



UNIVERSITY OF CALIFORNIA AT BERKELEY *Haas School of Business*

The Center for Financial Reporting and Management

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CFRM and KPMG to Host Conference on May 1, 2003

Thriving in Today's Changing Business and Economic Landscape—
Life after the Sarbanes-Oxley Act of 2002.

The local business environment has changed dramatically over the last year with the passing of the Sarbanes-Oxley Act of 2002, the continuing economic downturn and the outbreak of war. This seminar will focus on the current state of the economy and how to measure and manage financial risks, as well as the new face of corporate governance. We will cover the new Accounting Oversight Board, steps to implement the provisions of the Sarbanes-Oxley Act, including a section on internal controls and a segment on integrity based financial leadership.

Speakers include experts from public accounting, Audit Committees, and leading academic professors. Audience questions and interaction will be encouraged. The conference will be held at The Palace Hotel, 2 New Montgomery Street in San Francisco. Registration and breakfast will begin at 7:30 a.m. The seminar will begin at 8:00 a.m. and end at noon.

For more information and to register, please visit CFRM's website at <http://www.haas.berkeley.edu/accounting/cfrm/conferences/may2003/>. Or, contact Dayna Haugh by phone at (510) 642-6334 or by e-mail at cfrm@haas.berkeley.edu.

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Nils Hakansson Retires After 33 Years of Service



Professor Nils Hakansson

A native Swede, Nils Hakansson retired after serving as a finance and accounting professor at the Haas Business School for more than 33 years. He came to Berkeley in 1969 and, together with David Pyle, is credited with building one of the nation's top finance faculties. He was also instrumental in maintaining the strength of Haas's accounting faculty over the years.

Hakansson is known in the worldwide finance community for his concept of the Superfund index. A radical innovation in security markets, the Superfund would mimic index funds and serve as a financial intermediary similar to an ordinary mutual fund.

At Haas, Hakansson chaired the search committee that identified Earl F. Cheit as the dean to succeed former dean Richard Holton and later as chairman of the planning committee for the new Haas School building. He served as chair of the annual Financial Reporting Conference, organized by Haas's accounting group, from 1995 to 2000. Nils succeeded in attracting many notable speakers to these conferences from the practitioner

community as well as from accounting regulatory bodies. According to former accounting group chair, Brett Trueman, "it is safe to say that Nils single-handedly made the Financial Reporting Conference the success it is today."

Hakansson plans to continue his research projects and write the books he never had time to write during his academic years.

He was honored by fellow Haas School faculty, staff, and friends recently at a lunch celebration. Current accounting group chair, Xiao-Jun Zhang, commented that "Nils brought a tremendous amount of energy and enthusiasm to the accounting group. We are so very appreciative for all that he did and will deeply miss him."

Brett Trueman Accepts Position at UCLA



Professor Brett Trueman

After 15 years at Haas, Brett Trueman is returning to UCLA's Anderson Graduate School of Management, where he started his career as an assistant professor of accounting and finance. His new appointment at UCLA is as a full professor of accounting.

While at Haas, Brett served as accounting group chair for seven

years. During that time, Brett founded the Center for Financial Reporting and Management, the successor organization to the Professional Accounting Program. Accounting Group Chair, Professor Xaio-Jun Zhang says, "Brett has made a great contribution to the accounting group and CFRM. We are very sorry to see him leave Haas. We wish him the best of luck at UCLA."

He received the Cheit Outstanding Teaching Award for his teaching of the core financial accounting course and an honorable mention for teaching the Corporate Financial Reporting elective. His research has been widely cited in the popular press and he has been frequently quoted by the media regarding the recent accounting scandals and alleged conflicts of interest among security analysts. While Brett is looking forward to the next stage of his career, he will miss his friends and colleagues at Haas.

Upcoming Career Events for Students

Careers in Public Accounting
Monday, April 7, 2003
6:00 - 7:30 p.m.
MLK Jr. Student Union
UC Berkeley

The program will be co-sponsored by Beta Alpha Psi and the UC Berkeley Career Center.

Topics that will be covered during this event include an overview of the profession, current events in the profession, a typical career progression, how to effectively launch your career in accounting and the interview process. The program will also discuss the educational requirements and how Cal students can fulfill those requirements.

Rada Brooks, CFRM Executive Director, will serve as moderator.

Berkeley Accounting Research Talks Bring Together Top Accounting Researchers

On January 17-18, 2003 Haas's accounting group held its fourth annual Berkeley Accounting Research Talks (BART) conference. The BART conference brings together top accounting researchers from around the country to discuss their current work.

This year the invited presenters were John Hand from the University of North Carolina, presenting "Accounting Information and Firm Valuation in Private Equity Markets and the Early Stages of a Firm's Life", Jing Liu from UCLA, speaking on "Foreign Currency Translation Gains and Losses and the Valuation of Multinational Firms", Stan Markov from Emory University, talking on "Another Look at Underreaction and Overreaction by Financial Analysts to Past Earnings Information", Ira Weiss from Columbia University, presenting "The Effect of Reporting Frequency on the Timeliness of Earnings: The Cases of Voluntary and Mandatory Interim Reports", Robert Bushman from the University of North Carolina, speaking on "What Determines Corporate Transparency", and Mark Bradshaw from Harvard University, presenting "Accounting Choice, Home Bias, and US Investment in Non-US Firms".

In the audience were faculty members from Berkeley, Santa Clara, and the University of British Columbia, practitioners from American Century Investments and Mellon Capital Management, as well

as Berkeley's accounting Ph.D. students. The audience found the research presented to be quite interesting and were active participants in the discussions.

The Haas accounting group gratefully acknowledges the financial support of CFRM's sponsors and affiliates for making this event possible.

Issues in Corporate Financial Reporting Course for Non-Accountants Well Received

CFRM once again presented a one and half day seminar on January 13 and 14, 2003 entitled *Issues in Corporate Financial Reporting*. Professors Sunil Dutta and Brett Trueman were the instructors for this seminar. The course teaches professionals from different fields the skills necessary to understand and analyze complex financial statements and transactions.

The second session was added in response to strong feedback from the attendees of the first session taught in August of 2002. The seminar was attended by a diverse group of professionals from local companies such as 3Com, GAP, Chevron, Intel, Wells Fargo, and many others. Since the participants' feedback continues to be very positive, CFRM will be offering similar seminars in the near future.

ACES Class Filled to Capacity

The Center for Financial Reporting and Management (CFRM) inaugurated ACES: A Career Enhancement Series in the Fall of 1999 for the benefit of students interested in accounting careers.

This year, over 110 students attended the ACES class, which was held on February 4, 2003. CFRM's sponsors, Deloitte & Touche LLP, KPMG LLP, and

PricewaterhouseCoopers LLP, presented the class, which covered resume and business writing skills, interviewing tips and the recruiting process. This was also an opportunity for the students to meet the firms and provide them with resumes.

Beta Alpha Psi was the student sponsoring organization. They helped promote the class and greeted the students as they registered them.

BAP Lambda Chapter -- Letter from the President

by Jean Lee
Lambda Chapter President

Beta Alpha Psi has had a great start this semester with our Internship Forum that drew over 250 students eager to talk to recruiters and learn about their companies. We have also added 15 qualified and enthusiastic pledges to our chapter. Throughout the semester, we will continue to put on professional events including a session on mock interviews, office tours and professional development workshops to educate our members and pledges about accounting and business career opportunities. We also have some community service activities planned, including participating in the BOSS Urban Gardening Project.



Thanks to the generosity of PricewaterhouseCoopers LLP, Nancy Yu, Michael Wu, and Shawna Hanley were able to attend the Beta Alpha Psi Western Regional Meeting

In February, representatives of our chapter were sponsored by PricewaterhouseCoopers LLP to attend the Beta Alpha Psi Western Regional Meeting in San Diego. At the meeting, we learned a great deal about recent accounting issues and how these would affect the accounting profession. We were also able to meet representatives from other chapters and exchange ideas about programs and events that have been successful at our respective chapters.

We are continuously striving to improve the effectiveness of our chapter and programs, such as creating stronger relations with companies and the organizations within the Haas School of Business. If you are interested in meeting our members, setting up an event, or sponsoring our fraternity, please contact me at jeanslee@cal.berkeley.edu.

14th Annual Conference on Financial Reporting Set for November 7

This year's Fourteenth Annual Conference on Financial Reporting will be held at **The Palace Hotel**, 2 New Montgomery Street in San Francisco. The full day conference has consistently attracted nearly 300 attendees each year. It brings together accounting standard setters, enforcement officials, corporate financial executives, and professional and academic accountants to discuss current issues in financial accounting and corporate reporting.

The keynote speaker will be Tom Campbell, Dean of the Haas School of Business. Tom joined Haas in 2002 after a distinguished career as a five-term Congressman and a Stanford law School Professor.

This program qualifies for 8 hours of CPE credit.

Watch our website for more details as the conference date draws closer at

<http://www.haas.berkeley.edu/accounting/cfrm/conferences/>

Every Gift Contributes to Excellence in Accounting

External financial support of the Center for Financial Reporting and Management is key to sustaining and strengthening the accounting program at Haas. As you may be aware, the State of California provides only one-third of the funding for the Haas School of Business; donations from private sources make up the difference.

For information on how you can help CFRM continue to maintain its high standards, visit our website: <http://www.haas.berkeley.edu/accounting/cfrm/giving.html>