Letter from the Executive Director

Dear Friends and Supporters of CFRM:

I am pleased to report that 2013 was a year that saw continued excellence in the Accounting Program at UC Berkeley. This excellence was demonstrated in award-winning accounting research and teaching from faculty, and from students who excelled in the classroom and achieved their initial career goals. We at the Center for Financial Reporting and Management are delighted that we could be a part of it, and I look forward to sharing our accomplishments with you here.

In April, the Haas School of Business was ranked the third best undergraduate business school for accounting by Bloomberg Businessweek. The rankings were based on student surveys and we are so pleased to see that our students think so highly of our program. It is a reflection of the true partnership between CFRM, the accounting faculty, the accounting firms, and our students. We don’t have a formal, structured accounting program at Berkeley-Haas, but I believe that it is a credit to all of us that our students judge that we do.

One important way that we’ve been able to serve students is in an advisory capacity. We now have a comfortable understanding of the California CPA educational requirements that go into effect on January 1, 2014 (and affect all of our current CPA-minded students). We actively reach out to our students to help them get comfortable with these seemingly idiosyncratic rules. Our goal-oriented and driven students continue to demonstrate that you don’t need to pursue a Masters in Accounting to achieve the requirements. It does, however, take a great deal of preparation and creativity to meet the requirements with an undergraduate degree. The staff of CFRM spends time helping students to devise their pathway by offering transcript review sessions, one-on-one advising, and enhanced course offerings. With your support, we will continue to develop programming to help best-prepare our students for the ever-changing accounting profession.

At CFRM, we take the Berkeley-Haas defining principle of “Students Always” to heart. In the past few years, we have had several Cal alumni come back into the classroom to teach and many more serve as guest lecturers or panelists in the classroom. In this year’s newsletter, we highlight John McCauley (BS 73), who recently retired from PwC and is now teaching in our Accounting Program (he is also a recently-elected City Council Member in Mill Valley, CA). We also highlight the accomplishments of Professors Panos Patatoukas and Yaniv Konchitchki, who represent the next generation of accounting faculty excellence at UC Berkeley.

Please take the time to enjoy this summary of our 2013 accomplishments while I take the time to thank you for all of the financial support and time that you provide for the Center for Financial Reporting and Management. We certainly could not have earned these achievements without you.

Go Bears!

Maria E. Nondorf
Executive Director
Center for Financial Reporting and Management
Two-Time Winner! Most Influential Women in Bay Area Business

Maria Nondorf, Executive Director of the Center for Financial Reporting and Management, was recognized as one of the San Francisco Business Times Most Influential Women in Bay Area Business for the second consecutive year. Nondorf was recognized in a special edition of the San Francisco Business Times and honored at a gala awards dinner on June 6, 2013 at the Hilton San Francisco Union Square.

Nominees were evaluated based on their influence in their industries as well as in their communities. Dean Rich Lyons stated, “Maria has done a tremendous job ensuring that Berkeley-Haas remains at the forefront of the accounting industry.” As one effect of her influence, the Haas School placed third in a ranking of the best undergraduate business schools for accounting by Bloomberg Businessweek in April 2013.

Nondorf was named executive director of CFRM in 2010 and joined the Berkeley-Haas faculty upon completion of her PhD at the University of North Carolina at Chapel Hill in 2003. She teaches intermediate and advanced financial accounting topics to Berkeley-Haas undergraduate and MBA students. Prior to obtaining her PhD, Nondorf was a senior manager in the Corporate Finance Transaction Services Group of PricewaterhouseCoopers in New York. She started her career with Deloitte and Touche in Atlanta and she is a CPA in the state of Georgia, where she received her BBA in accounting from Mercer University.

For a different take in interviewing the recipients of this award, the San Francisco Business Times asked the award recipients to answer a few questions, such as who is their favorite role model. Nondorf answered, Julia Child. When asked, “How do you use your influence?” Nondorf offered the following, “I preach the importance of financial literacy.” Regarding her personal social media strategy, Nondorf said, “Don’t be afraid to say what no one else will.” In response to being asked to provide a surprising fact about herself, she said, “I watch telenovelas to help me learn to speak Spanish.”

Accounting Professor Emeritus John Wheeler Passes Away

Accounting Professor Emeritus John T. Wheeler, whose thought leadership in accounting education contributed to the development of management sciences and computer-based business games at UC Berkeley’s School of Business Administration in the 1960s, died October 21 in Oakland, California. He was 92.

Wheeler was born in Minneapolis, Minnesota, and earned his PhD in industrial economics at MIT in 1947. He began his academic career teaching at the University of Minnesota before coming to UC Berkeley in 1954 as a professor of business administration, teaching managerial accounting. Wheeler’s teaching and research focused on preparing business students for the accounting profession. He studied accountants’ personality types and their roles within organization management. Wheeler co-authored the book *Competition and Its Regulation* (1954) and wrote the chapter “Accounting and Economics” in...
Since joining the Berkeley-Haas Accounting Group, Professors Yaniv Konchitchki and Panos Patatoukas have excelled both in research and in teaching. Konchitchki and Patatoukas jointly received this year’s Hellman Fellows Fund Research Award for “showing capacity for great distinction in research.” This is a competitive and large award, selected from faculty across the University and determined by UC Berkeley’s Chancellor and a prominent faculty panel. In addition, in 2012, Patatoukas was awarded the Schwabacher Award, which is the highest honor that Berkeley-Haas can bestow on an Assistant Professor.

At the same time, both faculty members were awarded the prestigious Cheit Award for Excellence in Teaching, Patatoukas in 2012 and Konchitchki in 2013, for their excellence in teaching in the Evening MBA Program.

Konchitchki specializes in capital markets research. In particular, he investigates the usefulness of accounting information through its links to macroeconomics (e.g., overall inflation; industry inflation; GDP) and valuation (e.g., cost of capital; asset pricing). He has published in top academic journals including The Accounting Review and Journal of Accounting and Economics. Before receiving a PhD from Stanford University, he was a CPA and Senior Financial Consultant at PricewaterhouseCoopers.

Patatoukas’ research interests overlap with his MBA teaching at Berkeley-Haas and his course on Financial Information Analysis has proven to be an invaluable source of new research ideas. Specifically, his research informs questions related to (i) the properties of financial accounting data, (ii) fundamental analysis using financial accounting data, (iii) forecasting economic activity both at the firm level and the macroeconomic level, and (iv) stock valuation both at the firm level and at the aggregate stock market level.

Patatoukas earned his PhD from Yale University in 2010 and since his appointment at Haas, has produced five top-tier publications in The Accounting Review, The Review of Accounting Studies, and The Journal of Accounting and Economics, as well as a series of working papers that are currently under review. He is currently serving as the PhD Field Advisor for the Accounting Group at Berkeley-Haas.

Berkeley-Haas Accounting Professor Patricia Dechow’s study, “Analysts’ Motives for Rounding EPS Forecasts,” co-authored by Haifeng You (PhD 07) of the Hong Kong University of Science and Technology, was recently published in the American Accounting Association’s Accounting Review. The study received recognition in the press as well, being included in the following articles: “Analysts’ Rounding Doesn’t Always Square” published in The Wall Street Journal and “Study Finds Bias in Stock Analysts’ Rounding Forecasts” published in Accounting Today. Dechow’s research shows rounded estimates for firms with earnings per share of less than a dollar (amounting to about 26 percent of the study’s sample) are on average about 70 percent more inaccurate than unrounded ones and are almost 125 percent more upwardly biased. For companies with annual earnings per share between $1 and $10 (accounting for about 61 percent of the study’s total sample), rounded estimates are on average about 40 percent more inaccurate and 68 percent more upwardly biased than those that are unrounded.

The study also finds that the market takes rounding into account in its response to analysts’ forecasts. Investors responded less to earnings surprises when forecasts were rounded than when they were not. Investors also anticipated the upward bias of rounded forecasts, though not fully.

What practical lessons can investors derive from the study? “Generally to be a little wary of rounded analyst forecasts,” Dechow says, “particularly for small companies or high-growth firms with heavily traded stocks (especially if they’re likely to want to raise money soon) or simply companies with low earnings per share. Those are all characteristics that should motivate precise forecasts. If they don’t, it could very well be a tip-off to hurried or cursory analysis.”

AAER Dataset Available for Purchase

Since 1982, the SEC has issued Accounting and Auditing Enforcement Releases (AAERs) during or at the conclusion of an investigation against a company, an auditor, or an officer for alleged accounting and/or auditing misconduct. These releases provide varying degrees of detail on the nature of the misconduct, the individuals and entities involved and their effects on the financial statements. Berkeley-Haas Professors Patricia Dechow and Richard Sloan constructed a comprehensive dataset of information from these AAERs. The dataset currently consists of 3,403 SEC AAERs (1,297 firm misstatement events) issued between May 17, 1982 and August 31, 2012. It contains 921 firm misstatement events that affect at least one of the firms’ quarterly or annual financial statements.


The research data is available for purchase by academic researchers for $500. For information on purchasing see www.haas.berkeley.edu/accounting/faculty/AAERDataset.

Earl F. Cheit Award for Excellence in Teaching for 2012-2013

Accounting Faculty Winners

This award is named after Dean Emeritus Earl F. Cheit, who made teaching excellence one of his top priorities as dean. The recipients of the Cheit Award are chosen by panels of students based on nominations submitted by students.

Evening MBA Program
Yaniv Konchitchki

Berkeley-Columbia Executive MBA Program
Suneel Udpa
New Faces in the Classroom

Berkeley-Haas has been fortunate to have the following three Berkeley-Haas Alumni join the Accounting Faculty:

John Briginshaw (MS 99), (PhD 03), received his degrees from Berkeley-Haas and is a Visiting Assistant Professor from Pepperdine University. He teaches several courses including Introduction to Financial Accounting. His research covers equity valuation and fast growth companies. He has published several papers and a book entitled Internet Valuation: The Way Ahead (2002) (Palgrave MacMillan).

John McCauley (BS 76), a Berkeley-Haas alum, has been teaching since 2012 after retiring as an Assurance Partner with PricewaterhouseCoopers in San Francisco. He teaches Operating and Financial Reporting Issues in the Financial Services Industry. See the article on page 6 for more information about McCauley’s contributions to the Accounting Program.

Tiffany Rasmussen (BA 87), a Cal alumna, turned her role as a guest lecturer in various accounting classes into a teaching role at Berkeley-Haas. She recently retired as an Audit Partner from KPMG after 27 years. Rasmussen teaches Intermediate and Advanced Accounting classes, as well as the Auditing course.

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.

Haas Accounting Faculty — Recent Publications

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Manuscript Name</th>
<th>Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patricia Dechow (Co-Author H. You)</td>
<td>Analysts’ Motives for Rounding EPS Forecasts</td>
<td>The Accounting Review (2012)</td>
</tr>
<tr>
<td>Yaniv Konchitchki</td>
<td>Accounting Research: Notes and Perspectives</td>
<td>University of Southern California Figueroa Press (2012)</td>
</tr>
<tr>
<td>Yaniv Konchitchki (Co-Authors M. Barth, W. Landsman)</td>
<td>Cost of Capital and Earnings Transparency</td>
<td>Journal of Accounting and Economics (forthcoming)</td>
</tr>
<tr>
<td>Yaniv Konchitchki and Panos Patatoukas</td>
<td>Accounting Earnings and Gross Domestic Product</td>
<td>Journal of Accounting and Economics (forthcoming)</td>
</tr>
<tr>
<td>Panos Patatoukas</td>
<td>Detecting News in Aggregate Accounting Earnings: Implications for Stock Market Valuation</td>
<td>Review of Accounting Studies (forthcoming)</td>
</tr>
</tbody>
</table>
In many big ways, **John McCauley** (BS 76) is following the Berkeley-Haas Defining Principle “Beyond Yourself” as he capitalizes on the years following his 2010 retirement from PricewaterhouseCoopers. He is back in the classroom at Cal and he has become a dedicated public servant.

Yet, growing up, he probably would not have predicted that he would ever be in a position to serve in these ways. McCauley’s father was an immigrant from Ireland and he grew up in Oakland never dreaming of a career in accounting. He worked hard to finance his education, working as a deliveryman for a bread company and selling t-shirts for Bill Graham Enterprises, the rock and roll promoter. While working with Bill Graham, he was asked to join the Allman Brothers Band tour as a roadie and this gave McCauley pause to think about his future. He declined the tour and became a little more serious about his career options. He ultimately attributes the launch of his accounting career to the doors that were opened to him while attending UC Berkeley.

Upon graduation, McCauley began his career in San Francisco with Coopers & Lybrand, the predecessor to PricewaterhouseCoopers. Initially, he wasn’t sure how long he would work for the firm; but as he kept learning and the career opportunities kept coming, he remained engaged for his entire 35-year stay with the firm. He focused his career on financial services companies as he became a partner. In addition to his responsibilities conducting audits and providing advice to companies, McCauley’s roles included managing the San Francisco audit practice and a regional role in the firm’s internal risk management process. The opportunity to switch from the more technical side of the practice to a leadership role was an important factor in McCauley's lasting career satisfaction.

Because of his appreciation for what UC Berkeley gave to him in terms of setting his career trajectory, McCauley has actively given back to Cal. While at PricewaterhouseCoopers, he was involved in recruiting UC Berkeley students and served for a time on the CFRM Advisory Board. Since retirement from the firm, McCauley has leveraged his work experience to craft a popular course at Berkeley-Haas called Operating and Financial Reporting Issues in the Financial Services Industry. This course examines companies in the banking, investment management, real estate, and insurance industries to find out how they really work. Many Berkeley-Haas students pursue careers in these industries and this course provides invaluable insights that can help students get a competitive edge as they start their careers.

In addition to all he has done for Cal students and alumni, McCauley has also developed deep roots in his local community. In the November 2013 election, McCauley ran a successful campaign to win a seat on the Mill Valley City Council. His aspirations for public service come from the value he puts on understanding what is important to the neighborhoods and families in his community. No doubt, his leadership experience at Cal and PricewaterhouseCoopers help to guide his involvement in politics.

When not teaching or serving Mill Valley, McCauley and his wife Cindy love traveling, bicycling, hiking, taking cooking classes and skiing in Tahoe. The McCauleys have two grown children, Erin and Bryan. McCauley is a huge 49ers fan, with season tickets and a well-earned reputation for his elaborate tailgates. He harkens back to his days with Bill Graham by collecting vinyl records.
IN THE CLASSROOM

Career Enhancement Activities

We greatly appreciate the involvement of the following professionals who brought their real-world experiences into the classroom in 2013.

SPRING 2013

UGBA102A Introduction to Financial Accounting (John Briginshaw)
Eason Davis, Senior Manager, KPMG
Sean DeWinter, Assurance Partner, PwC
Bryan Gendron, Audit Partner, BDO
Michael Matlock, Senior Manager, EY
Larry Varellas, Tax Partner, Deloitte

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
Francois Hechinger, Tax Partner, BDO
Eric Hoedt, Tax Partner, KPMG
Paul T. Kangal, Tax Partner, EY
Paul Reshke, Partner, PwC
Larry Varellas, Tax Partner, Deloitte

UGBA 127-1 Financial Reporting for Complex Transactions (Maria Nondorf)
Erick Bell, Senior Manager, Deloitte Financial Advisory Services
Kerry Francis, Partner, Deloitte Financial Advisory Services
Farley Lee, Senior Manager, Deloitte Financial Advisory Services
Mark McComb, Audit Partner, KPMG

SUMMER 2013

UGBA102A Introduction to Financial Accounting (Gary Pieroni)
Michael Corey, Advisory Partner, PwC
Javier Garcia, Assurance Partner, EY
Karen Matthews, Audit Senior Manager, KPMG
Brad Poole, Audit Partner, Deloitte

UGBA102A Introduction to Financial Accounting (Suneel Udpa)
Donielle Borgo, Tax Director, PwC
Kerry Francis, Partner, Deloitte Financial Advisory Services
Javier Garcia, Assurance Partner, EY
Vince Hayes, Advisory Director, Deloitte
Calvin Liu, Advisory Managing Director, KPMG
Paul Reshke, Partner, PwC
Michael Soza, Audit Partner, BDO

UGBA 102A Introduction to Financial Accounting (Rada Brooks)
Jenny Chang, Audit Partner, Deloitte
Sean DeWinter, Assurance Partner, PwC
Ed Kennedy, Assurance Partner, EY
Claudia Spencer, Audit Partner, BDO
Joe Yuen, Audit Partner, KPMG

UGBA 127-1 International Financial Reporting (Maria Nondorf)
Leif Kogl, Senior Associate-Tax, PwC
Samantha Parish, Senior Manager, Deloitte Financial Advisory Services
Gower Suen, Director-International Tax, PwC

UGBA 127-2 Ethics in Financial Reporting for Sustainability (Sam Berde)
Justin DeKoszmornszly, Chief Sustainability Officer, PUMA
Marisa Mackey, Associate Director, Education Sustainability Accounting Standards Board

UGBA 127-4 Financial Reporting and Valuation (John Briginshaw)
John Caldwell, Managing Director, Grant Thornton
Kevin Coldiron, Co-Founder, Algert Coldiron
Andy Ross, Director, Grant Thornton

FALL 2013

UGBA 102A Introduction to Financial Accounting (Rada Brooks)
Johnny Choi, Senior Manager, PwC
Rajay Desai, Audit Manager, Deloitte
Ed Kennedy, Assurance Partner, EY
Blair McCauley, Audit Manager, Deloitte
Mark McComb, Audit Partner, KPMG

UGBA 102A Introduction to Financial Accounting (John Briginshaw)
Mick Bobroff, Assurance Partner, EY
Rima Karam, Audit Senior Manager, Deloitte
Nishaben Mahida, Assurance Associate, PwC
Mike Murphy, Audit Partner, Deloitte
Jennifer Petersen, State and Local Tax Partner, KPMG

UGBA 121 Federal Income Tax Accounting (Alan Cerf)
Jeremy Bentley, Tax Partner, Deloitte
Ryan Burns, Senior Manager, EY
Cindy Hsieh, Tax Partner, Rowbotham and Co.
Paul Reshke, Tax Partner, PwC
Brian Rowbotham, Tax Partner, Rowbotham and Co.
Vivian Wang, Tax Senior Manager, KPMG

UGBA 126 Auditing (Sam Berde)
Deborah Bennet, Director, EY
Michael Soza, Audit Partner, BDO
Bill Ward, Executive Senior VP, Union Bank

UGBA 127 Operating and Financial Reporting Issues in the Financial Services Industry (John MacAuley)
Steve Dietsch, Principal and Chief Financial Officer, DivcoWest
Jason Horn, Director of Fund Administration, BlackRock
Mark Lefanowicz, Chief Financial Officer, Provident Funding Associates
Harry Rosenbluth, Portfolio Manager
Gary Tolman, CEO, Esurance
James Ryans Wins Accounting Paper Award

Berkeley-Haas PhD student James Ryans was selected as the winner of the Best Doctoral Student Paper Award at the American Accounting Association’s 2013 Western Regional Meetings in San Francisco. Ryans co-authored the paper “Investors’ Demand for Sell-side Research: SEC Filings, Media Coverage, and Market Factors” with Berkeley-Haas Accounting Professor Alastair Lawrence and former Berkeley-Haas doctoral student Estelle Sun (PhD 13).

The paper bested research presented from other universities including USC, UCLA, the University of Colorado, and University of Arizona. Ryans and his co-authors studied traffic on a popular website that aggregates stock analysts’ reports, looking at patterns of investor demand for analyst information. “The paper’s conclusions benefit both academics and analysts, who don’t always have access to valuable feedback about what investors find most useful,” Ryans says.

PhD Student Jenny Zha Wins Prestigious Deloitte Fellowship

Berkeley-Haas PhD student Jenny Zha is one of 10 recipients of the Deloitte Foundation’s annual Doctoral Fellowship in Accounting. As part of the fellowship, Deloitte will give Zha a $25,000 grant to support her work for two years. Each year, accounting faculty from about 100 universities are invited to nominate students for the fellowship.

Zha, a second-year PhD student who worked at KPMG in Los Angeles before beginning the program at Berkeley-Haas. A Shanghai native who grew up in California, she says she is thrilled to be a recipient. “I knew there were only 10 people who got the award. I hoped for the best but didn’t expect anything,” she says. “When I received the phone call from Deloitte Foundation, I was ecstatic and honored to have received the award.”

Zha is now developing potential ideas for her dissertation topic, one of which examines CEO compensation compared to the average worker’s salary. In her research, she says she wanted to show how the pay disparity between a CEO and the average worker can add or destroy firm value. “There is a past point where if the CEO is paid exorbitantly more, the firm’s value is lower,” she says. Zha said Berkeley-Haas accounting Professor Panos Patatoukas helped her with preliminary data analysis on her topic and provided feedback during an accounting seminar last spring. After graduation, Zha plans to focus her research on the implications of accounting within companies and how investors interpret accounting information.

Accounting PhD Student Job Placement

Harm Schuett
Wissenschaftliche Hochschule für Unternehmensführung, Germany
Dissertation: Essays on Financial Information Analysis

Estelle (Yuan) Sun
Boston University
Dissertation: Use of Discretionary Expenditures as an Earnings Management Tool: Evidence from Financial Misstatement Firms

Aydin Uysal
Menta Capital, LLC
Dissertation: Assessing Accrual Quality in Financial Institutions
Haas Welcomes Two New Accounting PhD Students

Henry Laurion graduated from the University of Colorado at Boulder with a master’s degree in accounting. After gaining research experience working for Glass Lewis, & Co., Laurion earned his CPA in Colorado and spent four years working in PwC’s Assurance practice in Denver. He supervised teams through audits and quarterly reviews. He also assisted clients with special transactions such as SEC comment letters, debt and equity capital raising, mergers and acquisitions, and ongoing private transactions. His research interests are motivated by experiences with his clients while at PwC.

Samuel Tan hails from Singapore, where he earned bachelor’s degrees in accounting and economics at Singapore Management University and a master’s degree in statistics from National University of Singapore. He became interested in accounting research after discovering the depth of the theory behind accounting and its potentially tremendous impact. During his undergraduate and master’s studies, Tan got involved in research assistantships and co-authorships with professors, and has presented research papers at several conferences. He entered the PhD program with an interest in earnings-related empirical research. Tan says he is looking forward to learning a great deal from the amazing people at Berkeley-Haas.

Cal CPA East Bay Chapter Scholarship Awards

Congratulations to students Roy Hadar, Yevgeniy Pilipovskiy, and Denney Choi, who were awarded California Society of Certified Public Accountants East Bay Chapter scholarships for 2012–13. The merit-based scholarships range from $3,000–$6,000 and are awarded to students with an interest in pursuing accounting careers.

Other Scholarships and Awards

LH. Penney Grant-in-Aid Award
Justin Jerome Chu
Long Ma
Amrit Vishal Rathi
Soo Jung Roh
Jeffrey A. Tsai
Yu Hsiang Wang

Carol Inberg Accounting Scholarship
Lu Yin Elaine Huang
Ingrid Wong

Dr. Maurice Moonitz Prize in Accounting
MinJung Suh

Beta Alpha Psi Named Distinguished Chapter

Congratulations to the Lambda Chapter, which was recognized for excelling in the areas of academics, professionalism, and leadership! Professor Maria Nondorf served as Faculty Advisor and led the Chapter in their successful efforts.
Roy Hadar Wins Seiler/CalCPA Scholarship

Pictured: Roy Hadar (BS 13), Jim Demartini (Managing Partner, Seiler), Loretta Doon (CEO, Cal CPA Society), Maria Nondorf (Haas)

Roy Hadar, who graduated from the Haas School of Business this past spring, was awarded the CalCPA Institute Scholarship in Honor of Donald Seiler at the CalCPA East Bay Chapter Honorees Night in January 2013. Donald Seiler, who passed away in 2012, founded Seiler LLP, a regional accounting and advisory firm. He was a prominent fixture in Bay Area business and was noted for his philanthropy and volunteerism. Seiler was also an alumnus of UC Berkeley (BS 49, MBA 50) and gave back generously throughout his life to the Accounting Program at Berkeley-Haas. It is truly an honor to have a fellow Cal alumnus win this prestigious award.

Hadar is a native of Tarzana, CA, outside of Los Angeles. He is a first-generation American who grew up in a bilingual household (Hebrew and English) and he has dual citizenship (USA and Israel). Having attended a Jewish high school, Hadar wanted to get involved in the Jewish community at Cal. He participated in student organizations associated with Hillel and the Jewish Leadership Center at Cal, including the First Year Network, which mentors first year students at Cal and helps them adjust to college life. He also joined Alpha Epsilon Pi, the Jewish fraternity, and became heavily involved in its leadership beginning in his freshman year. He eventually became the Chapter President and emphasized increasing the chapter's philanthropy, cultivating young Jewish leaders, and expanding its membership to increase its impact on the Cal community. On the academic side, Hadar dual-majored in Business and Classics (Classical Greek, with a Roman Civilization minor). He was also a Regents' and Chancellor's Scholarship award-winner. To find out a little more about his path to success, we interviewed Roy Hadar and his responses follow.

Q. How did you become interested in an accounting career?
A. A fraternity brother who interned for Deloitte introduced me to the firm in my sophomore year. He knew I was interested in becoming a business major, so he put me in touch with the recruiters. The interview process led me to consider a career in auditing and I had the opportunity to attend Deloitte's National Leadership Conference, where I learned about the various opportunities in the accounting profession and networked with many Deloitte professionals.

Q. What did winning the Seiler/CalCPA Scholarship mean to you?
A. Being awarded the Seiler/CalCPA scholarship was very humbling. Donald Seiler was one of the Bay Area's most influential Jewish leaders and a prominent UC Berkeley alumnus. Equally notable, he found a way to use public accounting to improve the quality of his surrounding communities. It is an honor to earn a scholarship in his name and it provides me with even more motivation to continue giving back to the Jewish community. It also inspires me to participate in corporate social responsibility within Deloitte and employ commercial means to positively impact society.

Q. What have you been up to since you graduated?
A. After graduating from Cal, I took additional accounting courses to help me obtain the CPA licensure and have been studying for the CPA exam. I also moved to San Francisco and began working for Deloitte as a Junior Associate in the Audit Function.

Q. Did you have any specific interaction with CFRM that helped you to launch your career?
A. CFRM is an invaluable resource for all students who are interested in accounting and financial reporting. It plays a pivotal role in connecting students with the accounting profession throughout college. In my freshman and sophomore years, CFRM hosted events that introduced students to the public accounting industry and Big 4 firms. In my junior year, Professor Maria Nondorf helped me to plan my coursework to put me on track to obtain the necessary units for CPA licensure. In my senior year, Professor Nondorf guided me through the process of applying to the CPA exams and receiving the necessary study materials.
**PwC Challenge Case Competition**

UC Berkeley students participated in PwC’s xAct accounting competition held at the Durant Hotel in Berkeley on November 7, 2012. The winning team, xCeptional, was led by faculty advisor, Vic Stanton. xAct is short for “Extreme Accounting” and is a case competition that uses teamwork, creativity, and problem solving skills to have teams develop and present solutions to actual accounting 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.

**Deloitte Leadership Workshop a Huge Success**

Deloitte hosted 60 select freshmen and sophomores at the first annual Deloitte Leadership Workshop in May 2013. During this event, the students participated in sessions geared towards developing leadership, team-building, and interpersonal skills. They also had the opportunity to learn about life in professional services and meet Deloitte professionals from diverse backgrounds.

**KPMG International Case Competition**

KPMG hosted the annual International Case Competition (KICC) with over 20 teams participating in the campus round. Teams of four students had 48 hours to put together a strategic business plan to expand TripAdvisor’s business in China. The winning team from UC Berkeley, Team Osos de Oro, advanced to the regional competition in San Francisco and competed against University of Southern California, University of Washington, University of Houston and University of Illinois, Urbana Champaign. The Cal team came in second place in the West KICC Regionals held in New York City.

**Spring 2014 Accounting Curriculum Changes (UGBA 120AA and 120AB)**

There are a few significant changes to the accounting curriculum at the Haas School of Business this year. Intermediate Financial Accounting (formerly UGBA 120A) and UGBA 120B have been reorganized into three different accounting courses:

- **UGBA 120AA** – Intermediate Financial Accounting 1
- **UGBA 120AB** – Intermediate Financial Accounting 2
- **UGBA 120B** – Advanced Financial Accounting

See additional information at [www.haas.berkeley.edu/accounting/students/resources.html](http://www.haas.berkeley.edu/accounting/students/resources.html). Contact CFRM@haas.berkeley.edu if you have further questions.
Students had many opportunities throughout the year to learn more about accounting career opportunities. Accounting firms Deloitte, KPMG, PwC, EY and BDO came to campus to meet with students at various tabling events and ice cream socials.

Another opportunity for students to learn about the CPA credential was the Transcript Review Sessions presented by CFRM and Becker Professional Education. At these events, students had the chance to have their coursework reviewed for CPA qualification as well as find out what it takes to pass the CPA exam.

CFRM & Big4+ Sneak Peek Social

Students were invited to learn about professional services and fall recruiting at the Sneak Peak Social held in conjunction with CFRM and firms EY, BDO, KPMG, Deloitte and PwC. The event was held in January at the Bancroft Hotel in Berkeley. Recruiters and professionals were available to answer questions and talk about the different areas of professional services including advisory, tax, forensic and dispute services, information technology risk advisory, asset management and audit. A panel of current student interns and professionals, moderated by Maria Nondorf, also offered valuable insight on career fair etiquette and what to expect during an internship.

Student Recognition Lunch for Newly Accepted Interns and Hires

CFRM and the student group Beta Alpha Psi hosted a Student Recognition Lunch this past December at the Shattuck Hotel in downtown Berkeley. The purpose of the lunch was to acknowledge those students who had recently accepted internship and full time offers from firms EY, KPMG, Deloitte, PwC and BDO. Executive Director Maria Nondorf welcomed and congratulated them on their acceptance. The lunch provided an opportunity for students to meet and talk with recruiters, faculty, and fellow future colleagues. The event took place during the University’s “dead” week prior to finals, allowing students a nice break to enjoy a holiday lunch and to be recognized for their success.
Haas School of Business Hosts Conference on Fraud and Misconduct

Scholars from around the world came together at the Claremont Hotel and Spa in Berkeley to discuss current research at a multi-disciplinary Conference on Fraud and Misconduct. Presentations and thematic panels were followed by commentary and general discussion. Mike Wilkins, Founding and Managing Partner of Kingsford Capital Management, presented the lunch keynote.

Fraud and firm misconduct has been the subject of increased public, media and academic attention over the past decade, leading to a sense of the pervasiveness of misconduct in corporate life. In an effort to collaborate, synthesize, and encourage research attention to these important topics, this one and a half day conference brought together scholars from the fields of organizational behavior, finance, accounting, economics, sociology and law. The conference was hosted by the Haas School of Business with sponsors CFRM, California Management Review, Berkeley Center for Political Economy and the Center for Nonprofit and Public Leadership.

Berkeley-Haas Professors Compete in Marin Triathlon

Just hours after hosting the Fraud and Misconduct Conference, Berkeley-Haas professors Patricia Dechow, Richard Sloan, and Alastair Lawrence competed in the Marin Triathlon, where they mastered a 500 meter SF Bay swim, eight mile bike course, and 5K run.

Overall, Lawrence came in 2nd place and Sloan placed 6th out of 218 finishers (both first in their age groups). Dechow came in 17th place out of the 106 women who competed and 4th in her age group.
Review of Accounting Studies Conference Draws Accounting Scholars Worldwide

108 accounting scholars came to Berkeley from over 40 universities to participate in a research conference with the theme “Accounting Research with Implications for Practice.” The conference, hosted by the academic journal Review of Accounting Studies (RAST), was held at the Claremont Hotel Club & Spa and at the UC Berkeley campus. BlackRock sponsored the prize for the best conference paper, which was selected by secret ballot from conference attendees. The winning paper was “The Financial Reporting of Fair Value Based on Managerial Inputs Versus Market Inputs: Evidence from Mortgage Servicing Rights” by Jennifer Altamuro and Helen Zhang, both of Ohio State University. The Morgan Stanley Prize for best discussant was awarded to Bradley Hendricks and Catherine Shakespeare, both of the University of Michigan.

Sponsors included the Center for Financial Reporting & Management, Cambridge Business Publishers, BlackRock, and Morgan Stanley. All papers presented at the conference will be published in RAST.

Basketball Tailgate Reception & Game

CFRM hosted a fun-filled night with great food and lots of Cal spirit at its first basketball tailgate and reception prior to the Cal Bears taking on the Stanford Cardinal on March 6, 2012. CFRM donors, faculty, students and alumni enjoyed a performance by the Cal band, cheerleaders and a surprise appearance by Oski himself. Dean Rich Lyons spoke to attendees about the exciting changes happening at Berkeley-Haas as well as the continued success and efforts of CFRM. Executive Director, Maria Nondorf spoke about the upcoming events at CFRM and thanked those attending for their generous support. Students were also able to lend their voices and talk about how CFRM has had a positive impact on their experiences as students at Cal and how the Center has helped paved the way towards their career goals. The event ended with a spirited cheer of “Go Bears!” before attendees headed off to enjoy the game at Haas Pavilion.
The fourth annual LAUNCH Your Career Conference was held at the Clark Kerr Campus at UC Berkeley on September 28, 2013. The conference, sponsored by CFRM, UC Berkeley’s Young Entrepreneurs at Haas Program (YEAH), and EY LLP, was held for underrepresented UC Berkeley freshman and sophomore students and community college students who are interested in transferring to the Haas School of Business. As a new addition to this year’s conference, local high school students were invited to attend and partook in workshops specifically focused on helping them learn how college applications are evaluated.

The day-long event offered a specialized forum for underrepresented minorities who are interested in careers in business and accounting. Executive Director of CFRM Maria Nondorf welcomed students along with Ed Kennedy (BS 83), Assurance Partner of EY. Following Kennedy was keynote speaker, Mercedes Martin, Associate Director of Diversity and Inclusion at EY, who spoke on overcoming challenges and achieving success.

Presentations included a fashion show of “dos” and “don’ts,” demonstrating to attendees what to wear and what not to wear to interviews, a normal day at the office, or an office holiday party. Berkeley-Haas Professor Sarah Beckman also presented an engaging seminar titled “Problem Finding, Problem Solving.”

At the conclusion of the event, students were taken to the Haas School of Business for an ice cream social and a surprise performance by the Cal Straw Hat Band. Tours of Haas were given afterwards.
“Night of the Stars” Accounting Recognition Dinner

Faculty, students and sponsors of CFRM arrived at the Claremont Hotel and Spa in Berkeley in April for a dinner event, “Night of the Stars,” only to learn that they were the actual “stars” of the evening. CFRM hosted this annual event to pay special recognition to Haas Accounting Faculty and UC Berkeley students for their accomplishments, and to show appreciation to its sponsors for their generous contribution of time, money, and leadership to Berkeley-Haas. As the 70 guests arrived, they walked the red carpet as the Paparazzo flashed photos of them as they entered. After enjoying hors d’oeuvres and Italian sodas, they were seated for dinner and entertained with a surprise performance of “Mac the Knife” by Berkeley-Haas’ own Dean Rich Lyons.

Professor Maria Nondorf presented a special award to Dean Lyons in appreciation of his dedicated support of the Accounting Program at UC Berkeley and Professor Patricia Dechow recognized Nondorf for once again being named among the 2013 Most Influential Women in Bay Area Business by the San Francisco Business Times. A slideshow highlighted the activities of the Center throughout the year, showcasing many of the “stars” who were in the room. The evening came to a close with a raffle of prizes donated by CFRM, Cobbs Comedy Club of San Francisco, Creatours, Doubletree Hotel Berkeley Marina, FIVE Bistro and Bar at Hotel Shattuck Plaza, Jim Block Photography, Red and White Fleet, and Seascape Beach Resort, Monterey.
Thanks to Our Donors
Donors to the Center for Financial Reporting & Management (July 1, 2012 – June 30, 2013)
CFRM would like to thank the following donors for their contributions to the Center for Financial Reporting & Management. Names are listed in alphabetical order. Names will also be acknowledged in the Haas School of Business Annual Report by club level category reflecting the full amount of their generosity given to the Haas School.

CFRM Individual Donor Listings

Dean’s Strategists Circle
$25,000-$49,999
Kerry L. Francis, BA 82, BA 82*
Ann M. & Mark J. Kenyon, BS 76*
Jodelle M. & John F. Russi, BS 82*

Dean’s Innovators Circle
$10,000-$24,999
Laura B. & Raymond J. DePole, BS 85
Linda & Mark E. Garcia, BS 82
Edward G. Harrison, BS 87*
Rita P. & Clarence W. Houghton, BS 60
Diana R. & Michael A. Huffman, BS 81*
Janet A. & George E. Keltz, MBA 82*
Marjorie & Christopher G. Lee, BS 75, MBA 79*
Cindy J. & John J. McCauley, BS 76
Bonnie B. & James R. Mountain, MBA 87
Larrilyn & Lynn V. Odland
Sandia S. Shirai, BA 85 & Theodore S. Shirai*
Mary R. & Peter K. Swentzel, BS 63, MBA 68*
Ann H. Van Oppen, BS 76 & Timothy F.
Van Oppen, BS 76
Robyn S. Varellas, BS 80 & Lawrence P. Varellas, BS 80*

Haas Partners Club
$5,000-$9,999
Celeste Lee-Bobroff, BS 89 & Michael D. Bobroff, BS 89
Carolyn J. Carlson, BA 63 & Timothy E. Carlson, BS 63
Kathleen P. & David J. Cima, MBA 94
Daria S. Hodapp, BS 77 & Steven M. Hodapp, BS 80
Barbara & George Kelly, MBA 61
Vicki & L. S. Kemp, MBA 78
Janette Babai Kennedy & Edward B. Kennedy, BS 93, BA 93*
Constance T. & Mark E. McComb, BS 86
Jan S. McEachern, BA 72 & Douglas J. McEachern, BS 74
Kathleen O. McGloug, BS 78*
Anna W. Mok, BS 88 & John K. Yau, BA 83*
Barbara F. Roberts, BS 78 & Eric R. Roberts, BS 67, MBA 68
Masako & Michel Vacheron, BS 60
Brandee A. Tilman & Ali R. Vahdat, BS 96

Haas Directors Club
$2,500-$4,999
Patricia Aguilar, BS 88*
Joni & Kenneth P. Avery, BS 84*
Robin R. & Douglas N. Barton*
Peter M. Chang, BS 98*

Adrienne G. Crawford, BS 79 & Robin L. Crawford, BS 79*
Claudine M. Davis, BA 94 & James C. Davis, MBA 87*
Sharon R. & Thomas J. Francis, BS 73*
Betty S. & Gerald T. Fujimoto, BS 84*
Qui T. Tran & Matthew Hudes*
Andrew W. Ingram
Beate M. Morrow, BA 61 & Kenneth E. Morrow, BS 62
Barbara J. & Donald J. Moulin, BS 54
Lisa A. Nicolini, BS 77*
Zainabu E. Oke, BS 90 & Olusegun Oke*
Kay P. Pitman & Tom Carl*
Martha O. & Paul A. Reshke, BS 82
Dina Winder, MBA 05 & Scott C. Winder, MBA 05*

Haas Associates Club
$1,000-$2,499
Barbara & Ted Adachi*
Sheila Imran & Imran Aziz*
Connie J. & John S. Banker, BS 68
Elaine S. Banks, BS 65*
Ellen & Chad Basilico*
Jeanne & Mark C. Berres*
Peter J. Blatman, MS 75, MBA 78*
Mary E. Avella-Blere & Steven M. Blere, BS 84*
Stephen B. Blough, MA 85, PhD 87
Norleam S. & Jay D. Bounds*
Lori B. Feldman & Gary S. Caine*
Jenny C. Chang, BS 97*
Julieh Choi, BA 92 & Chung H. Ko, BA 92*
Catherine & Randall J. Coste, BA 80
Heidi L. Nielsen & Andrew Cotton
Patricia M. Dechow & Richard G. Sloan
Pamela McAfee-Dewald & Wayne Dewald*
Diane & Greg K. Dresdow*
Chris R. Dyer, BS 84
Marjorte G. Edmondson, BA 98 & Jeffrey I. Edmondson*
Lori W. Elerts
Jennifer & Jason T. Flegel, MBA 06*
Allison M. & Kevin W. Fried*
Melissa B. Rogers, JD 91 & Mark Garay, JD 91
Robert K. Gray*
Dana Estill-Herrmann & Christopher Herrmann*
Ivor & Mark C. Horn, MBA 96*
Celeste R. & Michael E. Johnson, BS 86
Russell L. Jones*
Ammarie F. & Michael E. Kearney*
Cecile & Farley Y. Lee, BS 85*
Linda S. Lee, BS 94 & Maxwell Meng*
Ellen H. Lin, BS 04*

Kerri S. & David J. Melnick, BA 90, BA 90
Gerald L. Miller, BA 01, BA 01*
Brian E. Muehl*
Sonya M. Murphy, MBA 98 & Noel E. Murphy*
Kathleen A. Murray & Arthur T. Perkins
Denise Newman
Monica B. & Kevin L. O’Reilly*
Kathleen S. & Phil D. Parker*
Betina & Martin Pleitkin*
Michael R. Preston*
Janice M. Roehl-Anderson & Frederick H. Anderson*
Jennifer L. & Ronald D. Saake, MBA 86*
Tomomi & Patrick J. Shearer*
Erin C. & Michael F. Shippey*
Joanna L. & Kenny M. Smith*
Jennifer E. Stiemann & Alexei Yaroshenko*
Kim A. & Brendan Sugrue*
Karen M. Tartre, BA 60 & Donald V. Tartre, BS 57
Annie M. Zhu & William E. Thomen, BS 89*
Sheila D. Williams, BA 91*
Linda M. & Douglas M. Zercoe*

Haas Supporters
$1-$999
Dan Amiram
Bradley Andrews
Shantana Banerjee
Ronda E. Breithard, BA 63 & Stanley H. Breithard, BA 60, MBA 63
Patricia Lanceford-Byers & Edwin W. Byers*
Jeffrey Callen
Stefano Cascino
Chih-Ying Chen, PhD 97
Jennifer A. Chu, BA 99*
Hayley Hughmand & Eason C. Davis, BA 00
Jennifer Kandel & Kenneth G. De Jarnette*
Elizabeth A. Delph, MPP 09
Aytekin Ertan
Jing Fang
Katherine A. Gunny, PhD 05
Huqiong Higgins
Melissa Huffman
Robert B. Jacoby, MBA 04*
Xiaowen Jiang
Vivian H. & Glenn L. Johnson, PhD 65
Mari & Andrew L. Katz, BS 84
Deidre M. & Keith Kaiser*
Giana M. & Alan S. Kennan, BS 61
Satfranz Khan
Reut Laufer & Yaniv Konchitchki

* Amounts contributed from Deloitte LLP employees and alumni are designated for the Haas Capital Campaign.
Sponsorships

The Center for Financial Reporting and Management places tremendous value on its relationship with the corporate community. Serving as a bridge between academia and the corporate world, the Center serves to enhance interaction 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, consulting, investment banking, and money management 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.

CFRM Sponsors

- BDO LLP
- California Society of CPAs
- Deloitte LLP
- EY LLP
- KPMG LLP
- PwC LLP

Other Corporate Gifts

- Fidelity Charitable Gift Fund
- Kenyon Charitable Foundation
- Mervyn L Brenner Foundation Inc
- Rowbotham & Company LLP
- The Schwab Fund for Charitable Giving
- The Walt Disney Company Foundation
- Bank of America Foundation

Interested in becoming a Sponsor of CFRM?
Contact: Dayna Haugh
(510) 642-6334
or CFRM@haas.berkeley.edu
CFRM Advisory Board Members

- James Bodner, Partner, Deloitte
- John Caldwell (BA 86), Managing Director, Grant Thornton
- Michael Corey, Partner, PwC
- Andrew Cotton, Partner, EY
- Loretta Doon, CEO, California Society of CPAs
- Francois Hechinger (BA 86), Partner, BDO
- Jim Henry, Partner, PwC
- Ed Kennedy (BS 83), Partner, EY
- Susan Klein, CPE Director, California Society of CPAs
- Laura Martinez (BS 89), Partner, PwC
- Mark McComb (BS 86), Partner, KPMG
- Jeff Pearson (BS 76), Partner, Burr Pilger Mayer
- Brad Poole, Partner, Deloitte
- Jack Russi (BS 82), Partner, Deloitte
- Joe Yuen (BS 91), Partner, KPMG

Like us on Facebook Accounting at Berkeley-Haas.
To keep up to date on CFRM events, news, and happenings related to Accounting at Berkeley.