Letter from the Executive Director

Dear Friends and Supporters of CFRM:

I am pleased to report that our time over the past year has been dominated by several successful new initiatives to increase awareness of the accounting program at the University of California, Berkeley and the Haas School of Business. I hope that our CFRM newsletter will help to underscore these initiatives and our recent achievements for you.

Much of the past year has been spent increasing the profile of the accounting profession through the introduction of our “Accounting at Berkeley: This Way to CPA” campaign. The campaign serves to educate University of California, Berkeley students about the vast array of career opportunities in accounting and financial advising, and the steps necessary to become a CPA. We were driven to make a deliberate, concerted effort surrounding the recognition of the accounting profession on campus by significant changes to the career timeline and education requirements for students. First, several of the major accounting firms shifted their intern hiring timeline so that students in their junior year now interview for internship positions in the fall semester instead of the spring semester. Second, the State of California dramatically changed their education requirements to more closely achieve parity with most other states in the US. See the “New Changes to CPA Education Requirements” article on page 8 of this newsletter for an overview of these changes.

The bottom line with the changes is that students will have to plan and prepare much earlier in their academic careers. Given that the undergraduate program at the Haas School of Business is a two year program, it means we have no time to lose in gaining students’ interest in career opportunities and helping launch them on their way. In addition to offering several planning tools for students, we are supplementing the accounting curriculum by offering an Accounting Boot Camp in Summer 2012 to provide additional courses to help students meet the old and new CPA certification requirements. Please see page 11 for further information.

Every step of the way, CFRM has worked in partnership with the sponsors and contributors to CFRM, and the student organizations at Haas. It has been a fun and rewarding collaboration. For everything that we have planned and realized, I would like to thank those individuals and organizations that have provided financial support, time, and talent to the Center over the past years. CFRM is wholly funded by financial contributions and the income from our annual financial reporting conference. This past year, more than ever, supporters of the mission of CFRM volunteered countless hours and provided much-needed guidance and advice. We hope that the successes of our program and our students reflect all that was given to the Center. I am very proud of everything that we have accomplished and I look forward to CFRM’s continued role in shaping the pathway for the next generation of financial advisors.

Sincerely,

Maria E. Nondorf
Executive Director
Center for Financial Reporting and Management
**CFRM Welcomes New Administrative Assistant**

We welcome Jacqueline Quinn to CFRM as an administrative assistant, providing support on special projects. Before coming to Haas, Jacqueline worked as an administrative assistant for the Laboratory for Fluorescence Dynamics at UC Irvine. Jacqueline is also a freelance writer and editor. She has earned degrees in English and Professional Writing from UC Riverside and USC.

Having recently relocated to Northern California, she is enjoying exploring her new surroundings and getting to know fellow co-workers. In her free time, she enjoys running, attending Cal football games (“Go Bears!”), and preventing the mishaps of eaten shoes and broken cell phones as instigated by her hyper puppy, Basil.

**Thank You to Our Sponsors**

The Center for Financial Reporting and Management places tremendous value on its relationship with the corporate community. As a bridge between academia and the corporate world, the Center serves to enhance interactions between students, faculty, practitioners, standard-setters, regulators, and business leaders.

The Center depends heavily on corporate and individual sponsorship for its annual operating funds, and seeks sponsors and affiliates from public accounting, industry, and consulting firms.

Sponsors are a select group of companies who provide financial support to the Center, helping to further our mission by promoting the most innovative financial and managerial accounting education in the world through cutting edge research, outstanding teaching, a globally focused curriculum, and attention to ethical behavior.

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**Interested in becoming a Sponsor of CFRM?**

Contact: Dayna Haugh (510) 642-6334 or cfrm@haas.berkeley.edu

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Research by accounting professors Patricia Dechow and Richard Sloan that helped fuel an explosion of subsequent governance-accounting studies has been recognized for its significant and enduring impact on the discipline and, consequently, regulatory reform.

Dechow and Sloan with co-author Amy Hutton of Boston College, received the American Accounting Association's inaugural Distinguished Contribution to Accounting Literature Award for their research paper, “Causes and Consequences of Earnings Manipulation: An Analysis of Firms Subject to Enforcement Actions by the SEC.” The paper was published in the journal, Contemporary Accounting Research, Vol. 13, No. 1, Spring 1996.

The paper’s findings demonstrate that firms most frequently manipulate earnings to lower the short-run cost of raising new financing and that weak governance structures facilitate such behavior. The study focused on firms facing alleged violations of Generally Accepted Accounting Principles (GAAP) in accounting enforcement actions taken by the SEC. Dechow, Sloan, and Hutton identified links between corporate governance characteristics (such as lack of board independence and excessive managerial power) and accounting manipulations. The award’s nominating committee wrote that the paper “documented a fundamentally important linkage – arguably weak corporate governance characteristics are associated with bad accounting outcomes. In other words, when it comes to quality accounting, corporate governance is important.”

“It was controversial at the time it was written in that it challenged existing academic thinking such as the efficient markets hypothesis and the hypothesis that then existing governance structures were optimal,” says Dechow. “It also anticipated the causes and consequences of subsequent accounting crises such as Enron and WorldCom. We recently updated the database used for this research and we make it available to researchers and practitioners through CFRM.” See www.haas.berkeley.edu/accounting/aaer_database for more information about the database.

Julie Suh Named Outstanding New Instructor

Accounting lecturer Julie Suh received the Outstanding New Instructor Award from the Haas School’s Center for Teaching Excellence (CTE). The award was created to honor new faculty who shine in the classroom. Julie was selected based on excellent student evaluations and input from CTE faculty coaches. She also received a cash award of $1,000. Shumoni Mehta, BS 11, a student in Suh’s Introduction to Financial Accounting course, describes Suh as a great mentor who provided valuable career advice during recruiting season. “What makes Professor Suh such a great professor is much more than expertise in her field: it is her ability to really connect with students,” Mehta says. “She remembers what it is like to learn, not just teach, so she makes a sincere effort to help every student, and she teaches accounting with a lot of passion and enthusiasm.”

Suh started teaching at Haas in 2010 and earned her BA in Economics from Wellesley College and her PhD in accounting from Stanford Business School.
Few professors have been on campus as long as Professor Emeritus Alan Cerf, BS 44, and few have taught as many students or seen as many changes at the university and in their fields. In recognition of his impact on campus and in his field, Cerf was honored with a Lifetime Achievement Award for Distinguished Contributions to the Accounting Program at Haas at the Accounting Recognition Dinner on April 21, 2011, at the Claremont Hotel.

“I figured out the other day that I’ve taught 13,440 students,” Cerf says. “I just averaged it out. I calculated four courses a year, average 60 students per class, times 55 years.”

After earning a BS in business administration from UC Berkeley in 1944, Cerf joined the Navy and then studied at Harvard and received his PhD from Stanford. He worked as a CPA before returning to Berkeley as a faculty member in 1955.

Cerf was the first director of the San Francisco MBA Program, staffed by business school faculty. He also served as chair of the Accounting Group at Berkeley from 1978 to 1982. His research focused mainly on taxation and on real estate investment. In 1984 he received the Faculty Excellence Award for Education and Research from the California CPA Foundation.

What he enjoys most about his career is teaching people. “Hopefully they learn something, and it helps them advance in their career and make a better life,” Cerf says.

Certainly that has been the case for Paul Reshke, tax partner at PricewaterhouseCoopers in San Francisco. “I moved into the tax practice and have been doing it for 28 years. It was because of Professor Cerf. I just took the class, but unbeknownst to me I ended up making a career of it,” he says.

Still teaching, Professor Cerf continues to have an enduring impact on the faculty and students.
Three Professors Join Haas Accounting Group

Yaniv Konchitchki comes to the Haas Accounting Group from USC’s Marshall School of Business, which he joined after earning his PhD from Stanford. Konchitchki’s research focuses on the financial reporting effects of macroeconomic information on equity asset prices. His research has shown that inflation effects can help predict future cash flows, although this link is not fully reflected in capital market prices. Konchitchki is teaching financial reporting in the Evening & Weekend MBA program this fall.

Alastair Lawrence joins Haas Accounting after earning his PhD this year from the University of Toronto’s Rotman School of Management. Lawrence’s recent research relates to how individuals use financial disclosures. Specifically, his research suggests that individuals tend to invest a greater percentage of their portfolios in firms with accessible and transparent financial disclosures and that they earn higher returns in firms with such attributes. Lawrence is teaching financial reporting in the spring semester.

Panos Patatoukas came to Haas in 2010 after receiving his PhD in accounting and finance from Yale University. His PhD dissertation adopted a new integrative perspective on linkages among firms that calls for a joint exploration of elements of accounting, finance, marketing, and operations research. In recognition of the interdisciplinary nature of his research, the American Accounting Association Northeast Region awarded him its 2009 Best PhD Student Paper Award.

Patatoukas Receives AAA 2011 Competitive Manuscript Award

The American Accounting Association (AAA) presented Panos Patatoukas with the Competitive Manuscript Award for his research, “Customer-Based Concentration: Implications for Firm Performance and Capital Markets.” This AAA award was presented to Patatoukas on August 9th at the AAA 2011 Annual Meeting held in Denver, Colorado.

The Competitive Manuscript Award was created to encourage research among AAA members and associate members who have earned their PhD within the past five years. The winner is chosen annually in a blind review by the AAA Competitive Manuscript Award Committee.

In his paper, Patatoukas examines whether and how customer-base structure affects supplier firm fundamentals. In contrast to the conventional wisdom, he provides novel evidence that efficiencies from coordination and collaboration along the supply chain dominate weaknesses in dealing with major customers, and thus customer-base concentration has a net positive impact on supplier firm performance and stock market valuation.

Earl F. Cheit Award for Excellence in Teaching

Accounting Faculty Winners

Richard Sloan
2011 Full Time MBA Program

Suneel Udpa
2010 Evening and Weekend MBA Program
Rasmussen Gives Back to Cal

This year, we highlight one of our prominent UC Berkeley alumni in the accounting profession, Tiffany Rasmussen, BA 87. Rasmussen has been an outstanding contributor to the success of accounting students at UC Berkeley both in the classroom and out. In addition to serving as an audit partner at KPMG, she is an active member of the CFRM Board of Advisors, and in 2010, she became a lecturer for MBA and undergraduate level accounting courses at Haas. At CFRM, we commend her for all that she does for the accounting program. To help us appreciate how she manages to get it all done, we asked Rasmussen to provide her thoughts and insights on her career successes and her experiences at Cal.

Q. There are four Berkeley-Haas Defining Principles that are used to capture the school’s culture. These are: Question the Status Quo; Confidence without Attitude; Beyond Yourself; and Students Always. Which one of these four Principles most speaks to you?

A. While I am a fan of all of the Defining Principles, I most identify with the principle “Students Always.” I truly learned how to learn during my years at Cal. Within my major, Sociology, I studied how people interact, how cultures function, and how different groups are shaped. This study still benefits me in everything I do, from my auditing, to teaching, to leading a non-profit board. And continuous learning has allowed me to expand my horizons. Never a dull moment!

Q. What are the most important factors that have contributed to your career success?

A. Two very important factors for me would be self motivation and seizing opportunities. With self motivation, I realized that as one amongst so many others at Cal and in life, you have to look out for your own future. As far as seizing opportunities, I have always taken advantage of the variety of courses and experiences available at Cal and throughout life. I continually seek to broaden my horizons and I believe that you can go as far as your dreams.

Q. What advice would you give to students who are coming out of UC Berkeley now?

A. All Cal graduates should embrace and capitalize on their excellent education and the breadth of experiences they have had while at Cal. The diversity of the Cal experience is valuable in whatever career you choose. Find the thing within your chosen field that brings you joy. If you do, you will succeed. What does it for me is the ever-evolving changes in my profession, my ongoing learning and teaching, and the interactions with high quality co-workers.

Haas Accounting Faculty — Recent Publications

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<tr>
<td>Sunil Dutta and Qintao Fan</td>
<td>“Hurdle Rates and Project Development Effort”</td>
<td>The Accounting Review (2009)</td>
</tr>
<tr>
<td>Alastair Lawrence (with M. Minniti-Meza and P. Zhang)</td>
<td>“Can Big 4 versus Non-Big 4 Differences in Audit-Quality Proxies be Attributed to Client Characteristics?”</td>
<td>The Accounting Review (2011)</td>
</tr>
<tr>
<td>Qintao Fan and Xiao-Jun Zhang</td>
<td>“Accounting Conservatism, Aggregation, and Information Quality”</td>
<td>Contemporary Accounting Research (forthcoming)</td>
</tr>
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**Career Enhancement Activities**

We greatly appreciate the following professionals who brought their real-world experiences into the classroom in 2010-2011.

**SPRING 2010**

UGBA 102A Introduction to Financial Accounting (Rada Brooks)
Kerry Francis, Forensic & Dispute Services Partner, Deloitte
Laura Martinez, Audit Partner, PricewaterhouseCoopers
Dave Miller, Audit Partner, KPMG
Chelsea Wood, Assurance Senior Manager, Ernst & Young

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
Steve Blore, Tax Partner, Deloitte
Mike Campbell, Tax Partner, BDO
Phil Mogen, Tax Partner, KPMG
Paul Reshke, Tax Partner, PricewaterhouseCoopers
Alan Shattuck, Owner, Shattuck Accounting Group
Craig Tatlonhori, Tax Partner, Ernst & Young

UGBA 102B Introduction to Managerial Accounting (Dennis Geyer)
Greg Garrison, Vice Chairman, PricewaterhouseCoopers

**FALL 2010**

UGBA 102A Introduction to Financial Accounting (Rada Brooks)
Ken Avery, Forensic & Dispute Services Partner, Deloitte
David Cima, Partner, Ernst & Young
Jennifer Lindsay, Forensic Services Partner, Ernst & Young
Dave Marston, Partner, PricewaterhouseCoopers

UGBA 102A Introduction to Financial Accounting (Rada Brooks)
Nick Giovanni, Managing Director, Goldman Sachs

UGBA 102A Introduction to Financial Accounting (Julie Suh)
Kerry Francis, Forensic & Dispute Services Partner, Deloitte
Barbara Marchini-Ellis, Partner, Ernst & Young
Mark McComb, Audit Partner, KPMG
Patrick Welsh, Senior Manager, PricewaterhouseCoopers

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
Anne Duffy, Tax Senior Manager, Ernst & Young
Francois Hechinger, Tax Partner, BDO
Matt Nadboralski, Tax Manager, Seiler
Paul Reshke, Tax Partner, PricewaterhouseCoopers
Larry Varellas, Tax Partner, Deloitte
Vivian Wang, Senior Manager, KPMG

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
Robert Farr, Partner, PricewaterhouseCoopers
Paul Reshke, Tax Partner, PricewaterhouseCoopers

UGBA 127 Financial Reporting for Complex Transactions (Maria Nondorff)
Erick Bell, Forensic and Dispute Services Senior Manager, Deloitte
Kerry Francis, Forensic and Dispute Services Partner, Deloitte
Tony Jarjoura, Assurance Services Manager, Ernst & Young
Ibi Krukruto, Senior Manager, Ernst & Young
Farley Lee, Senior Manager, Reorganization Services Group, Deloitte
Li-Peng Lim, Senior Manager, Ernst & Young
Miloo Patwa, Manager, Ernst & Young
Tiffany Rasmussen, Audit Partner, KPMG
Chelsea Wood, Assurance Manager, Ernst & Young

**SPRING 2011**

UGBA 121 Federal Income Tax Accounting (Rada Brooks)
Kevin Flynn, Tax Partner, Ernst & Young

Rada Brooks (Haas), David Cima (E&Y), Ken Avery (Deloitte), Jennifer Lindsay (KPMG), Dave Marston (PwC), and Maria Nondorff (Haas)

Francois Hechinger, Tax Partner, BDO
Paul Reshke, Tax Partner, PricewaterhouseCoopers
Larry Varellas, Tax Partner, Deloitte
Vivian Wang, Tax Senior Manager, KPMG

UGBA 102B Introduction to Managerial Accounting (Dennis Geyer)
Jonathan Wolter, Partner, FLG Partners

UGBA 102B Introduction to Managerial Accounting (Nicole Johnson)
Peter David, Partner, FLG Partners

UGBA 127 International Financial Reporting (Maria Nondorff)
Tim Lashua, Advisory Director, KPMG
Tiffany Rasmussen, Audit Partner, KPMG

**FALL 2011**

UGBA 102A-1 Introduction to Financial Accounting (Rada Brooks)
Mick Bobroff, Assurance Partner, Ernst & Young
Doug Hart, Audit Partner, BDO
Laura Martinez, Audit Partner, PricewaterhouseCoopers
Mark Massey, Forensic & Dispute Principal, Deloitte
Tiffany Rasmussen, Audit Partner, KPMG

UGBA 102A-2 Introduction to Financial Accounting (Rada Brooks)
David Cima, Assurance Partner, Ernst & Young
Doug Hart, Audit Partner, BDO
Mark Massey, Forensic & Dispute Principal, Deloitte
Tiffany Rasmussen, Audit Partner, KPMG
Stacy Strub, Partner, PricewaterhouseCoopers

UGBA 102A-3 Introduction to Financial Accounting (Julie Suh)
Ken Avery, Forensic & Dispute Services Partner, Deloitte
Mark McComb, Audit Partner, KPMG
Eugenia Rao, Tax Partner, PricewaterhouseCoopers
Claudia Spencer, Partner, BDO
Chelsea Wood, Assurance Senior Manager, Ernst & Young

UGBA 102A-4 Introduction to Financial Accounting (Julie Suh)
Kerry Francis, Forensic & Dispute Services Partner, Deloitte
Bryan Ignozzi, Partner, PricewaterhouseCoopers
Mark McComb, Audit Partner, KPMG
David Roque, Advisory Partner, Ernst & Young
Claudia Spencer, Partner, BDO

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
John Basseer, Tax Partner, Ernst & Young
Francois Hechinger, Tax Partner, BDO
Dean Kamahele, Principal, KPMG
Paul Reshke, Tax Partner, PricewaterhouseCoopers
Larry Varellas, Tax Partner, Deloitte

UGBA 102B Introduction to Managerial Accounting (Dennis Geyer)
Ward Chartier, Manufacturing Consultant
New Changes to CPA Education Requirements

The State of California has instituted new, more rigorous educational requirements for CPA licensure. The increase in rigor serves to put California in line with other states’ requirements. The new rules go into effect for individuals applying for certification on or after January 2, 2014. This means that, for UC Berkeley students, anyone graduating after May 2012 will likely be subject to the new rules.

There are many details to the new guidelines, but we at CFRM are urging students to learn about the requirements early and carefully plan their course load to ensure a smooth pathway. The changes will have a significant impact on the accounting curriculum for UC Berkeley students.

The new educational requirements are summarized as follows:

- A baccalaureate degree
- 150 semester-units of coursework, including:
  - 30 units of accounting coursework
  - 38 units of business-related coursework
  - 10 units of ethics-related coursework

The rules have been written by the State of California to provide maximum flexibility in achieving the requirements. For example, business-related coursework includes classes in disciplines such as mathematics, economics, and computer science. There are a lot of fine details underlying the coursework requirements. Please see our list of resources at www.haas.berkeley.edu/accounting/students for additional information and contact CFRM with any questions.
California Society of Certified Public Accountants
East Bay Chapter Scholarship Awards

California Society of CPAs (CalCPA) member donations provide more than $300,000 toward scholarships for California college and university students. Scholarships are merit-based and awarded to students with an interest in pursuing professional careers in the accounting practice or university faculty positions in accounting. Individual awards were between $2,000-$4,000.

UC Berkeley accounting students have been incredibly successful in obtaining these awards to help support the cost of their education, and we are grateful to CalCPA.

The California Society of CPAs (CalCPA), the pre-eminent professional society for California CPAs is now offering FREE membership to students. Those interested in joining the organization may do so online at: www.calcpa.org/content/join.aspx

Students Needing Advisement

CFRM offers advisory services to students needing guidance on career pathways and meeting the CPA course requirements. Email questions or request an appointment at CFRM@haas.berkeley.edu
Professor Nondorf’s drop-in office hours for Spring semester are Tuesdays, 10:00 am – 12:00 pm.

L. H. Penney Grant-in-Aid Award Recipients

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<td>David Chang</td>
<td>Chi Hin Chim</td>
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<td>Joey Chua</td>
<td>Dean Tian Gao</td>
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<tr>
<td>Xuyang Du</td>
<td>Steven Matthew Flores</td>
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<tr>
<td>Kurt Johnson</td>
<td>Richard Eric Mopas</td>
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<tr>
<td>David Inyoung Kim</td>
<td>Gerardo Nunez</td>
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<tr>
<td>Martin Gannon Shih, Jr.</td>
<td>Pranil Rajen Patel</td>
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<tr>
<td>Harrison Shuenn Thai</td>
<td>Isaac Chang-Yup Seong</td>
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<tr>
<td>Scott Geoffrey Tomlinson</td>
<td>Raymond Yurui Yan</td>
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<td>Bin Wu</td>
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<td>Thomas Xi Yao</td>
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The Dr. Maurice Moonitz Prize in Accounting Award Winners

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<tr>
<td>Candice Fung</td>
<td>Carol Kaeru Tsen</td>
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In May 2011, a team of accounting students from UC Berkeley took top honors at the 16th Annual National Student Case Study Seminar, sponsored by the Deloitte Foundation, the not-for-profit arm of Deloitte LLP. Competing in Scottsdale, AZ, against five other finalist schools from across the country, the winners demonstrated a solid understanding of the critical financial accounting issues found in a real world business case study. The winning team members were Arting Chang, Patrick Ho, Graeme Lazarus, Jessica Lukrich, and Simon Wu. Each winning team member received a $2,000 scholarship and the school received $10,000 in support of the accounting program.

With the support of their faculty advisor, Maria Nondorf, and professionals from Deloitte, the team of undergraduate accounting students worked to identify, define and solve the challenges of a complex accounting case study. Each student team from the finalist schools presented their recommendations to a panel of active and retired Deloitte partners, who assumed the roles of a client company’s senior management or audit committee members. At the seminar’s conclusion, the panel selected the student team that best outlined the relevant issues and most effectively presented their case.

In the 2010 academic year, teams from UC Berkeley won first and second place in KPMG’s First Annual Living Green Case Competition. The national champions, including students Lamia Mamoon, Phoebe Peronto, Deepti Arora, and Anne Widera, won $3,000 for their idea, “Cal Green Game Days.” The first runners-up, students Fei Ran, Yolanda Ma, Lei Xu, and Yishi Zuo, won $2,000 for their proposal, “Sustainability Investments at Berkeley.” Each team also received $1,000 to implement their idea. Additionally, the winning ideas were presented by KPMG to the UC Berkeley Chancellor’s Advisory Committee on Sustainability.
A team of UC Berkeley students were among the national finalists in PwC’s 2011 xTAX accounting competition. xTAX is short for “Extreme Tax” and is a tax-based case competition that uses teamwork, creativity, and problem-solving skills to have teams develop and present solutions to actual tax issues. More than 4,500 students competed in five-person teams across 84 schools for a chance to represent their school at the national level. The five best, which included Berkeley’s team, advanced to the finals, earning $10,000 each. The students on the winning Berkeley team were Vivian Chan, David Gao, Ian Goh, Jae Ryu, and Mitzi Yue, who competed in the finals on January 27 and 28, 2011 in Washington, DC.

With the changes in educational requirements for CPA licensure in the State of California, most students graduating in 2012 and beyond will have to obtain 150 semester units of coursework along with their undergraduate degree. To address these changes, the Haas School of Business is offering the Accounting Boot Camp (ABC), beginning in summer 2012, to provide additional offerings of Berkeley-Haas accounting courses, including courses that are brand new to the curriculum.

For 2012, the Accounting Boot Camp will be incorporated as part of the University of California, Berkeley Summer Sessions Program (i.e., the program that administers the summer term at UC Berkeley). The ABC courses will be held over two six-week sessions throughout the summer.

The courses will:
- allow students to earn academic credit for accounting courses taught at the Haas School of Business to apply to their CPA requirements;
- be flexible in order to meet the needs of students who fall under the “old” Pathway 1 and 2 requirements and students who will fall under the “new” requirements that go into effect January 1, 2014;
- provide students the option to choose the number and type of accounting courses that they need to meet their career interests and fill the holes in their requirements;
- prepare students to start their careers without having the burden of completing additional coursework;
- help students to space out their CPA course requirements and meet their major course requirements throughout the rest of their time in school;
- introduce new business-minded students to the accounting profession and the related career opportunities.

The ABC Program will include various career-oriented activities to inform students about the opportunities within the accounting profession.

Marketing efforts for the ABC will begin in November 2011. See the CFRM student web page for more information at www.haas.berkeley.edu/accounting/students Please contact CFRM at cfrm@haas.berkeley.edu with any questions.
Meet the Newest Accounting PhD Students at Haas

Baris Ak was born in Bursa, Turkey. He graduated within the top 1% of his class from the Istanbul Technical University where he received his Bachelor of Science in Management Engineering specializing in finance, economics and accounting. He was in the first year of the PhD program in Finance at the Sabanci University in Turkey but wanted to further his studies at an established institution to further his objective of becoming a top researcher. While at the Sabanci University, Ak was under the supervision of Akin Sayrak and they co-authored two academic papers. He was also given the opportunity to present his paper entitled “Sports, Entertainment and Market-Value: Evidence from the Soccer League” at the 2010 EFMA Meetings in Aarhus, Denmark.

Malachy English was born in London, UK. He earned a Bachelor of Science in Economics from the University of Bristol in 2007. He went on to work as a consultant at Derivatives Consulting Group before obtaining his Masters in Accounting and Economics from Cass Business School (City University London) in 2009. He finished first in his graduating class and has gone on to gain professional experience with Royal Bank of Scotland and Barclays Global Investors. English is most interested in the fields of earnings management and international accounting.

Ronald Espinosa was born in Santiago, Chile. He earned a Bachelor of Science in 2003 for Economics and a Masters in Financial Economics the following year from Pontificia Universidad Catolica De Chile (Catholic University of Chile). After his studies, he worked at Grupo Security as a senior analyst and then took on the role as Head of Equity Research. Simultaneously, Espinosa worked as an instructor for his alma mater in accounting and finance classes. From 2006-2009, he also lectured on valuation at executive education level courses. He is interested in working in empirical research, especially on issues such as valuation, market efficiency and the effect of accounting information on capital market participants and security prices.

James Ryans comes to us from Ann Arbor, Michigan. He graduated from the University of Waterloo where he received his Honors Bachelor of Applied Science and Electrical Engineering. Upon graduation he went on to work as a Senior Consultant with Deloitte & Touche and as an Equity Research Summer Associate with Lehman Brothers. Soon after, Ryans went on to pursue his MBA from the Ross School of Business at the University of Michigan-Ann Arbor where he graduated with distinction and was offered membership into the selective international business honor society, Beta Gamma Sigma. He is currently managing the investments for an insurance company and private partnership.

Jenny Zha comes to us from sunny Southern California. She graduated Cum Laude from the University of Southern California where she double majored and received a Bachelor of Science degree in both Accounting and Business Administration along with a minor in Mathematics. She has relevant accounting experience with a number of accounting firms. Not only does Zha possess strong accounting experience, but she also demonstrated the ability to conduct high level research with her senior honors paper titled “Has the effect of management earnings guidance on stock returns changed due to the 2008-2009 financial crisis?”
Beta Alpha Psi Lambda Chapter

As a premier honors business fraternity, Beta Alpha Psi is internationally recognized for scholastic and professional excellence in the fields of accounting, finance, and information systems. The Lambda Chapter at UC Berkeley, established in 1925, continues this legacy. Professor Maria Nondorf serves as their Faculty Advisor.

The UC Berkeley Lambda Chapter was recognized as a “Superior Chapter” by the national office for the 2010-2011 academic year. Recognition as a Superior Chapter is a significant accomplishment and reflects all the chapter did to excel in the areas of academics, professionalism, and leadership.

Further, at the Beta Alpha Psi national convention in San Jose in 2010, the Lambda Chapter was one of the winners of the Ernst & Young Diversity Initiatives Award. The award of $1,000 was given to each of ten chapters across the globe who made an impact on diversity within Beta Alpha Psi and their respective schools and communities. The award was based on successful implementation of their strategy and results.

Accounting PhD Student Job Placements

Seungmin Chee, 2011
University of Oregon
Dissertation: The Information Content of Commercial Banks’ Fair Value Disclosures of Loans under SFAS 107

Jenny Chu, 2011
Cambridge University
Dissertation: Does Growth Subsume the Implications of Accruals for Future Firm Performance?

Jung Hoon Kim, 2011
Florida International University
Dissertation: Cross-sectional Variation of Measurement Error and Predictability of Earnings and Stock Returns

Kwang June Lee, 2010
University of Pittsburgh
Dissertation: Purchase Obligations, Earnings Persistence and Stock Returns

Ke Li, 2010
University of Toronto
Dissertation: How Well Do Investors Understand Loss Persistence?
On April 1, 2011 the First Annual LAUNCH Your Career Conference was held at the Clark Kerr Campus at UC Berkeley. This conference, sponsored by CFRM, UC Berkeley’s Young Entrepreneurs at Haas Program (YEAH) and Ernst & Young LLP (E&Y), was held for underrepresented UC Berkeley freshman and sophomore students and community college students who were interested in transferring to the Haas School of Business. This fun and informational day-long event offered a specialized forum for underrepresented minorities and women who are interested in careers in business. It included presentations from business and community leaders as well as breakout sessions that offered professional and personal development skills.

“The goal of the conference is to assist students in developing competencies and skills to help ensure success in college and beyond,” Maria Nondorf, Executive Director of CFRM notes. “We see this conference as the first of many resources we hope to provide to underrepresented students that offer information and increase awareness about the business and accounting fields. Of course, we also hope to enrich the pipeline of students applying to the Haas School of Business and choosing accounting as a profession.”

Dean of the Haas School of Business, Richard Lyons, welcomed the students who participated in the conference. He highlighted the importance of increasing diversity and inclusion at UC Berkeley and at Haas. Enlightening keynote speeches were given by Donna Lee, E&Y’s Director of Inclusiveness and Flexibility; Ken Bouyer, E&Y’s Americas Director of Inclusiveness Recruiting; and Jose Lazares, BA 90, CEO and Founder of Socialfx. Sessions on admissions into Haas, developing career goals, and navigating the campus culture were followed by tours of the Haas campus and an ice cream social with the UC Berkeley marching band.
Accounting and Finance-Based Academy

CFRM is working with UC Berkeley’s Young Entrepreneurs at Haas Program (YEAH) on a significant new project to determine the feasibility of establishing a discipline-based academy in one or more local Bay Area high schools, in collaboration with private and public sector partners. The focus of such an academy would be to provide education relating to the fields of accounting, finance, and financial advising, and it would include components related to enhancing financial literacy. Overall, the project fits under the Berkeley-Haas Strategic Plan for Diversity, Equity, and Inclusion, but it is directly in line with CFRM’s mission to enhance familiarity of the accounting and financial reporting fields at all levels of education. Please contact Maria Nondorf at CFRM (nondorf@haas.berkeley.edu) or Jennifer Bevington at YEAH (jennifer_bevington@haas.berkeley.edu) for additional information or questions.
21st Annual Conference on Financial Reporting
Managing Change and Complexity in the Current Economic and Reporting Environment
Friday, October 29, 2010

Lunch Keynote Speaker
Mary Barth, Professor, Stanford University and Past Board Member, IASB
“To Fair Value, or Not?”

FASB and IASB Panel:
Xiao-Jun Zhang (Haas), Diane Inzano (Ernst & Young), Teresa Iannaconi (KPMG), Sabrina Simmons (Gap)

PCAOB and AICPA Panel:
Maria Nondorf (Haas), Tiffany Rasmussen (KPMG), Bob Walker (FEI), Meagan Zietsman (Deloitte)

Opening Address Speaker
Robert Herz, Former Chairman, FASB
“Financial Reporting at the Crossroads”
Instructors: Jason Jacobs (KPMG), Maria Nondorf (Haas), Alex Neil, (KPMG), and Carol Lee (PricewaterhouseCoopers)

PRE-CONFERENCE WORKSHOP
Fair Value Measurement and Financial Instruments
Thursday, October 28, 2010
Robert H. Herz, former Chairman of the Financial Accounting Standards Board (FASB) was awarded the 2010 Berkeley Award for Distinguished Contributions to Financial Reporting at the Haas School’s 21st Annual Conference on Financial Reporting on October 29, 2010. This award was established at the Haas School of Business in 2004 with the objective of recognizing an individual in financial reporting who has demonstrated courage, leadership, stewardship, or other meritorious performance in the interest of providing financial information useful to investors in making investment decisions.

In presenting the award, the Haas School recognized Herz’s body of work in the financial reporting field, and particularly his leadership of the FASB during arguably the most challenging era for financial standard settings in terms of complexity and controversy. Herz was at the forefront of explaining and defending the role of financial reporting in the recent financial crisis. Further, he drove an aggressive standard setting agenda that attempted to both improve the transparency of financial reporting and converge US accounting standards with International Financial Reporting Standards. “Bob Herz is commended for his leadership across all facets of the accounting profession, most notably standard setting, public accounting, and accounting education,” noted CFRM Executive Director Maria Nondorf.

Herz was Chairman of the FASB from July 2002 through September 2010. Previously, he was a senior partner with PricewaterhouseCoopers serving as the firm’s North America Theater Leader of Professional, Technical, Risk and Quality, and as a member of the firm’s Global and US Boards. He was also President of the PricewaterhouseCoopers Foundation which supports college and university activities. He also served as a part-time member of the International Accounting Standards Board. Herz is both a US Certified Public Accountant and a UK Chartered Accountant and was a gold medal winner on the uniform CPA examination. Herz joined Price Waterhouse in 1974 upon graduating from the University of Manchester in England with a BA first class honors degree in economics, graduating top of his class. He later joined Coopers & Lybrand becoming its senior technical partner in 1996 and assumed a similar position with the merged firm of PricewaterhouseCoopers in 1998.

Additionally, Herz has authored numerous publications on a variety of accounting, auditing and business subjects, including the book, The Value Reporting Revolution: Moving Beyond the Earnings Game, which he co-authored. Among Herz’s other activities, he chaired the AICPA SEC Regulations Committee and the Transnational Auditors Committee of the International Federation of Accountants, and served as a member of the Emerging Issues Task Force, the FASB Financial Instruments Task Force, the American Accounting Association’s Financial Accounting Standards Committee, the SEC Practice Section Executive Committee of the AICPA, and the International Capital Markets Committee of the New York Stock Exchange. He has also served on various public policy commissions and government advisory groups.

Submit your nominations for the 2012 Berkeley Award at: www.haas.berkeley.edu/accounting/awards
THANKS TO OUR DONORS

Donors to the Center for Financial Reporting & Management (July 1, 2010 – June 30, 2011)

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22nd Annual Conference on Financial Reporting

The Westin St. Francis Hotel • San Francisco, CA

Friday, June 1, 2012
Conference on Financial Reporting (full-day)

Thursday, May 31, 2012
Pre-Conference Workshop (half-day)

Details will be posted on our website soon: www.haas.berkeley.edu/accounting

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