The Eyes of Texas: A TRADITION OF EXCELLENCE

This year is a milestone in business education at The University of Texas at Austin. Not only does 1998 mark the 50th anniversary of UT’s Master in Professional Accounting program, but it is also the 75th commemorative year for the College of Business Administration (CBA) and the 40th anniversary of the Department of Accounting’s Advisory Council.

Above all, 1998 gives us pause to consider UT’s remarkable tradition of excellence that began well before many of us were born. This tradition derives from years of uncompromising commitment by students, alumni, faculty, and business partners. Considering the combined efforts of these beneficiaries, there is little mystery why UT’s accounting programs have always been highly ranked, and its graduates are highly recruited. At the same time, it is critical to remain ever vigilant in preserving the Texas tradition.

From its inception, the Accounting Department has strived to deliver leading-edge accounting education. This necessitates continuous change at an ever increasing pace. As in the private sector, leadership in business education has become fiercely competitive. Working together with advisors, alumni, and businesses, our programs are constantly evaluated and updated to capture forward-looking thought and practice. The results are recognized by both academics and professionals. Hopefully, this newsletter conveys a sense of the Department’s progressive programs and mindset which is aptly reflected by one of our College themes—We’re Texas, and Texas Means Business. To be sure, the Texas tradition is a privilege and responsibility for everyone who has ever been affected. It is our goal that at future milestones, the Eyes of Texas will look as brightly upon our legacy as we view the legacy of our predecessors.

Steve Limberg
Chair

CELEBRATION OF CBA’S 75TH

The 75th anniversary of the CBA was commemorated on April 25, 1998, with a variety of special activities. The event was co-hosted by Willie (BBA ‘33, JD ‘80) and Maurine Kocurek, both ardent supporters of education.

MPA CELEBRATES 50TH ANNIVERSARY ON THE LEADING EDGE OF ACCOUNTING EDUCATION

Since its inception in 1948, UT’s Master in Professional Accounting (MPA) has established a tradition of excellence among the nation’s top-notch programs. Over its 50-year history, perpetual innovation in accounting education has been a hallmark of the MPA curriculum. A half century of success was celebrated at a luncheon buffet in conjunction with the CBA’s 75th anniversary on April 25, 1998. ★

THE MPA PROGRAM FROM WHERE I SIT

Anna C. Fowler, MPA Program Director

One of the highlights of being Director in the Master in Professional Accounting program and a member of the MPA Admissions Committee is getting to know quite a bit about our incoming students. Many of the applicants truly have exceptional records. For example, one recently admitted applicant began college at age 16; another learned Russian, studied in Russia, and also participated in various choral activities while maintaining a stellar GPA.

In the fall of 1997, a record number of undergraduates (203) began the five-year Professional Program in Accounting (PPA) that results in an MPA degree. Each year, 70 to 80 students enroll in the traditional MPA program, and I am thrilled that so many of these students deferred current earnings to invest in their long-term future by seeking an

“I chose to attend UT simply because of the MPA program’s outstanding reputation. After my first semester, it is easy for me to see why the program is so highly acclaimed. The classroom environment here is quite challenging, yet nurturing. Texas is a great place to build the foundation for your career.”

—Erin Sanders, MPA Student

MPA CONTINUED P. 2
Technology is rapidly expanding the scope of the accounting function to integrate non-traditional business measures into decision-making. The Center for Business Measurement and Assurance Services (BMAS) represents a collaborative effort among companies and their accounting firms, faculty, and students.

BMAS explores how information technology is changing the measurement of non-financial performance criteria with the goal of improving the quality of information available to business managers as they make informed judgments and decisions. According to eminent scholar and BMAS Director, Professor Bill Kinney, whether a business' assets are physical (inventory, cash flow, time to market) or intangible (attitude, behavior, risk), accountants providing assurance services have to "measure and integrate what we can measure, and 'assure' decision-makers that the things we cannot measure have been identified."

Because non-traditional measures and assurance services encompass a broad spectrum of business issues, BMAS is highly interdisciplinary in its operation. BMAS incorporates enterprise-wide software like SAP in accounting courses and in faculty-sponsored projects. The challenge is how to think in new ways about business processes.

BMAS business partners collaborate on research projects and contribute financially to BMAS over a five-year period. According to Professor Steve Limberg, "one reason BMAS has been established relatively quickly and easily is that the drive to better understand the changes occurring in the accounting field has come from business itself."

For researchers, the first projects will come from a variety of cross-disciplinary business topics and are likely to focus on issues like valuing market-based assets, integrating databases into business operating systems, incorporating and reporting measures of risk, tax reporting in electronic commerce, and assessing on-line data and its implications for the relevance and reliability of information.

Mr. Frank Maresh, who is a member of both the Accounting Department’s Advisory Council and the Dean’s Advisory Council, was a central force, along with Professor Bill Kinney, in initiating, conceptualizing and implementing BMAS. The Center began its activities this Spring with the participation of Enron Corporation, Entergy Corporation, Price Waterhouse LLP, and KPMG Peat Marwick LLP. Participation by other companies and firms is forthcoming.

For further information about BMAS, please contact Professor Steve Limberg, Department of Accounting, CBA 4M.202, The University of Texas, Austin, TX 78712-1172, (512) 471-1251, or ACC-Chair@bus.utexas.edu.

From Left: Frank Maresh, Chairman, Texas State Board of Public Accountancy; Bill Kinney, Professor and BMAS Director; Bob May, Dean, Graduate School of Business; Bob Elliot, Assistant to the Chairman, KPMG Peat Marwick LLP; Jack Taylor, SW Area Managing Partner, KPMG Peat Marwick LLP; Steve Limberg, Chair, Department of Accounting; Brent Price, Director of Energy Management Operations, Enron Capitol and Trade Resources; Louis Buck, Vice President, Chief Accounting Officer, Entergy.

The MPA program, despite being 50, is young at heart and always striving to give its graduates a competitive edge and to prepare them for a lifetime of learning.

Please keep in touch and let us hear of your accomplishments!
afowler@mail.utexas.edu

I chose to attend the UT MPA Program because it has consistently been ranked as the top graduate accounting program in the nation. Coming in I had very high expectations due to the Program's reputation. I can honestly say that my expectations have been exceeded. The caliber of students and faculty and the support from the administration are both outstanding. The UT MPA Program's reputation is well deserved.

—Timothy Burns, MPA Student
ACCOUNTING ADVISORY COUNCIL TURNS 40

Created in 1958, the Accounting Advisory Council has been the Department's link to the accounting profession, industry and government. Over its long and distinguished history, this vibrant organization has provided invaluable input to the Department, ensuring that the curriculum is relevant and focused. The Advisory Council, both collectively and individually, has played a vital role in the success of our dynamic program.

A continuing theme has been the faculty's interest in seeking the views of the Advisory Council on emerging issues, and then reporting back on what action, if any, they have taken on the issues discussed. The recent faculty announcement that the School of Business had established a new major, “Finance Major with an Accounting Emphasis,” was so responsive to what the Advisory Council had been advocating that the response of the Council membership was just short of a standing ovation.

— Bill Ihlanfeldt, Retired, Assistant Controller, Shell Oil Co.

I've been involved for forty years with UT Accounting—first as student and MPA graduate and then recruiting for 30 years at UT for Peat Marwick. I hired twice as many students from UT as from any other school because of the quality of the students. During that period of time, Accounting has been ranked in the top one or two programs in the U.S., and I attribute it to the great leadership given the Accounting Department by Professors John Arch White, “Pappy” Newlove, C. Aubrey Smith, Dr."Z" (Charlie Zlatkovich), and Glenn Welsch to name a few. Usually, after initial leadership retires, one tends to see a drop in quality, but somebody had the wisdom to recruit replacements such as Bob May, Kermit Larson, Ray Sommerfeld, Ed Summers, Anna Fowler, Michael Granof, Paul Newman, and Steve Limberg who have kept the Texas tradition—excellence and innovation— in top gear.

— Frank Maresch, Chairman, Texas State Board of Public Accountancy

I am happy to have been a member of The University of Texas Department of Accounting Advisory Council for more than ten years. One of the primary reasons that the UT Department of Accounting has earned its superior reputation is that the UT faculty continue to strive for and maintain excellence and innovation in their academic research and the programs they offer to the students. The Advisory Council has expanded over the years to include input from numerous industrial leaders representing a variety of business sectors as well as international accounting. This depth of interaction between the Advisory Council and the faculty allows for an active and current exchange of knowledge and ideas about developments in the global business community. The UT Department of Accounting faculty have succeeded in integrating these global issues creatively into their classrooms and research. One would be hard-pressed to find a more collaborative business and academic exchange anywhere else in the world, and we all—students, faculty, employers — enjoy the benefits!

— Elizabeth Henke Yant, Price Waterhouse LLP

1998 ACCOUNTING ADVISORY COUNCIL

Carlton Baucum
Ernst & Young LLP

Douglas Bogart
Ernst & Young LLP

Rick Causey
Enron Capitol and Trade Resources

Dean Deckard
HEB

Gary Duke
Deloitte & Touche LLP

Scott Duncan
Coopers & Lybrand

Patrice Ferguson
Ferguson, Camp & Henry

Scott Fordham
Chas. P. Young Co.

Everett Gibbs
Arthur Andersen & Co. SC

Bud Giesinger
KPMG Peat Marwick

Jamie Holtzman
Ernst & Young LLP

Bill Ihlanfeldt
Retired, Assistant Controller Shell Oil Co.

Al Lopez
Dell Computer Corporation

Ken Love
Deloitte & Touche LLP

Ed Machir
Price Waterhouse LLP

Frank Maresch
Texas State Board of Public Accountancy

Greg Miller
Applied Materials

Lance Mosby
Price Waterhouse, LLP

Herb Noack
Turner, Cloud, Dennis & Noack, P.C.

James Pershing
Luminex Corp.

Glenn Roshto
EDS

Larry Rosson
Arthur Andersen & Co. SC

Bob Rutishauser
Capital Area Training Forum

Rick Terry
NationsBank

Cathy Thompson
Dell Computer Corporation

Del Threadgill
J.C. Penney Company, Inc.

Bill Transier
Seagull Energy Corporation

Bob Truan
Dow

Sam Vitkoski
BDO Seidman

Don Wagner
Deloitte & Touche LLP

Liz Yant
Price Waterhouse LLP

Martha Zelsman
Coopers & Lybrand
In addition to its professional programs, the Department of Accounting has a longstanding commitment to develop future accounting professors and scholars. Founded in 1934, the Department’s Ph.D. program is among the most established in the nation. Since its inception, this program has produced more than 230 graduates.

During my years in the PhD program, I have been fortunate to interact with accounting faculty who are at the top of their profession. They have taught me to think about accounting in broader and more creative ways. I know this will benefit me in doing accounting research and will also help me to be a better professor to my students. Being at UT has also given me the opportunity to work with amazingly talented students. These students have helped me to improve my teaching abilities and continually inspire me to work harder and strive to achieve my goals. While I know that I have been well prepared and I am looking forward to taking the next step in my academic career, it will be difficult to leave the University of Texas’ world of accounting.

—Kristina Zvinakis, Accounting Doctoral Program

THE ACCOUNTING INFORMATION MANAGEMENT TRACK
Edward L. Summers,
Faculty Track Advisor

The timely Accounting IM Track, jointly approved and supported by the Accounting and Management Information Systems (MIS) faculties, is completing its first year. This innovative program meets the needs of graduate accounting students who want to emphasize the technology and information-processing dimensions of their accounting programs, while still acquiring the auditing, financial and managerial accounting, and tax knowledge covered by the Uniform CPA Examination.

...TRACK CONTINUED ON P. 5

BETA ALPHA PSI

The Beta Alpha Psi fraternity annual banquet took place on January 23, 1998. The 268 attendees included BAP members, scholarship recipients and donors, and Accounting faculty and staff. Louis Buck, Vice President & Chief Accounting Officer of Entergy Corporation, was the guest speaker this year.

UNIVERSITY ASSOCIATION ACCOUNTING

This fall UAA hosted lyceums attended by Enron, El Paso Energy, KPMG Peat Marwick, Price Waterhouse, Accountemps, Becker CPA Review, Dow, Ernst & Young, Deloitte & Touche, BDO Seidman, and Conveisor Duffy.

NATIONAL ASSOCIATION OF BLACK ACCOUNTANTS

The UT student chapter of NABA activities included a special presentation by Romy Riddick from Price Waterhouse (New York) about diversity in the workplace and a presentation by Motorola’s Space and Technology Group on internships and permanent positions.

MASTER IN PROFESSIONAL ACCOUNTING COUNCIL

On September 19, 1997, MPAC hosted the fourth Ernst & Young Accounting Challenge. The first place team reflected the international diversity for which our programs strive. The winning team members were Michael Bauer (Germany), Mayra Garcia (Mexico), Reb Bailey (U.S.), and Sarah Irizarry (Puerto Rico).
NEW FACULTY

GRETCHE N BOYD CHARRIER (UT, MPA '96; B.S. Accounting Kentucky '87) joined the Accounting faculty in June 1997. Gretchen was formerly a manager at Price Waterhouse LLP and the controller at APB America.

MICHAEL CLEMENT (Ph.D., Stanford '97; M.BA, Chicago '88; BBA Accounting, magna cum laude, Baruch College '80; and CPA) joined the faculty in January of 1997. Michael was Vice-President of Capital Planning and Analysis at Citicorp. His research interests are in capital market uses of financial information with particular interest in management disclosures and the activities of security analysts.

DAVE PLATT (Ph.D, Cornell '97; M.BA, Syracuse '89; and a B.S. Economics, Wharton '81; and CPA) joined the faculty in September 1996. Dave was employed as staff auditor, Price Waterhouse. He held the following positions at Raymond Corporation: Internal Auditor and Corporate Secretary; Product Manager-Carousels; Marketing Manager; and Product Manager - Systems Products. His research interests are in management accounting, operations management and quantitative analysis.

FACULTY NOTES FOR 1997

Urton Anderson was appointed Associate Dean for Undergraduate Studies. He was recipient of the 1997 Leon R. Radde Educator of the Year Award which was presented to him at The Institute of Internal Auditors 56th International Conference in Philadelphia.

Bryan Cloyd was awarded an Ernst & Young Foundation Tax Research Grant.

Bob Egenolf received the Outstanding Honors Business Association Professor of the Year Award and was finalist in the UT Ex-Student Association’s Texas Excellence in Teaching Award.

Michael Granof was elected a member of The University of Texas Academy of Distinguished Teachers. He is the recipient of the CBA Foundation Award for Excellence in Education; Outstanding Educator Award from the Texas Society of Certified Public Accountants; Phi Kappa Phi Centennial Award for Excellence in Higher Education; and the Graduate Business Council Teaching Excellence Award (for outstanding core course professor)—all in 1997. In addition, Michael received the CBA 1997-98 Joe D. Beasley Award for Teaching Excellence.

Eric Hirst was promoted to Associate Professor. Eric was recipient of a grant from the Research Foundation of the Institute of Chartered Financial Analysts; a KPMG Peat Marwick Faculty Fellowship; UT Faculty Research Committee Grant. He was awarded the CBA Foundation Research Excellence Award for Assistant Professors.

Steve Kachemleier received continued support of laboratory market research on risk disclosures and derivative financial instruments (with J. R. Dietrich, D. N. Kleinmuntz and T. J. Linsmeier) from the Coopers & Lybrand Foundation.

Bill Kinney was awarded a University Faculty Research Assignment for fall 1997.

Lisa Koonce received the MPA Council’s Outstanding Professor Award and the Graduate Business Council Teaching Excellence Award-Elective Courses, both during the spring 1997 semester.

Steve Limberg was appointed Department Chairman and presented with the MPA Council Outstanding Professor Award.

Mary Lea McAnally was the recipient of the Joe D. Beasley Award for MBA Teaching Excellence.

Sue Porter received a Price Waterhouse Fellowship in Tax and an Ernst & Young Foundation Tax Research Grant.

J ohn Robinson was recommended for promotion to full Professor effective Fall 1998. J ohn was nominated a 1997 Dean’s Fellow and recently learned that he received a 1998 Ernst & Young Foundation Tax Research Grant.

Ed Summers was appointed a member of the Texas State Board of Public Accountancy by Governor George Bush and is a member of the AICPA Council. Ed received the Long Term Achievement Award from the Austin Chapter of the TSCPA and was a recipient of an SAP sponsored curriculum development award.

Don Tidrick received the Dr. Charles T. Zlatkovich Award for outstanding contribution to Today’s CPA for his article entitled “Facing Off on FASB.” The award was established in 1997 to honor those authors who have put forth notable efforts on behalf of the TSCPA publication. The award was named after UT’s Professor Emeritus Charlie Zlatkovich in recognition of the selfless effort he has shown in his many years of service to the magazine. Dr. Zlatkovich is a past president of the Texas Society of Certified Public Accountants and the first Technical Editor of Today’s CPA.

...TRACK CONTINUED FROM P. 4

Since September 1997, over 70 graduate accounting students have expressed interest; a majority of these have enrolled in the track’s distinguishing courses, which are cross-listed with both Accounting and MIS designations. All of the major public accounting firms, and many public and private sector recruiters, are offering internships and career positions to students in this track.

The MIS faculty, with which our Department is collaborating, is ranked second nationally for its “Techno-MBA” program. Dr. Stefano Grazioli, for example, teaches the “Managing Information” class offered in this track and has also developed a “Managing Financial Information” course in which students learn how to search financial databases for information they need for specific financial, accounting, or investment decisions. Mr. Bob Elliott, Assistant to the Chairman, KPMG Peat Marwick LLP, has predicted that paper financial statements will become much less common in a few years and that financial information monitoring costs will be shifted increasingly to the users of that information. The students completing this track will be well prepared to serve the public’s high-tech information management expectations. ★
Ray Sommerfeld was enormously gifted as a classroom instructor. His personal dedication to students has inspired thousands of business managers and accounting professionals to personal and professional excellence. His influence on their lives has led many to recognize and support the importance of accounting education, not only at the University of Texas but also at their former alma maters as well as the schools they subsequently looked to for new professional talent.

As an educator, Ray’s vision and leadership in tax education provided the curricular outline that hundreds of schools have used as the basis for developing their programs in taxation. More recently, many of these fundamental concepts have become essential ingredients in the movement to re-examine and revitalize educational programs throughout accounting.

How many of us counted Ray as a friend and colleague! His desire to maintain contact with us and his willingness to provide counsel and support has been personally invaluable. He served as an extraordinary role model for us all.

We all miss Ray deeply. He died Tuesday, August 8, 1995, in the process of having a special grandfather/grandson outing with his seven-year-old grandson, Michael. ★

—Professor Emeritus, Kermit Larson

Department Chair: Steve Limberg
Program Contacts
Ph.D. Advisor: Ross Jennings
MPA Director: Anna Fowler
PPA Director: Don Tidrick

Editor: Florence Atiase
AtiaseF@mail.utexas.edu

Department of Accounting, CBA 4M.202
The University of Texas at Austin
Austin, Texas 78712-1172
(512) 471-5329

Editorial Assistants:
Mary Ann Fair
fairm@mail.utexas.edu
Ed Cannon

Accounting Program Student Advisors
MPA: Rosemary Whiteside
PPA: Kathy Saqer
Undergraduate: Javier de la Rosa

Track Advisors
Financial Reporting and Audit: Don Tidrick
Managerial: Urton Anderson
Accounting/IM: Edward Summers
Tax: Bill Spiller
Internships: Gretchen Charrier