From the Chair, Ross Jennings

The “Secret” Life of an Accounting Professor

After nineteen years of having an accounting professor son, my mother has some idea of what I do. My mother-in-law doesn’t. Nor do most of my non-academic friends. Indeed, most of our students don’t know, either. Students see their professors three hours a week in the classroom and occasionally at office hours. They figure that we must teach other classes and spend some time making up all of those PowerPoint slides, but they don’t have much of an idea what their professors do the rest of the time. I’d like to share the secret—a professor’s life usually revolves around teaching, research, and service.

The time required for a faculty member to prepare a class for the first time is substantial. First, we must master the material (we don’t already know everything about accounting). Then, we review available textbooks and select one, and select and organize the topics to be presented. There’s the creation of lecture notes and PowerPoint slides, and the search for related articles in the financial press for the students to read.

Homework assignments have to be selected and many times created; then we decide the number of exams and other grading criteria. It’s all incorporated into the syllabus, and, so students can access electronic copies of course materials, we prepare a course Web site. All of that needs to be done before the first day of class. If it is a class that we’ve taught before, we revisit each of these items, but preparation requires less time. However, since rules and practices are constantly changing, we need to incorporate them and update examples used in the class.

Once the semester starts, the faculty member “takes” the class along with the students, in the sense that he or she must do all of the homework problems and master the material for each day’s session well enough to clearly explain it to the students. During the semester there are exams to be written and graded, assignments to be graded, and students to be counseled.

Teaching is a very creative process and one of the most important things we do as faculty members—distill knowledge and communicate it to students. I recently surveyed about 100 BBA students, 100 PPA students, and 100 MBA students, and asked them to identify the most important characteristic of a great teacher. All three groups chose the same trait: passion for the subject. Our faculty has that, and it stems from the second main activity we engage in—creating knowledge through conducting research.

Frank Maresh Named Department’s First Texas Star

At this year’s commencement ceremony, the accounting faculty introduced a new award to honor an important friend of the department and its programs. The McCombs Accounting Programs Texas Star Award will be bestowed annually in recognition of continuing departmental support over a period of years.

The first recipient of the award is Frank Maresh, who received a BBA in accounting in 1961 and an MPA degree the following year. Following his graduation, Maresh spent more than thirty years with KPMG, including 11 years on the KPMG board of directors, and 10 years as partner in charge of the Southwest region.

After his retirement, Governor Ann Richards appointed Maresh to the Texas State Board of Accountancy in 1992, and in 1996 George Bush subsequently named him chairman.

Throughout his career, Maresh has been a continuous supporter of the Department of Accounting. In 1975, the department invited him to join its advisory council, and he continues to serve in that capacity as one of the council’s most active members.

Maresh also shares his expertise and experience in the accounting field as a member of the McCombs advisory council, and in 1998 he was inducted into the McCombs School Hall of Fame. The same year, he was one of the co-founders (along with Professor Bill Kinney) of the Center for Business Measurement and Assurance Services, and played a key role in the center’s successful completion of its five-year program.

We are indebted to Mr. Maresh for his ongoing dedicated support of the Department of Accounting, and we are proud to name him as our first Texas Star.
The family resemblance is unmistakable. But Canadian brothers Chris and Adam Gauvin have something else in common: newly-minted McCombs graduate accounting degrees. The Accounting Times talked to Chris (MPA ’05) and Adam (PPA ’05) about their experiences in the program and their plans for the future.

Why did you decide to come to McCombs?

Adam: I attended community college in Canada and Dallas. After coming to UT, I decided that the PPA is the most technical and practical degree available at McCombs. I couldn’t pass up the opportunity to graduate from the #1 accounting program in the country.

Chris: I have a bachelor’s degree in finance and worked at Wells Fargo in Dallas for a year, and decided I wanted a way to set myself apart from the other recent graduates. The MPA degree was a perfect fit with my undergraduate work and it was exactly what I was looking for.

Which aspect contributed the most to your experience in the program?

Chris: What I learned in Professor Koonce’s intermediate accounting class was far in excess of anything I felt could be learned from a textbook. Her class emphasized the underpinnings and rationale of accounting standards. Recent and future trends were always discussed using the most up-to-date information available, and the special topics she introduced were timely and relevant issues for many employers. She made learning fun, yet challenging.

Adam: My internship was the absolute most rewarding aspect of the program. I worked for Deloitte Tax in New York and it was the best professional experience of my life. I also want to mention that [PPA Assistant Director] Kathy Saqer is an accounting superhero and without a doubt the best counselor at UT.

Now that you’ve graduated, what’s next? What are your long-term career goals?

Adam: Chris and I independently chose to accept positions with Deloitte Audit in Dallas. I plan to work in public accounting for a few years and then switch over to private industry. Ultimately, I would like to work in executive level management for a midcap company. I definitely feel that the PPA program prepared me well, especially the opportunity it provided to take graduate level accounting, finance, management, and law classes.

Chris: The MPA program has given me a much richer appreciation for the constraints and issues that accountants face while trying to paint a picture that represents the underlying economics of an entity’s transactions. I feel very well prepared to pursue a career in audit, business, and finance. The program has added many of the tools I will need to be successful towards the goal of becoming a CEO or CFO for a major exchange-listed firm.

Doctoral Student Placement

Congratulations to our two 2005 Ph.D.s, Romana Autrey and May Zhang, and best wishes as they begin their teaching careers.

Romana Autrey accepted a position at Harvard Business School effective fall 2005.

Dissertation: “Three Essays on Teams and Synergy”
Dissertation Chair: Paul Newman

May Zhang accepted a position at the University of Missouri effective fall 2005.

Dissertation: “The Differential Effects of Proprietary Cost on the Quality versus Quantity of Voluntary Corporate Disclosures”
Dissertation Chair: Ross Jennings

What’s New with You?

We’d love to know about new developments in your professional or family life—and so would your fellow alumni! Please drop us a line at dorothy.brady@mccombs.utexas.edu and update us on what’s been going on in your world. High-resolution electronic photos are welcome, too. We’ll share your news in the next issue of the Accounting Times. We look forward to hearing from you!

And don’t forget, you can get connected and stay connected to McCombs accounting by going online to https://www.mccombs.utexas.edu/MOR. It’s easy to update your address and employer information, and look up and catch up with old friends. You can also learn about the many ways you can have an impact on current accounting programs and students. Logon today!
The Results Are In!

Each year, the MPA/PPA Program Office conducts a survey of graduates, including their employment status at the time of graduation and their overall satisfaction with the program. So, how are we doing? These survey highlights speak for themselves:

MPA/PPA Class of 2005 Job Placement

PPA
- 96% accepted or received employment offers by the time they graduated
- 2% will be continuing their education
- 2% are seeking employment

MPA
- 86% accepted or received employment offers by the time they graduated
- 9% are not seeking employment due to personal reasons
- 5% are seeking employment

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<thead>
<tr>
<th>Employment Accepted by Sector</th>
<th>PPA</th>
<th>MPA</th>
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<tbody>
<tr>
<td>Public Accounting</td>
<td>88%</td>
<td>78%</td>
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<tr>
<td>Industry</td>
<td>4%</td>
<td>7%</td>
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<tr>
<td>Finance</td>
<td>3%</td>
<td>1%</td>
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<tr>
<td>Government/Public Sector</td>
<td>1%</td>
<td>4%</td>
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<tr>
<td>Other</td>
<td>4%</td>
<td>10%</td>
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MPA/PPA class of 2005 overall satisfaction with the program

- 97% of PPAs and 92% of MPAs say they are satisfied with their graduate accounting education at the McCombs School
- 92% of PPAs and 81% of MPAs who interned said they were satisfied with their internship experience
- 93% of PPAs and 88% of MPAs say they would recommend the MPA/PPA program at the McCombs School to a close friend interested in graduate accounting education

Inman Speaks of Challenges, Opportunities

Admiral Bobby J. Inman, a UT Austin graduate and interim dean of the LBJ School of Affairs, was the distinguished speaker at the 2005 commencement ceremony on May 20. Admiral Inman became an adjunct professor at the University of Texas at Austin in 1987, and was appointed as a tenured professor holding the Lyndon B. Johnson Centennial Chair in National Policy in August 2001.

At commencement, Admiral Inman addressed the challenges and opportunities awaiting graduates in the modern world, and their responsibility to recognize the need for change and the best ways to achieve it. Excerpts from his address follow:

“On the commercial front, there will always be new industries to create, new ways to revitalize existing industries, and new jobs to create to enhance the standard of living of society at large. . . You have an additional challenge not faced by other colleagues graduating this week—to help restore public confidence in the competence and honesty of the great profession of accounting.”

“Notwithstanding the monotonous message from much of the modern media, character does matter. When you look in the mirror each morning may you always see in the reflection that your integrity is intact, that honesty and fairness are truly words you live by.”

“Coping with the pace of change will occasionally be daunting—self doubts naturally arise on such occasions and can easily give way to depression. It is important when this occurs to find your bedrock, to touch that which is clear and certain, to find comfort in familiar surrounds. Remember especially on those occasions, as well as on happier ones, that this university will always be home to you, a place where most of you were young, vibrant, occasionally uncertain, and where you grew unbelievably. When you need that solace, come home to this campus where you will always have roots.”

Commencement Awards 2005

Tax Track Award
Abby Price

Audit/Assurance Track Award
Paul Andrews

Managerial Track Award
Melanie Carter

Master in Professional Accounting Council’s Outstanding Faculty Member Award
James Deitrick

Master in Professional Accounting Council’s Outstanding MPA Student Award
William Gula

Federation of Schools of Accountancy Award
Mark Danielson

Texas Society of Certified Public Accountants Award
Carolyn Cavazos
Teens Discover Wide Scope of Accounting Profession

Accountants—aren’t they nerds who sit in a cubicle all day, patiently plugging numbers into computer spreadsheets? “No way!” answer some high school students who participated in this year’s Accounting Career Awareness Program (ACAP), where they got the inside scoop on the broad spectrum of jobs in the accounting field. This was the twelfth year for the annual summer camp that welcomes a group of academically talented teens with an interest in the accounting field who may be socially or economically disadvantaged, or the first members of their families to attend college.

Camp participants were treated to a view of the world of accounting from every angle, courtesy of Ernst & Young, 3M, PricewaterhouseCoopers, KPMG, Deloitte, Maxwell Lock and Ritter, the IRS, and city and state entities at luncheons and mock interviews.

On the academic front, Florence Atiase coordinated a curriculum in which McCombs faculty members taught mini-courses on financial accounting topics. Professor Michael Clement, who introduced basic financial statements, was impressed with how quickly the students assimilated the information he presented. “They did a surprisingly good job on an exercise that required them to prepare a set of financial statements after only a short lecture on the topic,” he says.

The students also heard from past ACAP participants, now McCombs students and graduates, who explained the why’s and how’s of their pursuit of an accounting education and career. Separate sessions on practical aspects like business etiquette, communication, financial planning and budgeting, and study skills were also included in the mix.

ACAP students shopped around for even more first-hand career information on a field trip to Whole Foods Market. They toured the aisles then went behind the scenes with professionals who make the national grocery chain’s accounting, tax, and internal audit functions tick. The executives presented a day-in-the-life scenario, including an explanation of how a single transaction might impact each of the company’s accounting functions.

After their week of exploration, the teens are quick to shout down the misconception of accounting as a mundane enterprise. “It’s a whole bunch more fun than that! It takes a lot of creativity and a bit of passion,” says Jackie Garcia from Alice, Texas. Galvestonian Megan Xue enthusiastically agrees. “It’s not about sitting behind a computer all day—it involves a lot of communication skills and interaction with people.”

Luther Wilson’s curiosity about the profession brought him all the way from Trinidad to attend ACAP. “During the program, I saw all the possible career avenues, like being an accountant for a sports team, or an IRS agent, and the variety appeals to me,” he says. Garcia adds, “With accounting, you can do anything, which is what I love about it.”

The enthusiasm for an accounting career that the program fosters bodes well for ACAP students as well as the McCombs School. Since 2000, more than half of former ACAP participants who attend UT have enrolled as business majors, translating into a more diverse study body at McCombs. Echoing the sentiments of many of her fellow campers, Brittmy Martinez exclaimed, “I’m coming to UT! I’m convinced that accounting is a great foundation for any career.”
Students Give Back to the Austin Community Through VITA

Last spring, 30 McCombs accounting students enjoyed a feel-good learning experience when they volunteered with Austin’s Community Tax Center’s Volunteer Income Tax Assistance (VITA) program. VITA volunteers provide tax preparation assistance to low-income working families free of charge.

“By providing a quality service completely free of charge to those who are eligible, Community Tax Center volunteers help Austin’s low-income working families keep more of the money that is rightfully theirs,” says Drew Murray, volunteer coordinator for the program.

After taking between 12 and 24 hours of IRS-sponsored training, the students assisted clients one-on-one. MPA student Becky Oh says she enjoyed interacting with the diverse clientele and using what she had learned in her accounting courses. “It was great to be able to finish a return and tell the client that they had a sizeable refund coming their way,” she adds.

McCombs students assisted more than 1,400 of the 7,277 total individuals and families served by the project. All in all, the Community Tax Centers brought $9,874,506 into the local economy in the form of tax refunds obtained plus tax preparation fees avoided by the center’s clients. “This program is a powerful economic development tool in that virtually all refund dollars will be spent locally on families’ basic needs such as food, clothing, rent, and transportation,” says Murray.

Murray praised the McCombs volunteers for their outstanding problem-solving and customer service skills. “Beyond the proficiency they demonstrated in accurately preparing tax returns, the students’ maturity and sensitivity to clients’ needs were very impressive,” he says, adding, “We look forward to recruiting more student volunteers from the UT accounting programs in future.”

Active Alumni Involvement: James Albrecht

Name: James W. Albrecht, Jr.
Position: CEO, Introgen Therapeutics, Inc.
Contribution: Lecturer in a graduate course in strategic control systems
Why he does it: “In my role as chief financial officer of a biotechnology company publicly traded on NASDAQ, I regularly interact with graduates of the McCombs School of Business. I am impressed with the breadth and depth of their professional skills and business acumen, which I believe are directly attributable to the curriculum they experienced while at McCombs.

“As a result, I wanted to participate in the process of educating our future leaders and chose to do so by sharing my business experiences and lessons learned. In teaching in the Department of Accounting, I am able to realize my lifelong passion for contributing back to the institution that formed the foundation for my business success.”

Mike DeCaro Rejoins Dell

Mike DeCaro, December ’04 MPA program graduate, gave of his time as a lecturer with the department in spring ’05. Before entering the MPA program and joining the teaching staff at McCombs, DeCaro had been an executive with Dell for many years, serving as vice president of finance for Asia Pacific/Japan. He has rejoined Dell as vice president of internal audit on the Worldwide Finance team, and will manage the global internal audit function, reporting on the adequacy and effectiveness of internal controls and advising the business on risk management processes and techniques. Though we will miss his contributions to our program as a lecturer, DeCaro has agreed to maintain his connection with the department by joining our Advisory Council effective fall ’05.

In Memoriam

Larry Jones, BBA ’70, passed away on July 14, 2005. A managing partner at Deloitte in Houston, Mr. Jones was a life member of the McCombs Dean’s Advisory Council, and a strong supporter of our accounting programs.

Chris Parsons, MPA ’76, a partner with Deloitte & Touche Investment Advisors and longtime friend and supporter of the Department of Accounting, passed away on March 25, 2005.

We will miss these wonderful friends, alumni, and strong backers of our programs.
News, Awards, and Recognition

The Austin chapter of the Texas Society of CPAs honored Florence Atiase with the 2004 CPA of the Year Award in Education.

Gretchen Charrier and husband Ed welcomed William, their family’s newest edition, on April 19, 2005.

Ross Jennings received the 2005 Fawn & Vijay Mahajan Teaching Excellence Award for Executive Education.

Rick Joseph was among twenty new honorees for the Eyes of Texas Excellence Award for spring and fall semesters 2004. Members of the student organization select the honorees for their outstanding contributions to student life at UT Austin.

Gary Kelly (BBA ’77), CEO of Southwest Airlines and active member of the Department of Accounting Advisory Council, has been tapped to join the McCombs Advisory Council on September 1, 2005.

Steve Kachelmeier was selected for the MBA Elective Faculty Honor Roll for outstanding teaching in the MBA program.

Bill Kinney received the American Accounting Association’s Diversity Section Exemplary Mentorship to Diversity Faculty and Doctoral Students Award.

Lisa Koonce’s appointment to the Deloitte & Touche Professorship in Accounting has been approved by the provost effective September 1, 2005.

In spring 2004, Steve Limberg received the CBA Foundation Advisory Council Award for Teaching Innovation.

PPA student Omar Ochoa was elected president of the UT Student Government Association for 2005-2006.

Dave Platt was selected for the MBA Teaching Honor Roll, 2004.

Doctoral student Stephanie Sikes was one of ten recipients nationwide of the Deloitte Foundation Doctoral Fellowship for 2005.

Louise Single and colleagues Elizabeth Almer and Jeffrey Cohen won the 2005 KPMG Outstanding Published Manuscript Award. The award was presented at the AAA annual meeting in San Francisco in August.

Connie Weaver was named a McCombs School of Business Dean’s Fellow for 2004-2005. She also received the 2004-2005 McCombs Faculty Excellence Award in Accounting, selected by vote of the Undergraduate Business Council.
New MPAs Get Acquainted

On July 8, 2005, new MPA students were invited to a pizza social to meet each other in a relaxed atmosphere before classes began. After the students introduced themselves and said where they were from (there are quite a few international students), the MPA/PPA Program Office team members answered questions about the program, the Accounting Department, and Austin. Ross Jennings, department chair, ate lunch with the students to talk about the MPA program and introduce himself.

César Guerra, a new student from Mexico, said that the lunch was a “very good opportunity to meet the people with whom one is going to study and therefore start classes more confidently.”

(Ross Jennings continued from page 1)

Our faculty members are committed to providing our students with the best classroom experience that we can. But we also chose this career path because we are passionate about accounting and want to learn more about the role it plays in the economy. For us, accounting is not a dry technical exercise, but a critical component of economic decision making that can both influence and be influenced by human behavior. We attempt to instill this view in each of our students in every class.

Though it is not always transparent to the students, the faculty knows that our research influences our teaching, and vice versa. Let me give you one personal example. Several years ago, one of our doctoral students, Haiden Li, who is now a professor at the University of Iowa, was writing her dissertation on the use of stock options as compensation. As a member of her dissertation committee, I told her that one of the things I would like her to accomplish was to create a framework for thinking about the valuation implications of stock-based compensation that I could share with students in my financial statement analysis class. She did an outstanding job (her dissertation won an award from the American Accounting Association), and I now use her framework to teach my students financial analysis implications of stock options.

The third area where faculty members spend their time is in service to the department, to the college, to the university, and to the broader academic community. Acting as department chair, as director of our doctoral or masters programs, serving on our executive committee or on various other committees related to curriculum and faculty recruiting, or serving as an advisor for student groups are examples of departmental service. Service to the college includes a number of administrative positions as well as serving on committees related to curriculum, promotions, teaching and research awards, and the operation of our various degree programs. At the university level, service involves faculty committees that advise the administration on many issues as diverse as athletics and parking.

Many of our faculty members are heavily involved in providing service to the broader academic community. For example, John Robinson recently ended his term as editor of the Journal of the American Taxation Association. Eric Hirst recently served on the American Accounting Association’s committee that writes comment letters on proposed accounting standards. Lisa Koonce just completed serving on a committee that organizes an important conference that is jointly sponsored by the American Accounting Association and the Financial Accounting Standards Board, and another committee that brings together faculty members who are just beginning their careers. I am in the process of joining the board of directors of the Federated Schools of Accountancy. Through service to national organizations such as these, our faculty members raise the national visibility and stature of our department.

I hope this brief overview is helpful in better understanding what faculty members actually do. If you have any questions or comments, don’t hesitate to contact me at ross.jennings@mccombs.utexas.edu. Now that I have written this down, I think I’ll send a copy of this newsletter to my mother-in-law.
Help Support Quality Accounting Education at McCombs

You can make a difference! Student scholarships, faculty development, and curricular innovations are made possible through the generosity of our alumni and friends. Join us in our commitment to excellence in accounting education!

To make a donation, please use the form at right. For questions, please contact Amy Miller at (512) 471-5316 or amy.miller@mccombs.utexas.edu.

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