Accountancy Department offers opportunities for studying and teaching abroad

By Brian Wallheimer

Faculty and students who travel abroad to teach or study probably think they have a good idea of what they’re getting into: experiencing a different culture, visiting historic landscapes and landmarks, meeting new people and learning about their chosen subject in an entirely different context.

But they may not have reckoned on meeting up with the tooth fairy.

Accountancy Professor Brad Badertscher spent several months teaching in England as part of the London Global Gateway program, and took his whole family — wife Leah and three kids aged 7 and under — on the international adventure.

On a side trip to Paris, while standing on the highest deck of the Eiffel Tower, 7-year-old Elijah turned suddenly, lost his balance and fell face-first into a sibling, knocking out a loose tooth. As luck would have it, the tooth landed on a slat instead of dropping more than 900 feet to the ground below. Tooth retrieved, Elijah began to anticipate his first visit from the tooth fairy.

That night, Badertscher slipped a few English pounds under Elijah’s pillow before falling asleep himself. When Leah came home, she stashed a few dollars and euros in the same place, not realizing that the tooth fairy already had paid up.

Elijah woke up with a mini version of a currency exchange under his pillow, and a fair amount of confusion. “He didn’t know where the tooth fairy came from. Did she fly over from London? Why did she have dollars and pounds?” Badertscher says. “The only explanation we could offer was that apparently, this was an international tooth fairy.”

International immersions, whether they involve semester-long coursework or a year at one of Notre Dame’s global gateway locations, have become a rich learning experience for accountancy students and faculty members alike. From Great Britain to Brazil, the world truly becomes their classroom, where they gain perspective on complicated issues ranging from race relations to the effects of the global financial crisis.

Turn to page 8 to read more about their study-abroad experiences.
Message from the Chair

To our alumni and friends,

I am pleased to introduce the 2016 edition of the Notre Dame Department of Accountancy newsletter. The department continues to prosper as it expands knowledge, prepares the next generation of leaders and provides service to its numerous constituents.

The lead article focuses on professors and students participating in international programs. Approximately 40 percent of undergraduate accountancy students spend a summer or a semester abroad. The most popular program is in London, but students also study in numerous other countries, such as Ireland, France, Greece, Brazil and Australia.

Students often are fluent in a second language, which allows them to attend universities where the courses are not taught in English. In most cases, they can take few if any business courses while at an international university. Therefore, the students have to schedule their university electives carefully. The experiences in these programs are invaluable to the students and the professors.

The newsletter also details our continuing student and faculty accomplishments in academic programs, clubs and associations. Our students enjoy exceptionally high placement rates. The MSA program placed 95 percent of its 93 students, with 76 percent going to Big 4 accounting firms. Based on a pre-graduation survey of the 155 seniors, 63 percent had full-time positions, 20 percent came to our MSA program, 5 percent went to other graduate programs or into service, and 12 percent were unknown or undecided. For the 101 students working full time, 75 percent went to the Big 4 firms. Notre Dame accountancy students continue to perform very well on the CPA exam, with a first-time section pass rate of approximately 84 percent. In addition, one of our students obtained the Arizona gold medal for his performance on the CPA exam.

Our professors continue to actively participate in scholarship, conferences, student mentoring and volunteering. We also were able to strengthen the faculty by hiring three tenure-track professors and one teaching professor. Erik Beardsley (Texas A&M) is teaching Measurement & Disclosure I; John Donovan (Washington University) is teaching Decision Processes in Accounting; and Andrew Imdieke (Michigan State University) is teaching Audit and Assurance Services. Colleen Creighton, former Deloitte tax director, currently is teaching Accounting I and will teach a variety of tax courses in the future.

Finally, the University promoted Stephannie Larocque to the rank of associate professor and Jim Fuehrmeyer to the rank of teaching professor. As many of the department’s professors have retired or will retire in the next few years, it is especially important that we hire and promote new professors.

The department continues to thrive. We are grateful for the exceptional support provided by our alumni and the companies that hire our students.

In Notre Dame,

Fred Mittelstaedt
Deloitte Foundation Professor of Accountancy and Department Chair
When do finance professionals, government regulators, anti-doping agencies, lawyers, technology companies, professional interrogators, statisticians, economists, sociologists, accountants and accounting faculty have something in common?

When they discuss fraud.

The 2016 CARE Conference, “Perspectives on Fraud,” brought academics and practitioners from the world’s leading business schools, the Securities and Exchange Commission, the Public Company Accounting Oversight Board, EY’s Fraud Investigation and Dispute Services Practice, and other regulators together to discuss the topic of “Fraud in the U.S. Capital Markets.”

During the two-day event, held Aug. 5-6 just outside of Washington, D.C., participants also explored related subjects, such as fraud and litigation, loopholes, auditors and the viewpoint of regulators.

One session addressed the issue of who has the obligation to report fraud. Luigi Zingales, finance professor at the University of Chicago Booth School of Business, suggested that “it takes a village” to commit fraud, reminding the audience, “The cost of fraud is incredibly large; it undermines the confidence of the system, and that has dramatic effect.”

Zingales is the author of two widely reviewed books, A Capitalism for the People: Recapturing the Lost Genius of American Prosperity and Saving Capitalism from the Capitalists.

Ivan Oransky, co-founder of Retraction Watch, a blog that tracks research retraction notices, discussed the importance of retractions of academic papers, as they are, he said, “often the clues to great stories about fraud or other malfeasance.” The surprising thing, Oransky has found, is not only the retraction process, but the number of citations that continues to be made on such research even after the retraction has been issued.

James Doty, chairman of the Public Company Accounting Oversight Board (PCAOB), spoke to the group of more than 100 academics and practitioners about the role of the auditor and the detection of fraud. Later this year, the PCAOB expects to require audit reports to highlight financial statement issues noted during the audit. This is the first major change in the information format for decades.

Vince Walden, EY Fraud Investigation and Dispute Services Practice Partner, urged professors to consider new analytics and techniques around big data so that firms can immediately use new hires in forensic accounting engagements. Social media, Twitter, Facebook and email have all become big-data fodder in an effort to paint a full picture of what fraud risk looks like.

“There is a sea change going on in how we are fighting fraud within our clients,” Walden said. “Corrupt intent lives in the text; it doesn’t live in the numbers.”

For more information about the 2016 CARE Conference, contact Lorie Marsh, Program Manager, of the University of Notre Dame Center for Accounting Research and Education, at lmarsh1@nd.edu. Session slides and video will be available mid to late September at http://care-mendoza.nd.edu/research-resources/2016-care-conference/.

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**2015–16 ACCOUNTANCY RESEARCH WORKSHOP SERIES**

- **Erik Beardsley**
  Texas A&M

- **John Donovan**
  Washington University

- **Frank Ecker**
  Duke University

- **Jacquelyn Riddick Gillette**
  University of Rochester

- **Nathan Goldman**
  University of Arizona

- **Brad Hepfer**
  University of Iowa

- **Michelle Hutchens**
  Indiana University

- **Andy Imdieke**
  Michigan State University

- **Mike Iselin**
  University of Minnesota

- **Jane Jollineau**
  University of San Diego

- **Ranjani Krishnan**
  Michigan State University

- **Stephanie Larocque**
  University of Notre Dame

- **Tom Linsmeier**
  FASB

- **Dan Lynch**
  University of Wisconsin

- **Linda Myers**
  University of Arkansas

- **Allison Nicoletti**
  Ohio State University

- **Miles Romney**
  Michigan State University

- **Doug Skinner**
  Chicago Booth School of Business
LAROCQUE, FUEHRMEYER RECEIVE PROMOTIONS

THE DEPARTMENT OF ACCOUNTANCY CELEBRATED THE PROMOTIONS OF TWO FACULTY MEMBERS, AS ANNOUNCED BY THE UNIVERSITY LAST SPRING FOR THEIR “DEMONSTRATED MASTERY FOR THEIR DISCIPLINES, CREATIVE AND EFFECTIVE TEACHING, AND DISTINGUISHED SERVICE TO THE COLLEGE AND UNIVERSITY.”

Stephannie Larocque was promoted to associate professor with tenure. Larocque, the EY Faculty Fellow, is a graduate of the University of Western Ontario (BA Hon.) and the University of Toronto (Ph.D.), as well as a CFA charterholder. A former equity research analyst, her research now encompasses empirical capital markets including firm valuation, cost of equity capital estimation and earnings forecasts. Her research has been published in The Accounting Review, Journal of Financial Economics, Review of Accounting Studies, Journal of Accounting, Auditing & Finance, and Journal of Accounting and Public Policy. Larocque teaches Introductory Financial Accounting, and previously taught Decision Processes in Accounting.

James Fuehrmeyer Jr. was promoted to full professional specialist. Fuehrmeyer also is the faculty director of the Notre Dame Master of Science in Accountancy program. His prior experience includes serving for five years as a captain with the U.S. Army Infantry and 27 years with Deloitte & Touche (18 as a partner). He received the Blessed Basil Anthony Moreau, CSC, Outstanding Undergraduate Teaching Award in 2010; the Dincolo Outstanding MSA Professor in 2012; the Dincolo Outstanding Undergraduate Accounting Professor 2013; and a Rev. Edmund P. Joyce, CSC, Award for Outstanding Undergraduate Teaching, also in 2013.

PwC GRANT WILL SUPPORT DATA ANALYTICS COURSEWORK

The Accountancy Department received a $25,000 grant from PwC in April that is being used to develop new materials focused on the topic of data analytics. Public accounting firms are increasing substantially their analysis of large datasets in auditing, tax and advisory engagements. Individual faculty members receive stipends from the grant to work on specific projects.

One project documented the statistics and data analysis skills students currently gain across their four years at Notre Dame. The aim was to identify knowledge gaps, which present opportunities for strengthening the accounting curriculum. Other projects were aimed at incorporating into existing courses new assignments that address programming, cleaning data, obtaining and analyzing unstructured data, or presenting data. Some of these assignments were delivered during the fall 2016 semester.

The grant was bestowed as part of PwC’s INQuires, a program launched in spring 2007 to assist faculty and Ph.D. students seeking to increase the knowledge base that contributes to the practice of auditing and tax. To date, PwC has awarded more than $3 million to support curriculum development, diversity initiatives and applied research.
FACULTY IN THE NEWS

Apple-EU tax clash has others asking: Who’s next?
August 30, 2016

When the news broke that the European Union ruled Apple must pay $14.5 billion in back taxes, Professor Brad Badertscher shared his expert perspective in USA Today and other media outlets. The ruling was a sign of things to come for tech giants including Google, Microsoft and Facebook, all of whom enjoy favorable tax agreements abroad, he told the paper. “This is a signal that this is not a tax haven,” Badertscher said. “(The EU) is like secondary eyes looking over each government.”

Corporate Inversions Aren’t the Half of It
February 12, 2016

The New York Times featured research by Accountancy Professor James Seida examining tax inversions, finding that firms often engaged in earnings stripping after an inversion. Referring to the 2004 study of 12 corporate inversions, the article stated that Seida and his co-authors found that “four of the companies had engaged in almost 100 percent earnings stripping, costing the United States Treasury roughly $700 million over two years. The authors also concluded that ‘most of the tax savings’ found in corporate inversions was attributable to this earnings stripping.”

Why Bank Earnings Reports Might Be Old News
August 7, 2015

The Wall Street Journal covered new research by accountancy professors Jeff Burks, Brad Badertscher and Peter Easton, that describes a little-known resource to obtain early financial data on publicly traded U.S. banks. According to the study, the banks’ quarterly regulatory filings, known as “call reports,” are usually published online just before the end of the quarter.

In the article, Burks said “more advertising or publicizing of the timing of when these [call reports] come out is warranted” by the bank regulators who post them.

KPMG HONORS VEIHMeyer

KPMG made a $1M gift to honor Global CEO John Veihmeyer. The fund will be used to establish the KPMG John and Beth Veihmeyer Fighting Irish Endowed Scholarship and the Fighting Irish Endowment for Excellence, both of which support student financial aid and academic excellence initiatives.
Mittelstaedt Receives FSA Silvoso Award

Fred Mittelstaedt, Deloitte Foundation Professor of Accountancy, received the Federation of Schools of Accountancy (FSA) 2016 Joseph A. Silvoso Faculty Merit Award during the APLG/FSA Joint Annual Seminar held in Savannah, Georgia, in February. The Silvoso Faculty Award is intended to recognize, honor and reward an outstanding faculty member teaching at an FSA member school.

The award is consistent with the FSA’s objective of encouraging high-quality and innovative professional accounting education. Criteria used for selecting the award recipient include curriculum or program development, participation in student activities, service to the school, participation in professional activities related to graduate accounting education and leadership in academia. The award is funded by KPMG LLP.

Mittelstaedt holds a Ph.D. in Accountancy from the University of Illinois and BS and MS degrees in Accounting from Illinois State University. He joined the University of Notre Dame Department of Accountancy faculty in 1992 and has served as the department chairperson since 2007. Previously, Mittelstaedt held a faculty appointment at Arizona State University. He has taught financial reporting courses at the undergraduate and graduate levels, including in the Master of Science in Accountancy, MBA and Executive MBA programs. His awards include the Kaneb Undergraduate Teaching Award and the Arnie Ludwig Executive MBA Outstanding Teacher Award.

Mittelstaedt’s research focuses on financial reporting and retirement benefit issues and has been published in The Journal of Accounting and Economics, The Accounting Review, Review of Accounting Studies, and several other accounting and finance journals. He reviews for numerous academic journals, and he has served on the editorial advisory and review board for The Accounting Review. In addition, he has testified on retiree health benefit issues before the U.S. House of Representatives Committee on Education and the Workforce. He is a co-author of Financial Reporting & Analysis (6th Edition), a textbook used in graduate and undergraduate courses at numerous universities.

Professor Mittelstaedt is a past president of the FSA and currently serves on the AACSB Accounting Accreditation Committee. He is a member of the American Accounting Association and the American Institute of Certified Public Accountants. Prior to joining academia, he was an auditor with Price Waterhouse & Co. and received an Elijah Watt Sells Award for exceptional performance on the Uniform CPA Examination.

Additional information about FSA membership, programs and awards can be found at www.theFSA.org.

Bill Schmuhl Retires

Bill Schmuhl Jr. (ACCT/FIN ’65, LAW ’67) joined the Mendoza faculty as a retiree.

For much of his business career, he served as president and CEO of Heywood Williams USA Inc., a plumbing and building products company that reached sales of more than $600 million during his tenure. It was after his retirement in 2001 that he began looking for something to do, and thought about Notre Dame.

He has deep roots here. Not only is he an alum, but his father, Bill Sr., attended Notre Dame. His brother, Robert Schmuhl (’70), recently retired as a professor in American Studies. And his daughter, Francie Schmuhl (MNA ’03, ’96) earned two degrees here.

A faculty member friend took Schmuhl’s résumé to the accounting department, which led to his teaching two or three courses each semester as an adjunct until going full time in 2006.

Since then, Schmuhl estimates that he’s taught about 100 courses in Financial Accounting and Managerial Accounting, which translates into more than 4,000 students and 4,000 hours in the classroom.

As of July 2016, he’s officially retired — again — although that doesn’t mean he’s done with teaching. “What I’ve learned is that we all learn from each other, and that learning is a journey without end,” he said.
**MEET OUR NEW FACULTY**

**Erik Beardsley**  
Assistant Professor  
**Specialty:** Tax Accounting

Beardsley’s research interests include accounting for income taxes, how managerial incentives affect firms’ tax strategies, and determinants of audit quality. He received bachelor and master’s degrees from the University of Wisconsin-Milwaukee and a Ph.D. from Texas A&M University. Prior to pursuing his doctoral studies, Beardsley obtained his CPA license in Wisconsin, where he worked in PwC’s tax practice.

**Andrew Imdieke**  
Assistant Professor  
**Specialty:** Auditing

Imdieke’s research focuses on internal controls over financial reporting as well as factors that impact audit quality. He is a graduate of Hope College (BA) and Michigan State University (MBA, Ph.D.) and is a CPA in the state of Michigan. Prior to entering academia, he worked for three years at Borders Group, Inc. (Borders Books & Music) in Ann Arbor, Michigan, serving as director of internal audit and as supply chain controller. Imdieke also practiced public accounting at Plante & Moran, PLLC in the Ann Arbor office.

**John Donovan**  
Assistant Professor  
**Specialty:** Financial Accounting

Donovan researches financial accounting, focusing on the use of accounting and financial reporting in debt and equity markets. He teaches Decision Processes in Accounting. Prior to joining the faculty, he received his Ph.D. from Washington University in St. Louis and his MSA and BBA from the University of Notre Dame.

**Colleen Creighton**  
Associate Teaching Professor  
**Specialty:** Tax Accounting

Creighton is a Certified Public Accountant and Certified Financial Planner, both licensed in Illinois. Her prior experience was as a managing tax director at Deloitte Tax LLP, where she focused on providing tax services and financial planning to ultra-high net worth individuals and family groups, family offices and closely held businesses. She earned her MST from DePaul University and her BBA from the University of Notre Dame.

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**2016 FALL ACCOUNTING RESEARCH CONFERENCE**

The Accountancy Department hosted its annual research conference Sept. 8-9. Attendees include Mendoza College of Business faculty, as well as about 25 faculty members and Ph.D. students from peer schools, many of whom were Notre Dame undergraduate or master’s degree students.

**Juan Fernández-Armesto**, vice president of the Joint Board of Appeals of the European Supervisory Authorities, served as the keynote speaker at the opening dinner. Researchers presenting their working papers included Asis Martinez-Jerez (Mendoza College), Jennifer Blouin (Wharton), Steven Ryan (New York University), and Scott Richardson (London Business School).

**Jeff Burks**, Viola D. Hank Associate Professor of Accountancy and the Deloitte faculty fellow, chaired the conference. Committee members were Stephanie Larocque, associate professor of accountancy and the EY faculty fellow, and Asis Martínez-Jerez, assistant professor of accountancy.
Manuel Lopes (ACCT ’17), who studied abroad in Brazil, taught English at an elementary school and volunteered at an AIDS clinic during his spare time.

Manuel Lopes walked into a classroom last year and instantly became the most popular person in the school.

The accounting major from Brockton, Massachusetts, was in Salvador, Brazil, on a study-abroad trip. In his spare time, he helped teach English at an elementary school in one of the poorest parts of the city, and a view of his laptop screen was in high demand. He could show the children videos or let them play educational games with technology he might take for granted, but that those students are unlikely to see in their classroom again anytime soon.

“When I walked into the room, they really wanted to learn. They were excited about the resources I had,” says Lopes, who expects to graduate in 2017. “Me, going in there, just having a computer where they can watch English and see a video on the ABCs was important. A lot of these kids didn’t have the same access to resources in Brazil as other kids.”

Lopes got more than he bargained for, like so many people — students and faculty alike — who take advantage of the opportunities the University offers to teach or study internationally.

In addition to attending classes at Catholic University of Salvador and teaching English, Lopes volunteered at an AIDS clinic and put his accounting knowledge to work helping his host family with its souvenir-selling business. He came back to South Bend with a new outlook on the world and the mark he can leave on it.

“I learned to not be afraid to step out and help others,” Lopes says. “The little you have can have a big impact.”

HONING SKILLS

In addition to study-abroad opportunities, Notre Dame has several of its own programs operating overseas that give students and faculty members chances to see different parts of the world as part of their teaching or educational experiences.

The London Global Gateway program sends students and faculty members to England for a semester or a year. Notre Dame professors teach in the program, and students take courses from those faculty members, as well as lecturers and professors from other colleges and universities in and around the city.

The experience has opened doors for Professor Brad Badertscher, who spent a semester in the program in the spring of 2016.

“I get to share my ideas with other people and think about international research, which is something I haven’t done yet,” he says. “I can share with a larger group of international faculty the work I do. I’ve been able to give a talk at Cambridge, a talk at the London School of Economics and a talk in Paris. Normally, I couldn’t do those things.”

Another education abroad program sends students and faculty to the University of Notre Dame Australia in Fremantle. ND Australia has an affiliation with, but is not a part of, the campus in Indiana. Faculty teach and students take courses for a semester while there.

Mike Morris, accountancy professor, taught in the program in fall 2014 and attended classes with students from time to time. The Australian experience included a trip component for each class, with students visiting companies in Singapore, as well as a history class that involved visiting aboriginal tribes in Australia to learn about the area’s race relations.

“It was an incredible experience,” Morris says. “It was just nice to see how another country’s educational system functions and see the students and how they’re different from U.S. students.”

Some students look to what many might consider more traditional study-abroad opportunities, which can open their minds to the actual impact of world events that can sometimes seem abstract in a classroom setting.

Lauren Golden spent a semester in Greece in 2015 during the financial crisis there. She saw firsthand how accounting plays a role in shaping the world, and how the effects of policy decisions touched individual lives.
“Those things we learned about in our accounting classes can have a drastic effect on a country and a whole continent,” Golden says. “I think in the U.S., we’re a bit detached from this crisis. It’s given me a greater ability to put myself in another’s shoes.”

And when she got back, Golden was able to put her new perspective to good use in her international accounting course.

“I think I had a bit more insight than some of my peers about how the European Union works and how it works to get things implemented across countries,” Golden says.

**John King**, an accounting and French major who graduated in May, spent a semester in France in 2015 and was able to put both majors to the test. While interning for a company there, he spent time learning French vocabulary related to accounting and how to interact in business settings.

One day he was approached to help with an audit. The company needed someone to help with translations on contracts, and he had the best handle of French and English for the situation.

He sees it as an opportunity that could help him in a career that has an international component.

“I would love to work for a multinational corporation some day,” King says. “I’ve always really liked studying French as a foreign language, and it helps to have those skills.”

**INTANGIBLES**

There is much students can learn in the classroom while studying abroad, but many of the lasting, more personal lessons come outside the classroom. Students and faculty spending time in another country are immersed in another culture and typically learn things they never expected.

While in France, King says he was surprised at how much people knew about and focused on international news. It signaled to him that there is a value in understanding the larger world around him.

“During dinner with my host family, it was just incredible. They had a very global mindset. They knew everything that was going on in France, they knew everything going on in the U.S. newswise, and they almost expected me to be up to date on all these things so we could discuss them at the dinner table,” he says.

**Lidya Teka**, an accounting major who is scheduled to graduate in May 2017, studied at King’s College in London in the fall of 2015. She had traveled with family to London previously, as well as to Israel and parts of Asia. But this was her own experience, which she used to branch out and see Greece, Prague, Paris and Amsterdam.

Studying in Greece helped Lauren Golden (ACCT ‘16) develop a broader perspective of world events and issues.

“It was an opportunity to see the world. I not only got to see London, but other European cities as well,” Teka says. “It helped me discover my curiosity and excitement. I want to see more of the world now because of that.

“Studying abroad is one of the experiences you have to do. You gain an increased self-confidence doing that on your own,” Teka adds.

Badertscher says he’s always had a travel bug, and spending time in London through the Global Gateways Program allowed him to see the world without taking time away from work.

“This is a mix of what I love to do — teach and travel. I’ve gotten to do both while I’m here,” he says. In addition, he took his family, including three young children, who have had the experience of a lifetime.

“It’s been a cultural experience for us and our kids,” Badertscher says. “They’re going to remember this and get to look back on this. Hopefully, they’ll get the travel bug like we did.”

**STRONGER TIES**

Living in another country for a semester or a full year will certainly introduce students and faculty to people from all over the world. But it also introduces them to each other in ways they didn’t expect.

Badertscher says he got to watch more closely how students were doing on personal and academic levels simply because he saw them more often. There were opportunities to travel and dine together, and he often looked to the younger generation for ideas on things to do in his new surroundings.

**Ram Ramanan**, a professor in the Department of Accountancy, spent six months in London in 2014, and developed relationships with students unlike most of those he has in South Bend.

“On campus, they are one among 8,000 students. In London, there are maybe 140 students. It’s a more personal connection,” Ramanan says, which is a big part of why he chose to teach.

“We all get into academics to interact with students in and out of the classroom, and you get to do that more when you are in a setting like London.”
Beta Sigma Chapter
Distinguished Chapter
114 active members

Professional Development:
(1,509 hours achieved)
BDO, Deloitte, EY, Grant Thornton, KPMG and PwC formally kicked off the Fall 2015 professional meeting schedule with Meet the Firms Night. Throughout the academic year, we were pleased to host a number of firms and organizations as they presented topics that enhanced the professional development of our members:

- EY
- Illinois Board of Examiners
- KPMG
- Mendoza Graduate Business Programs
- NASBA
- ND Career Center
- PwC

Jim Kane, CEO of Kane and Co. presented an essential skills workshop in negotiation. Each attendee received a copy of the book Getting to Yes. Professor Ken Milani closed our professional meeting schedule with “Tax Tips for the Graduate.”

Beta Alpha Psi sincerely appreciates the professionals, organizations and professors whose informative presentations provide a wealth of opportunities for professional development.

Service Activities:
(1,872 hours achieved)
Our lineup of service activities included the Accounting Lab (tutoring for ACCT 20100 and ACCT 20200 students), a math clinic for K-12 students in partnership with the St. Joseph County Public Library, and the Taxpayer Assistance Program.

BDO hosted an Impact Networking event. This event allows professionals and Beta Alpha Psi members to network while performing an activity that benefits a not-for-profit organization, in this case, Upward Bound.

Midwest Regional Meeting:
Cincinnati, Ohio, April 2016
Mike Schneider, Kevin Schneider and Kelsey Amarosa won first place in the “Good or Great” category of the Best Practices competition.

Annual Meeting:
Baltimore, Maryland, August 2016
Grace Linus, incoming director of service, and Janet O’Tousa, faculty adviser, represented the chapter along with students Mike Schneider, Kevin Schneider and Kelsey Amarosa. Participation in the Community Service Day and attendance at a number of professional sessions will provide some great ideas for relevant professional topics and new service projects for the upcoming year.
STRONG EMPLOYMENT NUMBERS CONTINUE

For senior accountancy majors, based on a pre-graduation survey of the 155 students, 63 percent found full-time positions, 20 percent enrolled in the Notre Dame MSA program, 5 percent went to other graduate programs or into service, and 12 percent were unknown or undecided. For the 101 students working full time, 75 percent went to the Big 4 firms.

The MSA program continued its success in placing a high percentage of its 2016 graduates, with 95 percent of its 93 students having jobs at graduation. Of those, 76 percent went to Big 4 accounting firms. The median starting salary was $58,000.

In the current MSA Class of 2017, of the 96 students, 29 are studying tax, and 67 chose financial reporting. Other facts about the class profile:

- Average GMAT - 652
- Average GPA - 3.60
- Average Age - 22

Percent Female - 41%
Percent Domestic Minority - 16%
Percent International - 21%

TAP UPDATE: A THREE-WAY WIN

The Vivian Harrington Gray University of Notre Dame-Saint Mary’s College Tax Assistance Program (TAP), now in its 45th year, continued its mission as an educational endeavor that provides an essential service embraced by the community. During 2015-2016, more than 120 undergraduate and graduate students enrolled in courses examining the complex ethical and practical aspects of preparing federal and state income tax returns.

The service was provided free of charge at several locations in South Bend and Mishawaka, two campus sites and a venue in nearby Plymouth, Indiana, as well as in taxpayer’s homes and care facilities for individuals unable to seek help at the other TAP locations due to disability or other extenuating circumstances.

During 2016, TAP personnel helped 2,438 taxpayers and prepared 4,286 income tax returns. Teaching Professor Ed Hums continued to serve as the faculty coordinator, while Professor Ken Milani’s role as technical coordinator found him teaching the courses mentioned above. Tom Bullock headed the international element, which provides help to international students and scholars at Notre Dame and Saint Mary’s, assisted by Joe Zavisca and Maria Milani. Other faculty members involved as tax preparers and/or CPA consultants included accountancy professors Jamie O’Brien, Asís Martínez-Jerez and Jim Wittenbach.

Overall, TAP’s effect can be described as a win-win-win impact. The community victory — free tax preparation; the college student victory — a real-world application of classroom studies; and the Mendoza College faculty victory — interacting with and/or directing students as they interact with individuals in a professional services environment.
ALUMNI NEWS

2016 ALUMNUS OF THE YEAR: RICH CAFFARELLI

Rich Caffarelli (ACCT’89) arrived at Notre Dame in 1985 knowing he wanted to study business. He describes himself as “math-oriented,” with an interest in the stock market, and a Domer father who also was an accountant. When it came time to choose his major—finance versus accountancy—he ultimately looked ahead … and within.

“My decision came down to not only my then-current interest and academic success in the alternatives, but more so my level of confidence that my interest in the field of accounting would stand the test of time,” Caffarelli said. “I appreciated the judgments and decision-making aspects of accounting, and felt my personality and skill set were aligned with those necessary to make a good accountant.”

Twenty-seven years later, Caffarelli is a partner at Deloitte in the greater Chicago area, the same firm he joined after graduating from Notre Dame. The Accountancy Department chose him as the 2016 Alumnus of the Year, primarily based on his professional achievements and service to the community, University and Department.

In May, when he accepted his award, he reflected on his profession and service, and delivered a challenge to students to invest their time, talents and treasures to carry forward the great traditions expressed in the simple phrase, “We are ND.”

Following is an excerpt of Caffarelli’s address.

“We are ND”

Seven letters. Not exactly words you need to look up in a dictionary to know their meaning.

The total point value of the letters on a scrabble board if phrases could be played would be 11 points, or an average of 1.57 points per tile played.

Uninspiring words to those not familiar with Notre Dame. However, each one of us had a feeling in our heart and a vision in our mind when I said, “We are ND.” We have chanted these words at ND sporting events countless times as a rallying cry for the Fighting Irish on the field of play. Yet, how many of us have stopped to reflect on what that phrase really means to us beyond the stadium or the playing field?

Tonight I want to share with you, the students, what “We are ND” means to me and how you, too, can invest your time, utilize your talents and share your treasures to personalize the “we” in “We are ND.”

It’s at this point in writing this speech that all sorts of clichés were running through my head.

Certainly, “Contribute your time, talents and treasures” resonates. “Pay it forward” also applies. Even “The sum is greater than its parts” could work.

Maybe they all apply, but I think the best way to describe “we” in the context of the phrase is stewardship, the management and care of something entrusted to you.

As soon-to-be graduates of ND and of the Department of Accountancy, you are called to stewardship. As future working professionals, you can practice stewardship in many ways. I have four categories of stewardship options to comment on tonight.

➤ One: Help students

As an alumni, you should share your story. Tell current students what you do in order to help them identify career options that align with their talents and interests. Allow them to see accounting grads in action—set up shadow days for students with your employer. Be an advocate for summer internship opportunities for ND accounting students and making an intern’s experience rewarding and insightful.

You also should perform at a high level. If your employer doesn’t already view Notre Dame as ripe for adding talent to the organization, perform your very best and allow them to see that ND grads are talented. Remember, your performance not only reflects on you, but also can influence how your employer views ND grads more broadly.

➤ Two: Help faculty

Help faculty members appreciate what you’re experiencing in the work world—how what you learned in the classroom prepared you and what might help future graduates be better prepared.

Offer to be a guest speaker in class or at an accounting department or accounting club or society event. And respond to the faculty’s requests for help. It might be in the form of a survey associated with their research, but take the time to complete it as if it was your highest priority that day.

You also could join the faculty. My retired Deloitte partner, Jim Fuehrmeyer, and retired KPMG partner, Sam Ranzilla, are two current examples of retired professionals who have joined the faculty to help with course instruction. Their experiences not only benefit students in the classroom, but also help fellow faculty to tap into a retired professional’s networks and learn from their experiences.

➤ Three: Hire and develop ND grads

Hiring may not be an immediately available option for you at your employer, but you still can get involved with recruiting and someday you will be a hiring decision maker. Once you hired someone, mentor them. Develop their talent and help them be the best professionals they can be.

➤ Four: Provide financial support

ND will not be shy about asking you to contribute, but likely won’t specifically call out the Department of Accountancy as an option. And even those that say they will never contribute will experience “Catholic guilt.” Regardless of when you begin contributing, keep the needs of the Department of Accountancy in mind. Share your treasure and help keep this a special place.
**ALUMNI IN THE NEWS**

**The Washington Post**

**Value Added: On way to restaurant business, a diversion to a food truck factory**

April 3, 2016

Eduardo Bocock (ACCT ’95) was featured in a sizable article in *The Washington Post* that traced his career from scooping ice cream at 6 years old for his family’s business, to his jobs in finance, to his current—and somewhat accidental—successful venture building food trucks. Bocock launched Manassas, Virginia-based East Coast Custom Coaches in 2008, just as the food-truck industry was gaining momentum. Today, he employs 17 full-time workers and produces about six trucks a month. That totals about 300 trucks outfitted with an array of customized equipment ranging from pizza ovens to gelato makers.

Bocock switched his undergraduate major at Notre Dame to accounting from engineering because “it’s the language of business,” he stated in the article. He also credits his accounting background for enabling him to recognize employee fraud earlier in the company’s history.

**The Record**

**Giving Back: A former media executive is changing lives in Paterson**

May 2, 2016

After graduating from Notre Dame, Dan Renaldo (ACCT ’83) made a successful career in senior management positions at ABC and NBC. But these days, mingling with celebrities and high-profile political leaders is a world away from where he devotes his time and energy.

Renaldo now serves as a volunteer for Eva’s Village, a Paterson, New Jersey-based anti-poverty nonprofit that provides services ranging from food and housing, to kids’ summer programs and job training.

*The Record*, a USA Today publication serving North Jersey, featured Renaldo’s work with Eva’s Village, where he mentors students—often people just out of prison—and helps prepare them for the job market by coaching them on interview skills and writing résumés. He also is involved with its culinary school—even driving to restaurants to thank chefs for hiring Eva’s students, according to the article.

**ALUMNI NEWS**

**TWO ALUMS WIN LEADERSHIP AWARDS**

Robert Burke (ACCT ’94) and David Gaus (ACCT ’84) were named as recipients of the 2015 AACSB Influential Leaders Challenge, an award bestowed by AACSB International in recognition of having an innovative mindset and entrepreneurial spirit, and as acting as a change agent for the benefit of society.

Burke is the founder and chairman of Chicago-based LadderUp, a nonprofit organization aimed at helping poverty-stricken families on the city’s south side through assisting them with tax refunds and financial literacy. His achievements include an appointment to the Internal Revenue Service Taxpayer Advisory Board—a national 100-person board representing the interests and concerns of more than 120 million taxpayers across the United States. He also is an active member of Young Presidents’ Organization (YPO), a global network of successful young business leaders across more than 130 countries, and named a “Chicagoan of the Year” by Chicago magazine in 2012 in recognition of his contributions to the community.

Gaus became a medical doctor and founded Andean Health Systems with the guidance of Rev. Theodore Hesburgh, CSC, to serve impoverished communities in South America. The pilot hospital opened in Pedro Vicente Maldonado in 2000, and by 2007 was 100 percent financially self-sustaining, providing care to an extended community of 80,000-plus. The subsequent project, the Hesburgh Hospital in Santo Domingo, Ecuador, opened in June 2014 and serves a community of 600,000. Gaus also oversaw the building of a training center in Santo Domingo that serves as a headquarters for training the region’s public-sector physicians.

AACSB — the Association to Advance Collegiate Schools of Business — is a global business education network and association that serves as an accrediting body for business schools. For the 2015 Leadership Challenge, it received 197 submissions, across 127 universities in 25 countries around the world, which was narrowed to 100 individuals who were recognized along with the other award recipients in September 2015 at the organization’s annual conference in Chicago.
BUSY YEAR FOR ALPFA

ALPFA (Association of Latino Professionals For America) Notre Dame Chapter is an organization that looks to expand diverse leadership in business by providing students with opportunities to acquire technical and leadership skills, as well as to network with top-tier firms. The ND chapter has about 60 members, with 12 students serving on the executive board. Sponsors include EY, Deloitte, PwC, KPMG, Goldman Sachs, JP Morgan, Accenture, Protiviti and BDO. Associate Teaching Professor Mike Meyer serves as the faculty adviser.

Throughout the academic year, ALPFA is involved in a broad array of activities aimed at honing the members’ career development and strategic skills. They include networking events; firm information sessions; case competitions; workshops; panels and conferences; presentations about topics such as interview tips, résumé writing; and networking do’s and don’ts.

Club members attended two major conferences in the past year: the Midwest Regional Conference for ALPFA student chapters and the ALPFA National Convention. Eight members attended the National Convention in New York in August 2015; 10 traveled to Orlando for the 2016 event.

The club also hosted the 2015 ALPFA Midwest Regional Student Symposium on Oct. 3 at Mendoza. The theme was “Align Your Passion, Purpose and Career and Discover a Path to a Purpose-Driven Life.”

The event was coordinated by ALPFA, the Notre Dame ALPFA Chapter and the Department of Accountancy. The symposium was made possible by the generous sponsorship of EY, Lilly and Grant Thornton and by sponsorship of the Career Fair by AICPA, Allstate, Deloitte, KPMG, PwC and Notre Dame Graduate Business Program.

The Leadership Panel participants were Evelyn Gil, financial analyst, Eli Lilly and Company; Danny Chomat, president, Notre Dame ALPFA; and Augusto Ornelas, director, technology consulting specializing in insurance, PwC. The panel moderator was Beatriz Rangel, talent acquisition, Allstate Insurance Corporation.

Deloitte, Ernst & Young and Grant Thornton conducted three workshops during the symposium: “The Interview Process: Your Dreams. Your Future. Your Goals. Amplified.” (Deloitte); “Mentorship vs. Sponsorship: Why You Need BOTH” (Ernst & Young); and “Managing the Transition from Backpack to Briefcase” (Grant Thornton).

Associate Teaching Professor Sam Ranzilla, who previously was the national managing partner for KPMG Audit Quality & Professional Practice, served as the keynote speaker. The afternoon concluded with a career fair with Allstate, Deloitte, Eli Lilly and Company, Ernst & Young, Grant Thornton, KPMG, PwC and the Notre Dame Graduate Business Programs.

2016 SENIOR AND MSA AWARD RECIPIENTS

Luke Rafter
FSA Student Award – MSA

Daniel R. Chomat
The Accountancy Chairman’s Award – MSA

Kyle K. Aggarwal
Maria C. Ianni
The Hamilton Award For Accountancy

Shannon M. Bader
The Accountancy Faculty Award

Brian C. Herbert
The Peter Brady Award

Lauren G. Dunseith
Jamie A. Dykstra
Wei Lin
Steven Pochini
The Brother Cyprian, CSC, Award

Brian M. Cimons
Christopher Filos
John J. King
Siyu Yao
The James Dincolo Award

Patricia M. Bartlett
Connor O. Hale
Peter S. O’Connor
Bailey R. Scales
The Elmer Layden Award

Erin J. McDonagh
The Tara K. Deutsch Award

Elizabeth M. Weir
The William G. Barth Award
The Department of Accountancy launched its Facebook page in May to keep in touch with our alumni and students. Visit the page to see department news, photos, upcoming events, and student and alumni profiles.

STUDENT NEWS

HE’S NO. 1 IN AZ

Kevin Schneider (BBA ’15, MSA ’16) made good use of his time at Notre Dame.

He achieved a perfect 4.0 GPA during his five-year academic career. He worked as a research assistant and a tutor to student-athletes. He also co-founded two companies—BookItBack, an on-campus textbook brokerage service; and Certus Therapeutics, a nanotechnology company that provides a liposomal drug delivery platform proven to effectively target cancer cells (which also won the top prize in the annual McCloskey Business Plan Competition).

Schneider got involved in Notre Dame’s Beta Alpha Psi chapter, creating a new website and teaming up with two classmates to take first place in the 2016 BAP Regional Best Practices competition. Outside of class, the avid musician, who plays both the guitar and piano, performed weekly at Dillon Hall’s Milkshake Mass and made multiple appearances at Acousticafé with other aspiring musicians. He co-captained Notre Dame’s bowling team.

Oh, and he completed all four parts of the uniform CPA exam, achieving the highest score in the state of Arizona for the 2015 calendar year. He works in EY’s Phoenix office.

With an average score of 95 across all four sections, Schneider beat out 2,300 candidates who sat for the exam in 2015. He completed the exam in a mere 37 days, even though test-takers are allowed up to 18 months to finish all four sections.

“Success on the CPA exam essentially boils down to a combination of discipline and balance. Avoiding distractions and taking well-deserved breaks are pivotal parts of the process,” said Schneider. “I treated my CPA exam prep as a full-time job; I had a definitive start time and end time to avoid studying for the sake of studying.”

One more achievement to note—Schneider also passed the exam a year earlier than his identical twin brother Mike (BBA ’15, MSA ’16), who currently has completed three of the sections, also scoring an average of 95 so far. In the classroom, the Schneider twins were known for their fierce but good-natured sibling rivalry, as well as academically crushing their assignments and exams.

“To be completely honest, I believe he put off taking the exam until 2016 so he could win the award this year and provide greater empirical evidence of the Schneider twins’ utter domination in the accounting world,” joked Schneider. “But you bet there is some intense competition between us as to whose final average will be higher in the end!”

Sells Award Winners

Two Notre Dame Accountancy students were recipients of the 2015 Elijah Watt Sells Award, given by the American Institute of CPAs for outstanding performance on the Uniform CPA Examination:

Brent R. Smith, who earned his bachelor’s and MS degrees in accounting from Notre Dame and currently is employed with Grant Thornton LLP in Chicago.

Shanfang (Jennifer) Zheng, a graduate of Tsinghua University with a Bachelor of Accounting and the University of Notre Dame with an MS in Accountancy, is now employed with Deloitte in San Francisco.

A total of 93,742 individuals sat for the CPA exam in 2015, with just 75 meeting the criteria to receive the Sells Award. The criteria include obtaining a cumulative average score above 95.50 across all four sections, passing all sections on their first attempt and completing testing in 2015.

2016 Excellence Scholarship Recipients

Timothy Alcide
Kiera Bader
Daniel Cohen
Nicholas Courtney
Asher Enciso
Ruochen Feng
Madeline Gaugler
Madeleine Ginty
Emily Han
Yuxin Han
Valerie Jose
Jae Hyun Ko
Edward Kreienberg
Sasha Meyer
Meredith Pearce
Caroline Sawn
Guohui Shi
Abigail Veres
Wentao Wang
Xun Wang
Dongyi Xia
Siying Yang
Yeo Jin Yoon
Ellen Yue
Annie Zou

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ACCOUNTANCY DEPARTMENT MISSION

Our mission is to advance accountancy through programs and research that provide outstanding education for students, create and disseminate knowledge, promote the understanding and ethical practice of accountancy, and serve the community. We are guided by the missions of the University of Notre Dame and the Mendoza College of Business.