ascend, formerly known as NAASA (National Asian American Society of Accountants), aims to be the premiere professional association for enhancing the presence and influence of Asian professionals in the accounting and finance professions. The primary objective of the association is to be a place where successful Asian professionals in the financial information profession give back to the community by mentoring and providing opportunities for younger generations of minority students to grow professional and personally.

Following its debut last semester, Ascend eagerly started this semester with a Kick-Off Day that garnered support from over twelve Ascend professionals across a multitude of firms, including Merrill Lynch, Deloitte, KPMG and Ernst & Young. Generously donating their time, they came to Berkeley to meet our members and to share their experiences.

Our semester has been packed with events ranging from professional development to career development to socials to community service. Our members have not only enhanced their skill sets, but have also helped rebuild Oakland and accompanied elders in a walkathon. We strive to provide the most well rounded program to enrich the experiences for our members. In the past two months we have put on networking, interview, cover letter and resume workshops, including one-on-one mock interviews for members with professionals from the industry. We have also hosted many firm presentations for companies such as Wells Fargo, PricewaterhouseCoopers and BDO Seidman. In addition, we hosted the exclusive Ernst & Young "Opportunities in China" presentation, one of the few campuses granted an appearance on their recruitment tour.

As the semester is coming to a close, Ascend is already planning for next semester and all the exciting events to come. We would like to thank all our professionals, faculty advisor, and alumni for their support and encouragement – we could not have put on such wonderful and enlightening events without them. If you would like to join/learn more about Ascend, set up a professional event, or sponsor our student chapter, please feel free to contact me at [lyl@berkeley.edu](mailto:lyl@berkeley.edu)

All the best,  
Linda Lu  
President, Fall 2007

## **Letter from Beta Alpha Psi President**

Beta Alpha Psi – the premier national honors business fraternity. Since 1925, the primary objective of the fraternity is to encourage and give recognition to scholastic and professional excellence in the field of business and financial information management. This includes promoting the study and practice of business, providing the opportunities for self-development and association among members and practicing professionals, and encouraging a sense of ethical, social, and public responsibility.

This organization offers each individual a unique experience catered to his or her needs. Our diverse blend of hands-on activities has strengthened our members' interpersonal, communication, and leadership skills in preparation for successful futures. No matter what your goals entail, whether it is entering Haas, landing a job at your firm of choice, or forming life-long friendships, Beta Alpha Psi creates a strong foundation for growth. Through the information workshops, team-building activities, dedication to the community, and the professional networking possibilities that Beta Alpha Psi provides, there are countless opportunities to continue this growth throughout one's career.

Professional excellence is not the only attribute that Beta Alpha Psi strives for, as brotherhood lies at the root of the fraternity's success. Our social qualities foster brotherhood and solidarity among our members and alumni who embody the rich traditions of Beta Alpha Psi.

Our presence has reached the campus wide population at U.C. Berkeley. Hosting the semiannual career fair, Meet the Firms, with over 40 firms and 80 professionals, we provide an opportunity for students to recruit from a diverse range of industries. Moreover, co-hosting events like the Big Four Forum and the Deloitte Consulting Workshop shows our support for financial and consulting institutions.

Beta Alpha Psi is an organization rich in tradition. And with the help of our faculty advisor, Solomon Darwin, and the rest of my executive team, we will reach an even higher standard in the current semester and the future semesters to come by continually pushing our pledges and members academically and professionally.

Sincerely,  
Joshua Cruz  
President – Beta Alpha Psi

# PhD STUDENT NEWS

## **Welcome New Accounting Phds**



### **ERIC ALLEN**

Eric Allen, originally from San Bernardino, California, graduated Magna Cum Laude from the University of Redlands in 2001 with a degree in Economics and Business Administration.

After spending a year as a frustrated jazz musician (most of the frustration coming from the fact he was not making any money as a jazz musician) he took a job as an auditor with Vavrinek, Trine, Day & Co, LLP in Rancho Cucamonga, California. Eric then spent most of 2002-2005 auditing various governmental entities and banks throughout the state.

Eric has spent the last two and half years working as an accountant for MCTSP, LLP in Beverly Hills, where he performed tax and business management functions for high net worth individuals. His interest is in the effect of tax regulations on firms' financial disclosures.

Eric is a licensed CPA in the state of California, enjoys horseback riding, long walks on the beach, and served in the Gulf War I.



### **NATALYA KHMICH**

Natalya has degrees from Russia and the U.S. She earned her Masters in Physics and Applied Mathematics from Nizhny Novgorod State University in 1995 and her Masters

in Accounting from University of Central Florida in 2005.

She worked as a financial analyst and a lead controller for Motor - Scientific Industrial Center, Office of Nizhny Novgorod, Russia and in a public accounting firm after she moved to the United States.

Natalya's research interest is in capital markets research, predictability of stock returns using economic variables and financial statement information.

Natalya is a member of The Honor Society of Phi Kappa Phi and also received a scholarship from the Dixon School of Accounting Advisory Board.

## **2007 Haas Academic Standing**

### **Undergraduate Program:**

US News & World Report

- #3 (Business Schools)
- #9 (Accounting Programs)

BusinessWeek:

- #3 overall

### **MBA Program:**

- #2 Wall Street Journal
- #8 US News & World Report
- #8 Business Week
- #6 The Economist Intelligence Unit

## **Congratulations to Undergraduate Accounting Award Recipients of the L.H. Penney Grant in-Aid Award for 2006-2007**

Jeffrey William Barlam  
Houtan Gholian

## **Special Thanks for those who donated to the Maurice Moonitz Fellowship Fund**

Carol Inberg  
Gail and Kenneth Merchant  
Wade A. Morehouse



# THANKS TO OUR DONORS

(July 1, 2006 -  
June 30, 2007)

## Dean's Circle (\$10,000+)

Paul E. Buechner, III, BS 50  
Mervyn L. Brenner Foundation Inc.

Pamela L. Scott Claassen, MBA 78  
American Baptist Homes West

Ellen Dale, BA 66 &  
Frithjof J. (Joffa) Dale, BS 66, MBA 67

John R. Gentry  
Mervyn L. Brenner Foundation Inc

Dr. Wade A. Morehouse, Jr.,  
MBA 59, PhD 65  
Capital Research & Mgmt. Co.

## Chairman's Club (\$5,000 - \$9,999)

Mollie & Edward J. Arnold, BS 40

Linda & Mark Eugene Garcia, BS 82  
Ernst & Young Foundation

Marjorie & Christopher Lee, BS 75, MBA 79  
Deloitte & Touche LLP

Mark Edward McComb, BS 86  
KPMG LLP

Barbara & Donald J. Moulin, BS 54  
KPMG LLP, Retired

Barbara Fanning Roberts, BS 78  
Wright Engineered Plastics

Eric R. Roberts, BS 67, MBA 68  
Morrison & Foerster  
Deloitte & Touche LLP, Retired

Jodie M. & Jack F. Russi, BS 82  
Deloitte & Touche LLP

Dirk Thye, BA 91  
Cerexa Inc.

Nicole Chin-Ling Thye, MBA 94  
Bayla Furniture Inc.

Ann van Oppen, BA 76 &  
Timothy E. van Oppen, MBA 76  
Deloitte & Touche LLP

Joan von Kaschnitz, BA 57 &  
Egon von Kaschnitz, BA 52, MA 54, MBA 59  
Zierer Visa Service Inc., Retired

## Vice Chairman's Club (\$2,500 - \$4,999)

Russell T. Bigelow, BS 53  
KPMG LLP, Retired

Ronda Breitbart, BA 63 &  
Stanley H. Breitbart, BA 60, MBA 63  
PricewaterhouseCoopers LLP, Retired

Gail Fletcher Crawford, BS 75 &  
Robin L. Crawford, BS 75  
Deloitte & Touche LLP

Carolyn & Mark P. Dentinger, MBA 89  
Bea Systems, Inc.

Chris R. Dyer, BS 84  
KPMG LLP

Barbara J. Forsberg, BS 84  
Novogradac Rivers Foundation

Carol Inberg, MBA 60, PhD 70  
California State University East Bay, Retired

Janet & George E. Kelts, MBA 82  
Deloitte & Touche LLP

Joon K. Kim, BS 81  
KPMG LLP

Andrew Ingram & Lisa A. Nicolini BS 77  
Deloitte & Touche LLP

Mary & Jacques Nouaux, BS 50, MBA 54  
KPMG LLP, Retired

Michael Joseph Novogradac, MBA 84  
Novogradac & Co.

## Director's Club (\$1,000 - \$2,499)

Stan Anders  
KPMG LLP

Mary & Christy P. Armstrong, BA 37  
PricewaterhouseCoopers LLP, Retired

Connie & John Banker Jr., BS 68  
Ernst & Young LLP, Retired

Celeste & Michael Bobroff, BS 89  
Ernst & Young LLP

Edgar J. Bostick, BS 39  
Deloitte & Touche LLP, Retired

Linda Jean Brennan, BS 01  
KPMG LLP

Nancy Elizabeth Calderon, BS 86 &  
Phillip Calderon, BA 75  
KPMG LLP

Marian & John Caldwell  
KPMG LLP

Carolyn Ortegren Carlson, BA 63 &  
Timothy E. Carlson, BS 63  
Merrill Lynch & Company

Susie K. Choy, BS 91 & Russel Choy, BA 84  
KPMG LLP

Andrea & Christopher Costa  
Ernst & Young LLP

Heidi L. Nielsen & Andrew Cotton  
Ernst & Young LLP

Connie & Roland O. Curtola, Jr.

Laura & Raymond Depole, BS 85  
Ernst & Young LLP

Ford & Barbara Ellis, BS 88  
Ernst & Young LLP

Theresa Marie Gayton, BS 91  
KPMG LLP

April & B. Scot Glover

Linda & Max Gray, BS 63, MBA 65  
KPMG LLP, Retired

Richard Hanley  
KPMG LLP

Edward G. Harrison, BS 87  
Deloitte & Touche LLP

Mark Evan Harrison, BS 85  
KPMG LLP

Laura Hay  
KPMG LLP

Diana & Michael Huffman, BS 81  
Deloitte & Touche LLP

Dean Kamahele  
KPMG LLP

Barbara & George Kelly, MBA 61  
Deloitte & Touche, LLP, Retired

Ned A. Leiba, BS 74, MBA 83  
Leiba & Bowers

Carol S. Liu, BS 04  
KPMG LLP

Wade Loo  
KPMG LLP

Kiyoshi Matsumoto  
KPMG LLP

Linda Kazares & Peter Meeks, BS 68  
BDO Seidman, LLP

Peter Mercieca  
KPMG LLP

Randy Meyer, BA 87  
KPMG LLP

Gail & Warren Solt, BS 63, MBA 64  
Water Solt & Associates

Mary & Peter Swentzel, BS 63, MBA 68  
Deloitte & Touche, LLP, Retired

## President's Club (\$500 - \$999)

Lois & Hector R. Anton  
Haas School of Business, Retired  
Deloitte & Touche, LLP, Retired

Stephen A. Blough  
KPMG LLP

Richard N. Chen, BS 01

Lily & Calvin W. Chu, BS 75  
Pacific Gas & Electric Company

Andrea & Christopher Costa

Muriel & Barrett M. Crawford,  
BS 51, MBA 57  
SFA Management Corporation

Nancy Englund, BA 46 & Gene H. Englund,  
BS 49, MBA 51  
Deloitte & Touche LLP

Lawren & Ilana Hicks, BA 01  
KPMG LLP

Matthew James Hicks, BS 01  
KPMG LLP

Celeste & Michael Johnson, BS 86  
Deloitte & Touche LLP

Janette & Brian Kennedy, BS 93  
Ernst & Young LLP

Julie D. Locke, BS 03  
KPMG LLP

Paul Sharman  
Institute of Management Accountants

John Silverman  
KPMG LLP

Patricia & Ronald Vandenberghe  
Ronald G Vandenberghe CPA

Carrisa & Tassilo Von Koch  
Deloitte & Touche LLP

Rose & John J. Woo, BS 76  
City & County of San Francisco

Jennifer & Roger L. Yang, BA 92  
Ernst & Young LLP

## Executive's Club (\$250 - \$499)

Goro Araki, BS 96  
KPMG LLP

Arie Baran, PhD 76

Ramona & Edwin Caplan, PhD 65

April F. Chen, BS 06  
Deloitte & Touche LLP

Lionel V. Digal, MBA 75  
The Clorox Company

Elaine Elliott, BS 47 &  
Wallace Elliott, BA 44, MD 46

Valerie Goings, BA 01  
KPMG LLP

Vivian & Glenn L. Johnson, PhD 65  
Washington State University

Sali & Paul Arthur Johnson, BS 79  
Reliant Group LLC

Aimee & Richard Jones, BS 71  
Ernst & Young LLP

Karen Kashiwagi, BA 75 &  
Warren P. Kashiwagi, BS 75  
Perry Smith & Company

Kathleen Becker Kellar, BA 74 &  
William Owen Kellar, MBA 76  
NewMarkets International

Julie Locke, BS 03  
KPMG LLP

Jennifer & Roger L. Yang, BA 92

## Friend's Club (\$100 - \$249)

Elliott D. Buchdruker, BS 58

Lila & Alan Robert Cerf, BS 44  
Haas School of Business

Amy Chan  
KPMG LLP

Carole Gaeta, BA 68 &  
Stephen M. Gaeta, BS 75  
KPMG LLP

Hans Gude, BA 78  
KPMG LLP

Sou Kyu-Ho  
KPMG LLP

Katherine Hilkemeyer  
KPMG LLP

Mariel & Andrew Katz, BS 84  
Merrill Lynch Capital Markets

Sylvia E. Kim, BS 03  
Ernst & Young LLP

Yumi Kojima

Loren Kozen, BS 05  
KPMG LLP

Jean S. Lee, BS 03  
KPMG LLP

Gene Liu  
KPMG LLP

Katherine Anderson Markgraf, BA 92  
Ernst & Young LLP

Robert S. McIlroy, BS 58, MBA 63  
McIlroy & Associates

Gail & Kenneth Merchant, PhD 78  
University of Southern California

Purvi R. Mistry Mehta, BS 96  
KPMG LLP

Eva Ng, BS 06  
PricewaterhouseCoopers LLP

Shelly & Mark Ernest Ricco, BS 87  
Brown & Caldwell

Linda Wong Verheecke, MBA 81  
KPMG LLP

Robert Peter Verheecke, MBA 86  
Code Green Networks

Teresa W. Yee, BS 75 & Steve Yee  
Blank Aires & O'Sullivan CPA

Peggy Yip, BS 97  
KPMG LLP

Joseph Ben Yuen, BS 91

# GIVING TO CFRM



## *Letter to our Friends and Supporters*

*From Solomon N. Darwin, Executive Director*

*I want to take this opportunity to thank those of you who have trusted in us and provided financial support to the Center for Financial Reporting and Management (CFRM) in the past. The Center is fully funded by private donations and your contribution is crucial to sustaining our international reputation and strengthening our accounting program. The State of California only provides about one-fourth of the funding for the Haas School of Business. Please consider a gift to our Center this year.*

*Your gift supports our efforts to:*

- Retain our top 10 ranking for the Accounting Program through the most innovative curriculum.*
- Further enhance the accounting curriculum by development of new courses and programs in response to changing needs in the market place.*
- Continue to produce highly-sought-after graduates and tomorrow's global leaders through continuous enrichment of our broad-based curriculum.*
- Engage in cutting edge research relevant to the dynamic global business environment. Our faculty continues to publish their research in prominent research journals.*
- Facilitate dialogue between academicians, accountants, regulators, national/international standard-setters and the business community at large through our nationally acclaimed conferences in financial reporting.*
- Build productive partnerships with business leaders, employers, and alumni, to explore and seek guidance regarding educational issues that are critical to the future of the accounting profession through our ACES program, Tax and Career Panels, Student Case Competitions and guest practitioners in the classroom.*

*Given this demand in the market place, we will continue to work hard to warrant your investment and hope that you seriously consider making a contribution to CFRM. Your contributions to our Center are also contributions to the Haas School of Business and are acknowledged as such in the School's Annual Report as well CFRM's Newsletter.*

*Our excellent international reputation and success rest on your support. Thank you for helping to make our Accounting Program and CFRM first-rate. To learn more about our center, visit our webpage at <http://groups.haas.berkeley.edu/accounting/cfrm/>.*

*I would like to wish you and your family a blessed holiday season.*

A handwritten signature in cursive script, appearing to read "S. Darwin".

## Corporate Sponsorship

CFRM is grateful to the corporate community for their support. The Center seeks sponsors and affiliates from public accounting, industry, consulting, investment banking, and money management firms.

Our Executive Sponsors contribute \$30,000 annually on a renewable three-year term and are represented on the Center's Executive Committee. Corporate Sponsors contribute \$10,000 annually for a renewable three-year term and are asked to appoint one member to the advisory board.

There are more than a dozen benefits of being a Sponsor of CFRM including opportunities to guest lecture in the classroom and access to accounting faculty and students. Visit our webpage to view the full benefits at: [http://groups.haas.berkeley.edu/accounting/corporate\\_sponsorship](http://groups.haas.berkeley.edu/accounting/corporate_sponsorship).

### Interested in becoming a sponsor of CFRM?

Contact: Dayna Haugh (510) 642-6334  
or [cfm@haas.berkeley.edu](mailto:cfm@haas.berkeley.edu)

## Founding/Executive Sponsors (\$30,000)

Deloitte & Touche LLP  
Ernst & Young LLP  
KPMG LLP  
PricewaterhouseCoopers LLP

## Corporate Sponsors (\$10,000)

Apple Computer  
BDO Seidman LLP  
Blanding, Boyer & Rockwell, LLP  
California Society of CPAs  
Chevron  
Intel Corporation  
Microsoft Corporation  
Protiviti Consulting  
Seiler LLP

## Other Corporate Sponsors

Mervyn L Brenner Foundation Inc  
Fidelity Investments Charitable Gift Fund  
Leiba & Bowers  
Novogradac Rivers Foundation  
The United Way of the Bay Area  
United Nonprofit Operations, Inc.  
Institute of Management Accountants

Please mail your gift to:  
Center for Financial Reporting and Management  
Haas School of Business, University of California, Berkeley  
502D Faculty Building, #1900  
Berkeley, CA 94720-1900



**Berkeley**  
CENTER for  
FINANCIAL REPORTING  
& MANAGEMENT

A portion of all gifts is used to defray the costs of fundraising and administering the funds. Your gift to CFRM will benefit CFRM, but you will also be recognized in the Haas School's Annual Report at the club level corresponding to the total of all your gifts to the Haas School. CFRM appreciates your contribution.

[CFRM@haas.berkeley.edu](mailto:CFRM@haas.berkeley.edu)  
510-642-6334  
Fax 510-643-7218  
[www.groups.haas.berkeley.edu/accounting](http://www.groups.haas.berkeley.edu/accounting)

Enclosed is my/our gift of:

\$1000    \$500    \$250    \$125    \$75    other \$ \_\_\_\_\_

Please make checks payable to UC Berkeley Foundation/CFRM

\_\_\_\_\_ will match my/our gift.

The company's matching gift form  is enclosed    will be mailed.

I'd like to consider a gift of stock. Please contact me.

Charge my  VISA    Mastercard    American Express

Account #  Exp. Date

Signature

Please provide your phone number and e-mail address below:

Phone  E-mail

How would you like your name(s) to appear in the CFRM Newsletter and Haas School Annual Report? (Please print clearly)

**Executive Accounting Program Instructors**  
**International Financial Reporting (IFRS Workshop)**  
**March 6-7, 2008**



Professor Xiao-Jun Zhang  
Haas School of Business  
University of California, Berkeley



Professor Maria Nondorf  
Haas School of Business  
University of California, Berkeley



Prabhakar Kalavacherla "PK"  
Partner, Audit and Risk  
Advisory Services  
KPMG LLP



Dara Bazzano  
Audit Partner, Western Area  
Professional Practice Group  
KPMG LLP



Alan Stephen Jones  
Director, Transaction  
Services Group  
PricewaterhouseCoopers LLP



Srijit Banerjee  
Principal, Transaction  
Services Group  
PricewaterhouseCoopers LLP



Kathie Bugg  
Partner, National Office  
SEC Services  
Deloitte & Touche LLP



Ignacio Perez  
Partner, National Office Accounting  
Consultation  
Deloitte & Touche LLP



David G. Sawaya  
Partner, Assurance and  
Advisory Business Services  
IFRS Subject Matter Expert, Pacific Northwest Area  
Ernst & Young LLP



Sean Cremen  
Senior Manager, Assurance and  
Advisory Business Services  
IFRS Subject Matter Expert, Pacific Northwest Area  
Ernst & Young LLP

*(See page 8 for program details)*  
Visit our Center's web page: <http://groups.haas.berkeley.edu/accounting>

**Center for Financial Reporting and Management**

Haas School of Business  
University of California, Berkeley  
502D Faculty Building, #1900  
Berkeley, CA 94720-1900  
1-54155-10342-40-X