

Department of

Accounting News

Fall 2008

www.lehigh.edu/business

A Message from the Accounting Chair

by Parveen P. Gupta, Professor of Accounting

I write this message still flush with the exciting news that the 2008 *BusinessWeek* survey of undergraduate specialty programs ranked Lehigh's Accounting Program #1 in the nation. You may recall that when *BusinessWeek* started ranking undergraduate business programs in 2006, Lehigh's Accounting Program was ranked #9, moving up to #6 in the 2007 rankings. This year's #1 ranking is a remarkable achievement. It is a testament to the quality and rigor of our curriculum, the hard work of our students, the dedication of the Accounting faculty and staff, accomplished and loyal alumni, committed public accounting firms, Wall Street investment banks, and other corporate partners.

We invite your interest in our 2008 Department Newsletter, the fourth issue of a project begun in fall 2005 under the editorial supervision of **Professor Jim Largay**. I thank Jim for coordinating, editing, and managing the production of this newsletter. **PricewaterhouseCoopers** graciously covered the cost of composing, printing, and mailing the 2008 newsletter. As always, we are grateful to PwC and the other firms that support the newsletter and many other activities at Lehigh.

Undergraduate Curriculum: We designed our state-of-the-art undergraduate accounting curriculum to instill a strong intellectual and thought-leadership foundation in our students. While readying them to deal with current marketplace needs, it prepares them to confront future business challenges and opportunities. The four core courses in accounting solidify students' fundamentals in financial and cost accounting, and accounting information systems. Three alternative concentrations offer students a choice of pursuing career opportunities in public accounting, financial services and corporate accounting, and information systems. With an increasing number of Finance and Computer Science & Business majors opting for Accounting as a second major, the number of accounting majors continues to grow. Accounting, or any combination involving it, enhances the marketability and mobility of Lehigh students in the world of business.

Co-curricular Activities: In addition to receiving quality and rigorous education in their classes, students are presented with many opportunities to interact and learn directly from

accounting alumni and other professionals. For the past 16 years, the Department's unique "Conference on Accounting Professionalism" encourages interaction among accounting students, faculty, staff, and business professionals, while developing student's skills' in "soft" areas such as ethical decision-making, public speaking, team-building, and fraud detection. Typically held early in the fall semester, the conference consistently earns high marks from our students.

Throughout the academic year, the Accounting Program builds on this conference by continuing to provide accounting students with outside-the-classroom learning experiences. As part of the William N. Segal and Andrew P. Segal Endowed Speaker Series, we invite prominent professionals to speak with our students. Recent speakers included Cynthia Cooper, WorldCom whistle-blower; Robert Willens, the well-known Wall Street investment banking tax advisor and former managing director at Lehman Brothers; Douglas Carmichael, former PCAOB chief auditor; and Trevor Harris, managing director at Morgan Stanley. Faculty invite professionals from the U.S. Securities and Exchange Commission, public accounting firms, and other corporate partners as guest speakers in class to explain current thinking in areas such as International Financial Reporting, the Sarbanes-Oxley Act, and accounting and auditing issues in the pharmaceutical and financial services sectors.

Two student-run organizations, the Accounting Club and the Beta Alpha Psi accounting honor society, further supplement the learning experience. The Accounting Club introduces sophomores and juniors to the "world of accounting" through field trips and lectures. Beta Alpha Psi exposes accounting majors to technical and current topics facing the profession.

M.S. in Accounting and Information Analysis (MSAIA) Program: Our MSAIA Program continues the fine tradition of undergraduate education with an innovative curriculum, including an award-winning course. This coursework challenges students with advanced thinking and real-life case analysis, ethical decision-making, corporate governance, risk management, advanced information systems auditing, internal control audits, business consulting, and financial accounting theory.

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Chair's Message

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In addition to the MSAIA's career-long educational benefits, it enables our graduates to fulfill the 150-hour CPA educational requirement now in place almost everywhere.

Placement: The success of all these efforts can be seen in our virtual 100% placement record for undergraduate accounting majors and MSAIA graduates. Lehigh's Accounting Program maintains a premier school status with many recruiters. According to Lehigh's Career Services Center's recently released Undergraduate Placement Report for the Class of 2007, Ernst & Young, KPMG LLP, PricewaterhouseCoopers, IBM Corporation, and the Goldman Sachs Group, Inc., were the top five recruiters at Lehigh University. Others included in the top-20 university-wide employers were: public accounting firms Deloitte & Touche and Rothstein, Kass & Co.; financial services firms Merrill Lynch, JP Morgan Chase & Co., Deutsche Bank, and CIT Financial Corporation; industrial firms Lockheed Martin, Merck & Co., ArcelorMittal, ExxonMobil Corporation, Hess Corporation; consulting firms Accenture and the Huron Consulting Group; and the U.S. Patent and Trademark Office.

A majority of the junior accounting majors secure very well-paid summer internships that frequently lead to full-time employment. Many accounting firms also start recruiting on campus for short-term leadership programs targeted to the sophomores. These leadership programs often enable students to secure summer internships with the same firms whose leadership programs they completed.

Faculty Research: To provide high-quality accounting education in the classroom and to develop in students the capacity for thought-leadership, the accounting faculty engages in research, publishing their results in scholarly and practitioner journals, research monographs, and textbooks. Accounting faculty members also present their research at national and international conferences, seminars, and symposiums. Due to their expertise, Lehigh accounting faculty are involved in the profession and serve as journal editors, manuscript reviewers, and board and audit committee members. Professional organizations and Lehigh University recognize the faculty's contributions in teaching excellence and research prominence with teaching awards, research fellowships, and named professorships. You can read more about these activities in this newsletter's "Faculty Activities and Research" update and at our website: <http://www3.lehigh.edu/business/academics/acctgfac.asp>.

Faculty Changes: We extend a warm welcome to three new faculty colleagues in the Accounting Department. Dr. Gopal Krishnan, a superb teacher and accomplished scholar in auditing, financial reporting, and governance, joined us from George Mason University. Dr. Marietta Peytcheva and Dr. Wei (Vicky) Yu recently completed the Ph.D. and started this fall as assistant professors of accounting. Marietta and Vicky also teach and conduct research in financial accounting and auditing.

In summer 2008 we said reluctant "good-byes" to Assistant Professors Erin Moore and William Zhang. Professor Moore decided to move to Westfield State College (MA), closer to her hometown. Professor Zhang will be working at McGill University in Canada. We wish Erin and William the very best in their careers and will miss them both.

I thank the accounting students, faculty, staff, alumni, and recruiters for their contributions over this past year. It has been a pleasure and a privilege to work with new dean Paul Brown during the 2007–2008 academic year. His support helped us recruit three outstanding faculty members to further bolster our students' classroom experience and the research profile of the Accounting Department.

Please enjoy the rest of this newsletter as you read about the numerous Accounting Department activities. As you can see, these activities provide invaluable learning and networking opportunities for our students, alumni, and faculty.

If you want to chat with me in more detail about any of the activities and articles mentioned in this newsletter, please do not hesitate to call me directly at 610-758-3443 or email me at ppg0@lehigh.edu. I look forward to hearing from you.

MISSION OF THE LEHIGH UNIVERSITY ACCOUNTING PROGRAM

Recognizing the importance of accounting information to the efficient allocation of resources in the American economy, the mission of Lehigh's Accounting Program is:

To provide rigorous accounting education that prepares high-quality undergraduate and graduate students with diverse backgrounds for lifelong learning and positions of leadership in the business community, and to emphasize faculty research efforts that contribute to the body of knowledge in accounting.

Consistent with the mission of the College of Business and Economics and Lehigh University, the mission of the Accounting Program is offered with the intent of being recognized as one of a select group of programs in the United States where an educational experience of the highest possible quality is obtainable in pursuit of applicable professional requirements.

It Doesn't Get Any Better Than This!

Jim Largay, Professor of Accounting and Newsletter Editor

The *BusinessWeek* undergraduate business rankings that first appeared in 2006 may be the best thing that has happened to us. Having labored in relative obscurity for many years, with the occasional flash of the diamond recognized primarily by employers and students who found themselves much better prepared than most of their contemporaries, *BusinessWeek*'s external validation could not have arrived at a better time. Knowing the quality of our Lehigh students, and the low probability that a student could "coast" through the accounting program, I am not surprised by the fine recognition that we, and the entire Business College, received from *BusinessWeek*.

BusinessWeek's undergraduate specialty rankings, of which we are the principal beneficiary with the "hard to top, hard to keep" #1 accounting ranking in 2008, reflect a high-level survey of student experience. Not based on statistics regarding class size, endowment per student, and the like, or on deans' impressions about relative quality, often heavily influenced by the "graduate program halo," our #1 ranking comes from our output, student customers. In criticizing conventional college ranking procedures, one observer analogized about whether to base the quality of a chef on the ingredients used (statistics), or on the taste, aroma, and presentation of the meal served. I know the answer to that, and suspect you do also.

As a "carguy," I read several automobile magazines each month. Vehicles are always ranked after being evaluated, and their statistics compared, by knowledgeable persons. The resulting articles tend to be helpful, entertaining, and colorful inputs into my impressions of different vehicles. But when I get down to cases, regardless of the auto magazines' reviews, I carefully consider *Consumer Reports* member survey results, and the *J. D. Power & Associates* customer-based quality surveys. *BusinessWeek*'s accounting program rankings are just as compelling as the meal served ("the proof of the pudding is in the eating," according to Nobel laureate Milton Friedman) and the firsthand experiences of car owners. We are rightfully proud of our student-generated accolades.

Being #1 is tough to retain. For every one of the very few dynasties in sports, such as the New York Yankees in the 1950s, the Boston Celtics in the 1960s, and the Chicago Bulls in the 1990s, there are dozens of non-repeaters. Although 2009 may bring something different, we can legitimately bask in the euphoria of our #1 accounting ranking in 2008, knowing full well that we have been doing many things right.

BusinessWeek

2008 Undergraduate Specialty Program Rankings

Rank	School Name	Location
1	Lehigh	Bethlehem, PA
2	North Carolina	(Kenan-Flagler) Chapel Hill
3	Notre Dame	(Mendoza) South Bend, Ind.
4	UC-Berkeley	(Haas) Berkeley, Calif.
5	Brigham Young	(Marriott) Provo, Utah
6	Washington U.	(Olin) St. Louis
7	Michigan	(Ross) Ann Arbor
8	Virginia	(McIntire) Charlottesville
9	Boston College	(Carroll) Boston
10	Babson	Babson Park, Mass.

see complete list at <http://bwnt.businessweek.com/bschools/undergraduate/08rankings/specialty.asp?rankcatid=9>

"The Accounting Program's #1 ranking in *BusinessWeek* is just one measure of the levels of excellence sustained by the program over many decades. Lehigh's College of Business and Economics is committed to excellence in educating our students in all the core components of a world-class management education, with accounting central to that commitment."

Alice P. Gast
President
Lehigh University

"I am incredibly proud of the Accounting Program's success and #1 ranking in *BusinessWeek* earlier this year. Knowing as I do the rigor of the program, the Accounting Faculty's dedication to educating students for lifelong learning, and the accomplishments of our accounting alumni, I congratulate the extended Accounting Program family on this superb achievement."

Paul Richard Brown
Dean of the College of Business and Economics
Lehigh University

2007–2008 Faculty Activities and Research



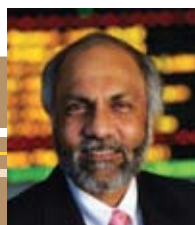
Paul R. Brown



Karen M. Collins



Paul N. Gordon



Parveen P. Gupta



James A. Hall



David J. Hinrichs



Gopal V. Krishnan

Paul R. Brown, Ph.D. (University of Texas at Austin), CPA, Professor and Dean of the College of Business and Economics; financial reporting, statement analysis, corporate governance and ethics; prb207@lehigh.edu. Paul co-authors the 6th edition of *Financial Reporting, Financial Statement Analysis and Valuation: A Strategic Perspective* (Thomson, 2007). Heavily involved in the 2007 AACSB re-accreditation of our Accounting and College programs, Paul also serves on the Board of Directors and Audit Committee of Dassault Systemes, a software developer and PLM consultancy firm headquartered in France, and consults with corporate boards regularly.

Karen M. Collins, Ph.D. (Virginia Tech), Associate Professor, financial accounting and introduction to business; kmc0@lehigh.edu. During the fall semester, Karen coordinates the college's Introduction to Business course taken by all freshman business majors. In the spring, she teaches Intermediate Accounting. Her textbook, *Exploring Business*, was recently published by Prentice Hall; it introduces students to business through an integrated case study of Nike.

Paul N. Gordon, MBA (University of Wisconsin), CPA, Professor of Practice; financial accounting and consulting; png3@lehigh.edu. Teaches financial accounting at the undergraduate level and business consulting and financial statement analysis at the graduate level. Paul was honored by being named John C. Swartley Memorial Professor for the 2007–2008 academic year.

Parveen P. Gupta, Ph.D. (Pennsylvania State University), Professor and Department Chair; financial accounting, corporate governance, risk management; ppg0@lehigh.edu. Published two articles in the *International Journal of Disclosure and Governance* (2007 and 2008) and one co-authored article in *Strategic Finance* (2007). The latter article won the Institute of Management Accountants' 2008 William H. Lybrand Award, presented at the IMA's 89th Annual Conference. Co-directed the first mid-year meeting of the Public Interest Section of the AAA. Quoted in *Financial Week*, *CFO Magazine*, and the *Star-Ledger*.

James A. Hall, Ph.D. (Oklahoma State University), Associate Professor and Bennett Chair; accounting information systems; jah0@lehigh.edu. Co-director of the Computer Science and Business Program. The 6th Edition of Jim's widely adopted text, *Accounting Information Systems*, was published by SouthWestern in January 2008. His paper, "CEO Shareholder Conflicts and Large-Scale Information Technology Outsourcing Decisions," (with Steve Liedtka), was presented at the 2008 AAA Mid-Atlantic Regional Meeting and received a Distinguished Paper Award.

David J. Hinrichs, MBA (Lehigh University), Lecturer; financial and managerial accounting; djh404@lehigh.edu. Dave is a member of the MBA core team and co-teaches Managing Information in the MBA program with Business Information Systems Professor Oliver Yao. Dave also teaches Introduction to Managerial Accounting and Accounting Information Systems in the undergraduate program.

Gopal V. Krishnan, Ph.D. (North Texas State University), CPA, CMA, CA, CISA, Professor and Perella Chair in Accounting; financial reporting, audit quality, governance and earnings management; gok208@lehigh.edu. Articles published in 2008 include "Gender and Earnings Quality" in the *Journal of Business Ethics*, "Using Discretionary Accrual Models to Detect Fraud" in *Contemporary Accounting Research*, and "Inventory Policy and Accruals Quality" in *Review of Accounting Studies*. Several articles are accepted and forthcoming in the *Journal of Accounting, Auditing & Finance*, *The Accounting Review*, and *Contemporary Accounting Research*.

James A. Largay III, Ph.D. (Cornell University), CPA, Professor and Director of MSAIA program; financial reporting and statement analysis; jal3@lehigh.edu. Published "Consolidated Statements: Major Changes Coming" (with Michael Davis) in *The CPA Journal* (Feb 2008), "The Role of Accounting Information in Revenue Management" (with Ronald Huefner) in *Business Horizons* (May–June 2008), a book review in *The Accounting Review* (Jan 2008) and a Research Brief (with Ran Zhang) about CEO termination risk in *Academy of Management Perspectives* (Feb 2008). Was frequently quoted in *Dow-Jones Newswires*.



James A. Largay III



Jack W. Paul



Marietta Peytcheva



Heibatollah Sami



Kenneth P. Sinclair



Wei (Vicky) Yu



Kathleen C. Smith

Jack W. Paul, Ph.D. (Lehigh University), CPA, Professor; managerial accounting and auditing; jwp1@lehigh.edu. Currently studying how professional accountants view criteria used by public accounting firms to evaluate their professional employees (with Parveen Gupta). Published one monograph on *Related Party Transactions* and is writing a second on that subject. Jack teaches managerial accounting and the MSAIA program capstone course that uses Harvard Business School cases to show how internal management decisions impact external markets. He integrates finance topics to reinforce the linkage between accounting and finance.

Marietta Peytcheva, Ph.D. (Rutgers University), CPA, Assistant Professor; auditing and financial accounting; map608@lehigh.edu. Marietta studies audit judgments and decision making, financial restatements, and ethics in accounting. She has presented her work at the 2007 and 2008 AAA national meetings and the 2006 annual meeting of the Society for Judgment and Decision Making. Marietta received the 2007 Best Reviewer award from the *Journal of Emerging Technologies in Accounting* and serves as a reviewer for *Group Decisions and Negotiations* and the *International Journal of Disclosure and Governance*.

Heibatollah Sami, Ph.D. (Louisiana State University), Mercy Professor; financial/international accounting; hes205@lehigh.edu. Had four papers published in *Contemporary Accounting Research*, *The International Journal of Accounting*, and the *Journal of International Financial Management and Accounting*; presented papers at several conferences including the 2007 AAA Annual Meeting and, in 2008, the *Journal of Contemporary Accounting and Economics* Symposium and the Annual Meetings of the European Accounting Association, the Canadian Academic Accounting Association, and the Financial Management Association.

Kenneth P. Sinclair, Ph.D. (University of Massachusetts), Professor and Senior Advisor to the Dean; cost and managerial accounting; kps1@lehigh.edu. Ken heads up several important activities, such as the annual Accounting Conference and CBE College Accreditation. In 2008 Ken received the Hillman Award for Excellence in Undergraduate

Student Advising, the Intrafraternity/Panhellenic Councils Faculty Advisor Award, and the Chi Phi National Congress Chapter Advisor of the Year Award. He chairs the Audit Committee of the Board of Directors of Lannett Company, a manufacturer of generic pharmaceuticals.

Wei (Vicky) Yu, Ph.D. (Georgia Institute of Technology), Assistant Professor; auditing, financial accounting, and experimental economics; wey208@lehigh.edu. Wei's research employs experimental and archival approaches to examine the effects of audit quality, corporate governance mechanisms, and accounting standards on earnings management. She presented "Auditor Industry Specialization and Real Activities Manipulation" at a recent AAA annual meeting, and was honored with a Doctoral Consortium Fellowship from the AAA. Wei also received a PwC INquires Research Grant in 2007.

Kathleen C. Smith, who many of you will remember, is our Accounting Department Academic Coordinator. Kathy exemplifies "service first" and is highly skilled at the multi-tasking needed for that to happen. All her efforts focus on making things work for the benefit of all, and always with a smile. Each of us feels indebted to Kathy for the innumerable courtesies she extends to us daily, and for the cumulative effect of her caring and doing over 35 years of dedicated service. In 2006 Kathy received Lehigh's coveted *Traditions of Excellence Award*.

Editor's note: The AAA is the American Accounting Association, the professional organization for academic accountants. Some practitioners are also members.

"I always like to look at the number and obscurity of footnotes in a company's 10-K filing. The larger the number and the more obscure the footnotes, the more likely there is bad news coming in the next quarter."

Hal Varian
Google Chief Economist

(as quoted on page 14 of *Fortune*, March 31, 2008)

A Lehigh First: Master's Degree in Accounting

Joshua Hillman, BS '01, MSAIA '02



It was graduation day 2001, the überceremony marking the completion of a long journey and the commencement of life in the real world...or so it was for most participants. I, however, decided not to leave Lehigh on this day and embarked on a quest into new and uncharted territory—on a voyage where no man had gone before as a member of the first Lehigh M.S. in Accounting and Information Analysis (MSAIA) class.

The new graduate accounting program represented a cornucopia of innovative and exciting opportunities: a chance at an advanced degree, a method to achieve the 150 credits required for CPA certification, and an opportunity to discover accounting and business concepts from a fresh perspective. Being a brand new program, as the year progressed the class grew alongside the professors, developing and shaping the coursework to create the foundation for a robust and enriching program. We, and those who followed, would benefit.

The MSAIA program stretched the traditional boundaries of academia by taking the coursework beyond the written words of textbooks and outside of the proverbial “box.” It forged a path for learning accounting and business away from more traditional instructional methods, past rote studying techniques and toward appreciation for the underlying theory and concepts. It called for more classroom participation, and made it enjoyable. Instead of fumbling through the textbook in an embarrassing attempt to respond when called on in class, we engaged in lively discussions on accounting theory, efficient markets, and advanced tax practices, encountering innovative and novel ideas. Although I set high expectations for the program, looking back I can now best appreciate how those expectations were exceeded and the tremendous value I received.

My first attempt at life after Lehigh ran into the rather considerable obstacle created when my offer from the late Arthur Andersen firm (r.i.p.) was rescinded due to growing legal concerns and mounting public disdain. During this time of heightened panic and desperation, I

began to understand the value of my forthcoming graduate accounting degree. Reacting to the increasing criticism of accounting practices, corporate America was seeking more candidates with strong accounting skills. Many professionals lamented what they saw as a deteriorating state of accounting knowledge and a weakening grasp of internal controls within the profession. The message to students to diversify their studies and become “well-rounded” business minds may have had an adverse effect, diluting the applicant pool of accounting know-how and core principles. Whenever fraud and corruption permeate the headlines is a good time to be strong in accounting. 2001–2002 was certainly a good time to have a master’s degree in accounting.

Sometimes things have a way of working out for the better. Now happily employed at Merck & Co., Inc. for almost 6 years, I have acquired a dazzling array of experiences. After joining Merck in fixed asset accounting, I traveled the world as an internal auditor, became a financial manager in manufacturing, and recently took a job in support of Merck’s strategic finance initiative. My undergraduate accounting studies provided the tools for day-to-day job tasks, while my MSAIA coursework gave me the mindset for more advanced perception and processing of information.

My experiences at Lehigh are like building my house—to be durable and to sustain the assaults of storms requires a strong foundation and sound structural support. Lehigh’s undergraduate coursework provided that foundation and support, the concrete groundwork, the reinforced frame and the sturdy walls. Then came time to add accessories, such as furniture and shiny fixtures, and landscaping, ancillary items that don’t do much to keep the house standing but finish it off nicely. They help differentiate my house from another, make it stand out, and go a long way to make my house more appealing and inviting to others. My master’s degree in accounting from Lehigh University did this and a whole lot more!

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Student Awards

Each year we congratulate many of our accounting majors for being recognized for their achievements by the University and professional organizations. These are summarized below.

Professional Association Award Winners



Institute of Internal Auditors Senior Award
(outstanding senior interested in auditing with high scholastic standing and leadership qualities)

Janice Archibald—From West Caldwell, NJ, Janice minored in Psychology, Sociology and Anthropology and is joining Ernst & Young's Transaction Advisory Services practice in New York City. Janice says, "Lehigh is special because professors care about the success of their students, not only in the classroom, but also in future goals and post-graduation plans."



Institute of Management Accountants Senior Award
(outstanding senior in accounting)

Angela Donizetti—From Tappan, NY, Angela minored in Psychology and entered our MSAIA program prior to joining PricewaterhouseCoopers in Stamford, CT, in 2009. Angela says, "Lehigh University is an amazing institution with a cultivating environment that enables students to flourish and achieve their fullest potential with the help of devoted faculty members, state of the art facilities, and an exciting social climate."



Pennsylvania Institute of Certified Public Accountants Senior Prize
(senior accounting major outstanding in academic achievement and leadership)

Bridget Clancy is from Denver, CO. Her many activities and awards include serving as a peer tutor for Statistics and as Programming Director of the executive board of the Residence Hall Association, receipt of a Tauck Scholarship, and initiation into the Phi Beta Kappa honor society. She entered our MSAIA program in 2008 and says Lehigh is a great place because "there are so many opportunities to get involved and develop diverse interests."

Gladstone Scholarship Recipients

The William L. Gladstone Scholarship was established in December 1972, to be awarded to juniors and seniors who have declared accounting as their major. Since its establishment, the William L. Gladstone Scholarship has been awarded to more than 45 juniors or seniors who received a bachelor's degree in the field of Accounting. The names of Gladstone Scholars from the past two academic years are:

2007–2008



Craig McNeill

From East Stroudsburg, PA, Craig is a United States Air Force veteran who served in Iraq. He interned with KPMG before entering our MSAIA program and is an avid collector of Superman comic books.



Michael Ruggeri

From Havertown, PA, Mike will be joining PricewaterhouseCoopers after completing our MSAIA program. He enjoys golf, basketball, and the beach.

2006–2007



Concetta Pesotini

From West Pittston, PA, Concetta graduated with a minor in English literature and joined PricewaterhouseCoopers in New York City. She was particularly pleased to get to know Bill and Millie Gladstone, and enjoys reading, cooking, and working out at the gym.



Honors Graduates (2007–2008)

Highest Honors

Desiree Annunziato*	Bridget Clancy**	Danielle Curran*	Angela Donizetti
Carrie Gurowitz*	Kyle Harchar*	Jessica Kaplan*	Kathleen Lafferty**
Jenna Lesker*	Michael Ruggeri*	Christopher Shane*	Andria Snyder***

High Honors

Jordan Adelson	Jessica Andrews	Ashley Bergamino	David Cohen
Katherine Contos	Ashley Dwyer*	Tyler Lein	Bryan Obermeier
Gregory Shurts*			

Honors

Janice Archibald	Michael Creeth	Michael Dvorak	Brian Goldslager
Kyle Gunnison	Matthew Hay	Douglas Locasto	Stephen Michella
Jeffrey Minnich	Zachary Ross	Scott Rovinsky	Sarah Silverio**

* Initiated into Beta Gamma Sigma, national business honor society, along with MSAIA graduates Queena Lee, Kassia Nelson, and Whitney Schenbeck.

** Initiated into Phi Beta Kappa, national honor society.

Editor's note: I gathered these names from the 2008 Commencement Program and apologize if I overlooked anyone.

Accounting Student Groups (2008–2009)

Beta Alpha Psi and the Accounting Club serve our students by arranging with accounting and business firms to present professional and recruiting-related programs. Beta Alpha Psi is open to junior and senior accounting majors who meet its academic requirements, whereas the Accounting Club targets sophomores and juniors but serves all students interested in accounting. Here are the officers and faculty advisors. The email addresses (in parentheses) are all followed by @lehigh.edu.

Office	Beta Alpha Psi	Accounting Club
President	Stuart Schnabolk (sds209)	Ricky Motschwiller (rsm410)
Vice President	Alexandria Angelo (ama309)	Francesca Picascia (fp211)
Secretary	NA	Daniel Solomon (dgs210)
Corresponding Secretary	Todd Brewer (teb209)	NA
Reporting Secretary	Elizabeth (Quincy) Sewall (eqs209)	NA
Treasurer	Danny Demarco (dad209)	Scott Silberman (sps211)
Editor	Andrew Katz (amk309)	Steven Balter (sib211)
Webmaster	NA	Kate Poulillo (kap410)
Faculty Advisor	Karen Collins (kmc0)	Parveen Gupta (ppg0)

Accounting Program Advisory Board Members (2008–2009)

The Advisory Board serves the Accounting Department as an idea generator and sounding board, and works with us on development initiatives and making our case to the University administration.

Tracy S. Benard '93	Partner, KPMG LLP
Len Combs '92	Partner, PricewaterhouseCoopers LLP
Cynthia Cooper	President, Cynthia Cooper Consulting, LLC
Allan Frank '76	President, Answerthink, Inc.
Taylor Limbert '93	Partner, Deloitte & Touche LLP
Michelle Scaringella '90	Senior Vice President, Internal Audit, CBS Corporation
Sarat Sethi '92 (Chair)	Portfolio Manager/Equity Analyst, Douglas C. Lane & Associates
Stephen Smith '81	Executive Vice President/CFO, Elizabeth Arden
Bob Watters '85	Partner, Ernst & Young LLP
Janet Williams '85	Personal Products Co. Franchise Controller, Johnson & Johnson Consumer Products Co.



Accounting: The Key to a Successful Career

Dipti Sheth Gulati, '90

When she entered Lehigh University as a freshman in the fall of 1986, **Dipti Sheth Gulati '90** did not seriously consider majoring in accounting. Her father was an accountant, and the prospect of working in the same profession was not that exciting—she thought that finance was the way to go. But this changed when she took her first sophomore accounting class and lucked out with Ken Sinclair, “one of the best accounting professors.” After Sinclair piqued her interest in accounting, Dipti spoke with others at Lehigh and concluded that, after all, an accounting major offered the best background for success in many business fields. She never looked back.

Dipti entered her senior year at Lehigh in 1989 when the accounting profession was working through one of its greatest transformations to date: the once-vaunted “Big 8” was becoming the “Big 6.” Deloitte, Haskins & Sells merged with Touche Ross to form Deloitte & Touche (D&T), and Ernst & Whinney combined with Arthur Young to become Ernst & Young. These mergers began a consolidation process that eventually changed the large firm landscape of the accounting profession that today is the “Big 4.”

Considering these changes and the resultant uncertainty in the profession, Dipti interviewed all six firms in her senior year: “I learned during the interview process how well-regarded Lehigh’s accounting program was within the large firms.” Ultimately, the people she met and the success of Lehigh alumni at D&T led her to accept a position in D&T’s New York office.

Dipti began working in D&T’s audit practice, focusing on banking and securities clients. She observes that “D&T and the accounting profession were very different in 1990 versus today, with very few female partners or senior managers to serve as role models, especially on my securities industry clients.” But this did not deter Dipti, who was used to females being in the minority at Lehigh—about 33% when she entered in 1986. She knew that in business, being male or female made no difference as long

as she was viewed as being knowledgeable and competent. Dipti honed her technical skills and found others at D&T to guide/mentor her in her career.

Early on she developed several key goals. Short-term, Dipti knew that to serve her securities industry clients better she had to learn more about the financial products they were trading. Deciding that a great way to do this was to study finance in a top MBA program, she was accepted to a program the firm supported at Columbia Business School. Despite the challenge of attending business school full-time while working part-time at D&T, Dipti states that “I was able to utilize the time-management skills learned at Lehigh to help me get through it.” At Columbia Business School she took courses on options, other derivatives, and the capital markets, learning the additional technical skills needed to better serve her financial services clients.

Another short-term goal was to take an overseas assignment, recognizing its importance for her career of serving global clients. Thus she was ecstatic and jumped at the opportunity when the firm approached her about working in the London office. Dipti spent three years working on the London operations of various U.S. financial services firms. Once again she credits her experiences at Lehigh as “helping me navigate through a new culture and working with individuals with diverse backgrounds.”

From a long-term perspective, being admitted to the Deloitte partnership was the most important goal. After progressing successfully through the partnership process, Dipti entered the partnership in June 2001. Currently a partner in the New York office, she serves financial services clients while playing an active role in the firm’s diversity and women’s initiatives.

Since becoming a partner she again witnessed a sea-change in the profession, this time brought about by the Sarbanes-Oxley Act of 2002 (SOX). Although SOX changed the profession in several ways, Dipti remains convinced that the accounting profession is a great one that provides a solid foundation for whatever one’s ultimate career destination may be. In addition to working at D&T, Dipti has also juggled a full home life as a wife and mother of three children (two girls and a boy – aged six, five, and eighteen months).

Throughout her accounting career Dipti utilizes the lessons learned at Lehigh, applying them to the demands of the business world. She attributes her ability to demonstrate those important characteristics of being knowledgeable and competent—which allowed her to succeed at D&T—to the accounting education that she received at Lehigh. “When people ask me where I went to school, I am proud to say, ‘Lehigh!’”

Upcoming Events

Accounting Department Research Colloquium

During Fall 2008 we will have a research presentation by Professor Miklos Vasarhelyi, an innovative scholar and teacher in the area of information systems from Rutgers University. In Spring 2009, Professor Ross Watts from MIT will present some of his current research. Well-known in academic circles for his development of “Positive Accounting Theory” (with Jerold Zimmerman), Watts is today the most prominent scholarly advocate of conservatism in accounting. He is one of the editors of the *Journal of Accounting and Economics*.

Accounting Career Fair: Monday, September 15, 2008

Brought back after several years’ hiatus, with a new focus on presenting accounting opportunities to students in all classes, we expect this Career Fair to attract about 15–20 employers. It runs from 4–8 pm in the Rauch Business Center (291–293).
Contact information: Kathy Smith (kcs0@lehigh.edu, 610.758.3451)

17th Annual Conference on Accounting Professionalism: September 26-27, 2008

This weekend-long conference for junior accounting majors is unique among accounting departments. Students network with business professionals and learn about the importance of professionalism in accounting, career opportunities, and how to improve team-building, communication, and leadership skills. Tentative start time for the reception is 5:30 pm. You are invited to the September 26 reception, panel discussion, and dinner.
Contact information: Kathy Smith (kcs0@lehigh.edu, 610.758.3451)

New York City Area Accounting Alumni Reception: October 6, 2008

Please join in the fun at the 3rd annual New York City Area Accounting Alumni Reception, to be held at the office of Deloitte & Touche, 1633 Broadway, 36th floor, New York, NY 10019. About 50 junior accounting students who visited firms in the city during the day will be there. In the evening you can meet these students and reconnect with other New York City area accounting alumni and with faculty. Tentative start time is 6:30 pm. Please visit the website at www.lehighalumni.com/go/accounting. You are invited to the October 6 reception.
Contact information: Kathy Smith (kcs0@lehigh.edu, 610.758.3451)

Segal Speaker Series Public Address

Activities related to the Segal Series are still being finalized.



MSAIA Class of 2007–2008

MSAIA Employment Statistics from Class of 2002 (Inception) through Class of 2008		
TOTAL GRADUATED	PURSUED OTHER OPPORTUNITIES	EMPLOYED AT GRADUATION
133	6	127 (95%)

Would You Like to Help?

We begin by thanking those who responded to our 2007 appeal for financial support; we appreciate your generosity.

The Accounting Department continues to positively impact the professional lives of students and graduates. We take great pride in the fine education and preparation for professional accounting offered at Lehigh. **Being cited in the 2006–2008 *BusinessWeek* undergraduate specialty rankings as a top-10 undergraduate accounting program, culminating with #1 in 2008**, moves your Accounting Department closer to its goal of being recognized as one of the handful of excellent professional accounting programs in the United States. **Strong graduate programs and research prominence also characterize the best professional programs.** Working with our Advisory Board, we identified two priorities beyond continuous improvement in the undergraduate program: (1) enhance the faculty research environment and (2) strengthen the M.S. in Accounting and Information Analysis program.

Accounting Department activities, and the University as a whole, benefit from donations by alumni, friends, and employers. Donations add to the University's budget allocation and help support faculty and course development by funding travel to professional meetings and research conferences, and databases like COMPUSTAT (financial reporting) and CRSP (stock prices). All gifts, large or small, uphold the people and programs that make Lehigh exceptional. In 2004 Lehigh launched the \$500 million "Shine Forever" campaign, with a focus on building academic endowment and increasing annual Lehigh Fund giving. (Visit www.lehigh.edu/giving for details.)

Because continued success of our M.S. program is critical to becoming nationally recognized, a priority is to financially support exceptional students in the program who will serve as research assistants (RAs) for faculty members. It now takes \$7,500 to fund a half-time RA for 5 hours per week over the academic year. We need your help. Contributions of any amount to the Accounting Department will assist us in becoming nationally recognized, are welcome, and are highly valued.

Designating Gifts

When making a contribution to support Lehigh's Accounting Department, please **designate the gift as "restricted to the Accounting Department"** on your check, transmittal letter, or on the form below. If you or your employer (matching gifts) do not indicate "restricted," the gift will not go to the Accounting Department, and we will not even know about it. Gifts of \$1,000 or more are recognized with membership in the University's Asa Packer Society.

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