Professor Ken Milani Receives IRS Award for Service

Ken Milani, professor of accountancy at the University of Notre Dame, was honored by the Internal Revenue Service with a special service award for his work as program coordinator of the University’s Vivian Harrington Gray Tax Assistance Program (TAP).

In 1972 TAP began providing free income tax preparation service to low-income individuals on a regularly scheduled basis at convenient locations. The program has since evolved to include both domestic and international tax assistance programs to serve the federal and Indiana income tax return preparation needs of its clients.

The domestic program attends to the needs of many people in the off-campus Michiana community, and the international program provides services to Notre Dame’s foreign faculty, visiting scholars, researchers and international students.

One of many service-learning opportunities offered at Notre Dame and Saint Mary’s College, TAP is an important part of the educational preparation of students entering public accounting and tax practice. Certified public accountants from national, regional, and local firms also volunteer their time, along with faculty from Notre Dame and Saint Mary’s.

TAP received funding from the Vivian Harrington Gray endowment in 1999 to recognize Gray’s support of her children’s education in accountancy and her example as a volunteer to low-income individuals in the preparation of their taxes.

A member of the Notre Dame faculty since 1972, Milani earned bachelor’s and master’s degrees from Bradley University and a doctoral degree from the University of Iowa.
To our alums and friends,

As I write to you I see a blanket of new snow outside my window. At Notre Dame, winters are cold yet nonetheless beautiful. Hope springs eternal here and as we enter our spring term watching the snow fall, it is a good time to reflect on our many blessings.

Our accountancy students continue to make us so proud. We have an article in this issue about Mark Bellantoni and Mike Murphy, two recent grads interning at the FASB this year. I know they represent Notre Dame well at the FASB. Our current students continue the long-established Notre Dame tradition of active service to the community through the Vivian Harrington Gray Tax Assistance Program, Beta Alpha Psi, the Notre Dame Accounting Association, and the Master of Science in Accounting Association. Activities by these groups include Relay for Life, fundraising for cancer research, Christmas Care Package for the Troops Drive, and CPA service day (sponsored by the Indiana Society of CPAs) among others.

Special thanks go to Ken Milani, Janet O’Toosa, Margot O’Brien, and Jim Wittenbach for serving as faculty leaders in these efforts.

Our faculty represents the lifeblood of our educational programs. Teaching is our passion and part of our daily conversations. Our faculty again demonstrated their commitment by volunteering to serve as team leaders in the
2005 Deloitte Case Seminar and PricewaterhouseCoopers xTax Competition. Not to be overlooked are the hundreds of faculty-student mentoring relationships that transcend the classroom experience to help guide our students as they prepare for life’s challenges.

This past year we were fortunate to have Notre Dame’s new president, Father John Jenkins, address our Advisory Board and reaffirm the university’s commitment to outstanding accounting education. Doug Marsh of the Notre Dame architect’s office provided our board an update on the physical changes and plans for our campus. Faculty members Dave Ricchiute, Fred Mittelstaedt, Juan Rivera, and Tom Stober presented to the board key components of our curriculum, programs, and other topics for their reaction and discussion. Many thanks to our board members for their efforts on our behalf.

As we begin 2006, we look forward to the challenges of maintaining currency and relevancy in our curriculum. We are truly blessed with our friends in the profession who devote their time and resources to help us shape the business leaders of tomorrow. The combination of a dedicated and talented faculty, an outstanding student body, helpful staff, and the enthusiastic support of the professional community comes together in our accountancy programs at Notre Dame. It’s a wonderful place to study, to work, and to come back to, in all seasons.

Taking the Hint: How a Few Words Can Bias Accountants’ Expert Testimony

If you’re a cynic with regard to the objectivity of our judicial system, take note: new research shows how the outcome of auditor-liability cases can be swayed by just a few quick comments.

In a study of accountant expert witnesses and trial judges published this year in The Accounting Review, Professor Dave Ricchiute established a link between attorneys’ hints, expert testimony, and settlement verdicts. Ricchiute’s first experiment, conducted with partners and managers of a Big Five accounting firm, demonstrated that an accountant’s prior knowledge of an attorney’s line of reasoning often swayed his expert testimony. A corollary study then found that trial judges’ decisions leaned in the direction of the experts’ reports.

Despite expressing confidence that accountant experts “come to the task objectively,” Ricchiute explains that his research uncovers “the likelihood for unintentional bias.” Conflicted testimony violates the Federal Rules of Evidence. And because litigation services have become a significant market niche among practicing accountants, Ricchiute’s study suggests implications for further research, practice, and education of accountants and attorneys.

Professor Jim Seida Earns Tenure

In May 2005, Jim Seida was promoted to Associate Professor of Accountancy with tenure. The promotion was based on Professor Seida’s record of excellence in teaching, research, and service. His scholarly research papers have appeared in journals such as the Journal of Accounting and Economics, The Accounting Review, the Journal of the American Tax Association, and the National Tax Journal.

Professor Seida teaches tax and business strategy at Notre Dame and has testified before the United States Senate Subcommittee on Finance on tax matters. Congratulations to Jim Seida!
We wondered how an accounting education has helped in the past and will continue to help these professionals into the future. Susan Joyce feels that her accounting education helped her in the following way: “When I applied to be an admissions counselor in 1985, my accounting major helped distinguish me in the prospect pool. Most applicants had liberal arts degrees. During my interview, I remember one of the senior staff commenting that “I obviously wasn’t doing it for the money.” The discipline honed through my accounting education has helped me throughout my twenty-year admissions career. I am able to contribute to solving the quantitative problems in the office while also suggesting ways to improve our overall efficiency. On the lighter side, I think I’m the only counselor who enjoys completing expense reports!”

Tim Connelly, on the other hand, doesn’t have many chances on the cross country course to use his accounting knowledge directly. However, he says “While my job entails some ‘business’ aspects (i.e., staying within budgets, purchasing, expense reports, etc.), the actual accounting is pretty minimal and basic and doesn’t require an accounting background. I really believe that a more important byproduct of my education that impacts my current job is the structure and organization that I apply to most aspects of my job. I try to be very organized and structured when developing my athletes training, our recruiting, travel planning, etc, and I believe that my accounting background is a benefit to me in that regard.”

Bill Kirk had the following thoughts: “My Notre Dame accounting education developed the important critical thinking, problem solving and analytical skills so necessary in virtually any executive management position in today’s workplace. The skills developed in the undergraduate program and honed over several years with Price Waterhouse were complimented by my legal education at Notre Dame Law School, and allowed for a smooth transition into my responsibilities in the Office of Student Affairs, where I supervise the residential, disciplinary, and security/police functions of the University. Most importantly, though, I developed those skills in an atmosphere that emphasized (as we say in our University mission statement) a ‘sense of human solidarity and concern for the common good that will bear fruit as learning becomes service to justice.’”

When asked what the greatest challenge facing the University of Notre Dame was in the next five to seven years, Susan Joyce believes that many people have commented on Notre Dame’s evolution from a “family-owned” business to a multi-billion dollar corporation. She thinks Notre Dame’s greatest challenge lies in making decisions that honor the highest ideals of our mission while facing the growing pressures of “bottom line” fiscal realities. Not many universities talk about having a “spirit” or a “soul”. We do at Notre Dame. The soul of the University will need to be a guiding force in the future, if it is to be preserved, according to Susan.

Bill Kirk states, “I believe that among our greatest challenges as a University over the next several years...”
will be to ensure that while we become ever more widely renowned as an outstanding institution of teaching and research, that we not allow ourselves (or those who look to Notre Dame for help in answering some of the greatest problems our nation and world have faced) to ever lose sight of the fact that we are first and foremost a Catholic academic community, where our search for truth must rely not just on our ability to reason, but also draw from our faith.

And Tim Connelly for many years has said that Notre Dame provides an Ivy League quality education, without the Ivy League attitude. “We attract students who are very gifted, yet are very down to earth and regular people. That creates a very comfortable and special environment on our campus. As we continue to strive to increase our admission standards and academic standing, and continue to expand our facilities, my hope is that we don’t lose that perspective in pursuit of bigger and better.”

Finally, we asked our alums what their favorite parts of their jobs were. Susan Joyce said her department is always trying to improve what they do in the Admissions Office. It is gratifying to use her experience to help with “big picture” policies and challenges. Among her specific duties, she especially enjoys counseling transfer students. In many cases, these are students who were not admitted as freshmen, but refuse to give up on their dream of attending Notre Dame. To Susan, they are an inspiring bunch, and she says it is a privilege to work with them.

According to Bill Kirk, “My work in Student Affairs allows for daily interaction with the most impressive students in any college or University in this country...that is clearly the most enjoyable part of my job. Our students are bright, articulate, faithful, engaged in their studies and so very well-rounded. It is a privilege to be able to teach and work with them. Even when I deal with students in difficult and unpleasant situations, where they may, for example, have to leave the University for a period of time, almost invariably I consider myself privileged to have had the chance to be involved in their lives.”

Tim Connelly says, “Without a doubt, the most enjoyable aspect of my job is the opportunity to interact with our athletes every day. From 8:00 AM until 3:00 PM, my job is pretty much the same as millions of other jobs, writing letters, filling out forms and so on. But from 3:00 pm on, I get the chance to work with some of the greatest kids and most talented athletes in the country. And every day is different, because there is always a new set of challenges when you are dealing with 30 college age women athletes. Basically, my job is to help them achieve their full potential as runners, students, and as people. It can be very challenging and frustrating at times (as most parents of 18-22 year olds can attest to), but in the end it is very rewarding when a kid leaves here having achieved more as a runner than anyone else thought possible, and has the education and foundation to be equally successful in anything that they wish to pursue.”

There are many career paths a Notre Dame accounting graduate may take. Coming back to Notre Dame to use the knowledge and skills acquired in the program benefits the graduate, their constituents and customers and the University as a whole.
2005 Department of Accountancy Senior Student Award Winners

THE HAMILTON AWARD FOR ACCOUNTANCY
Kristin M. Yemm
St. Louis, Missouri

THE ACCOUNTANCY FACULTY AWARD
Courtney Zeph
Carmel, Indiana

THE PETER BRADY AWARD
Alison Ruddy
Aurora, Illinois

THE BROTHER CYPRIAN, CSC AWARD
John McCarthy
St. Charles, Missouri
Sarah Lowe
Jacksonville, Florida
Hristo Hristov
Plovdiv, Bulgaria
Alexis Kadavy
Lincoln, Nebraska

THE JAMES DINCOLO AWARD
Sarah Twedell
St. Louis, Missouri
Patrick Biladeau
Lutz, Florida
Christopher Hale
Iowa City, Iowa
Tara Weiler
Eden Prairie, Minnesota

INDIANA CPA SOCIETY AWARD
Stephanie Didier
Ft. Wayne, Indiana

THE ELMER LAYDEN AWARD
Michael Flanagan
Arlington Heights, Illinois
Amy Reiff
Excelsior, Minnesota
Michael Lund
Cincinnati, Ohio
Kathryn Landsberg
Farmington Hills, Michigan

THE TARA K. DEUTSCH AWARD
Tommy Bramanti
Houston, Texas

THE ACCOUNTANCY CHAIRMAN’S AWARD
Mark Bellantoni
Naperville, Illinois

THE FEDERATION OF SCHOOLS OF ACCOUNTANCY AWARD
Sara Cerreta
Hubertus, Wisconsin

2005 Accountancy Excellence Scholarship Winners Announced

John Berger Jr.
Kirsten Bergstrand
Mary “Brigid” Bulfin
Janet Claseman
Colleen Day
Christopher Fortner
Jennifer Galano
Benjamin Hess
Jennifer Johnson
Kevin Johnson
Francis Laski
Christine Lewis
Joseph McKenna
Janice Ong
Matt Puglisi
Michael Sciortino
Ryan Smith
Michael Spond
Shelton Tsui
Timothy Wyne

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PwC’s X Tax Competition

Four Notre Dame teams competed in the PricewaterhouseCoopers xTax Case Competition. The case competition is designed to give students the opportunity to critique and to propose tax policies to achieve specified objectives. The campus level competition was held Tuesday, November 15. The winning team of the campus competition included Katie Scheck, Tiara Nelson, Molly Eyerman, Don Jayamaha, and Chris Mueller; the faculty mentor was Professor Ken Milani. The students in the other three teams also made outstanding presentations. The accounting department is proud of all the participants and thanks them for their participation.

The Notre Dame Team was selected by PwC as one of the top five teams nationally and will compete with four other teams in the National Finals to be held in Washington, D.C. at PricewaterhouseCoopers’ National Tax Services.
Our officers for the current academic year are:

**President**
Andrew Sawyer (MSACCT)

**Vice-President, Professional Activities**
Tralynna Sherrill (Senior)

**Vice-President, Service Activities**
Deglan Reager (Senior)

**Vice-President, Social Activities**
Tiara Nelson (Senior)

**Reporter**
Sarah Lowe (MSACCT)

**Treasurer**
Jim Yesnick (Senior)

**Corresponding Secretary**
Nicole Barczak (Senior)

**Webmaster**
Katie Scheck (Senior)

**Chapter Membership Statistics:**
- Total Members & Pledges: 155
- Initiated Members: 96
- Pledges: 59

**Membership by Class:**
- Juniors: 51
- Seniors: 71
- MSACCT: 33

Notre Dame’s chapter of Beta Alpha Psi is proud to have achieved national distinction as a Distinguished Chapter. Chapters are recognized based on the number of professional and service hours logged by their membership as well as chapter participation in nationally designated types of events. Last year our chapter of 155 students performed 2,200 hours of service and professional meeting attendance for the chapter as a whole amounted to 2,000 hours. Chapter activities included attendance at last year’s Annual meeting and participation in the Community Service Day, attendance at the Regional meeting and participation in the Leadership Conference, and presentations to local high school students on opportunities in the accounting profession. This outstanding effort on the part of our membership and last year’s officers resulted in our second Distinguished Chapter award.

**Professional Meetings and Service Activities**

This fall’s professional meetings have proved especially enriching to our members’ educational and professional experience. Fall presenters included partners and senior managers from each of the Big 4 accounting firms, FASB Interns and a presentation by the Cherokee Nation Casino’s Senior Vice President. Topics included our second annual Meet the Big Four Night, Beyond Audit and Tax, What to Expect in an Office Visit, A Review of Year One of Section 404, Paperless Audit, Financial Advisory Services, Transaction Advisory Services and Casino Accounting.

The students have completed numerous service projects; weekly study sessions offer one-on-one homework assistance to the Principles’ students, resumes are reviewed during the week of Career Expo and a team of students raised funds for cancer research by participating in Relay for Life. For the third year, the membership participated in CPA Service Day sponsored by the Indiana CPA Society. With almost 70 participants, our chapter is one of the largest chapters in the State of Indiana. Students work with local CPAs at a number of sites throughout the South Bend community; the Hope Rescue Mission, The Food Bank of Northern Indiana, REAL Services Inc., the YWCA, Pet Refuge and Logan Center. In total, our membership contributed 400 hours of service in this day long event.

Our website:
http://www.nd.edu/~bapsi/
Friend of Notre Dame

James M. Dincolo of Fairfax Drive, died October 24, 2005. Survivors include his wife, Martha Alby; a daughter, four sons, a stepdaughter, a stepson; a sister, and a brother. Mr. Dincolo was a 1959 alumnus of the University of Notre Dame. As a business member of the community, James was partner of the CPA firms Dincolo, Stump and Wilson, and McGladrey Hendrickson, and CFO of Baker Rubber, Inc.

Notre Dame, the Mendoza College, and the Department of Accountancy has lost a dear friend. We remember Jim Dincolo as a benefactor of accountancy and as an annual speaker at our Beta Alpha Psi banquet. Jim was always eloquent, inspirational, and supportive in his remarks. Jim’s father was a past faculty member and chair of the Department of Accountancy. Our annual Dincolo awards for teaching excellence and student achievement in accountancy are made possible from contributions of the Dincolo family.

Emeritus Faculty
George W. Viger
Feb. 22, 1922 – Feb. 19, 2005

George W. Viger, 82, died at 1 p.m. Saturday, Feb. 19, in his residence.


In 1952, Mr. Viger became a professor of accounting at the University of Notre Dame, where he retired in 1994 after 42 years. He was a CPA, CLU, and a CPCU, and was the former owner of the Ramada Inn in Elkhart, Ind.

Prof. Viger was a graduate of Louisiana State University, where he received his Bachelor of Science and Masters of Business Administration degrees. He was a member of the University Club, Beta Gamma Sigma, the American Institute of CPA, and the Elks. He was past president of the Summit Club. He was also a veteran of World War II, serving in the Marines as a pilot while stationed in Oahu.

Prof. and Mrs. Viger never had any children. However, over the span of 25 years, they informally adopted hundreds of students from Hawaii. They became in Notre Dame terms “in loco parentis” or surrogate parents.

Prof. Viger was also very close to his graders. He remembered each of them by name long after they had graduated. It was well known in the Notre Dame community that Prof. Viger’s checkbook was always open to any of his graders who needed a lift.

A Memorial Mass was held for Prof. Viger on Tuesday, Feb. 22, in the Log Chapel at the University of Notre Dame with burial at the Cedar Grove Cemetery on campus.

Eugene J. Bastedo Named Outstanding Alumnus

Gene is currently the Vice President - Internal Audit at Federal Express. Gene received his Bachelor of Business Administration in Accounting from the University of Notre Dame in 1973. He joined KPMG that same year, and held positions of Staff Accountant, Senior Accountant, Manager, and Senior Manager before leaving to join Esmark Corporation as the Director of Corporate Audit Services in 1984. Gene has also held positions at Trinova as the Director of Internal Audit, and Controller of Sterling Engineered Products. He left Trinova to join Federal Express as the Vice President - Internal Audit in 1992.

Gene is actively involved in several community organizations. He has served as a Junior Achievement Consultant since 1985, and currently serves on the Board of Directors of Junior Achievement of Memphis and the Mid South, where he served as Chairman from 1998-2003. He also serves on the Board of Trustees at Christian Brothers High School and on the Executive Board of St. Benedict High School, both in Memphis. Gene currently serves as the Region 14 representative on the Notre Dame Alumni Association Board. Gene is on the Board of the Assisi Foundation of Memphis, a philanthropic foundation that supports education and health care related causes in the Memphis area.

Gene and his wife, Beth, have five children; Brian (ND ’00), Laura (ND ’02), Jill (Indiana Univ. ’04), Erin (ND ’05) and Megan.
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73 Students to Matriculate to Master of Science in Accountancy Program

The Class of 2006 is comprised of undergraduate students from the University of Notre and a multitude of other universities inside and outside the USA. Some of those universities are: Florida State University, Washington University, Brigham Young University, Clemson University, College of Charleston, Stonehill College, University of Kentucky, University of North Carolina, University of Louisiana, University of Kansas, Elmira College, Lehigh University, University of Connecticut, University of Iowa, Columbia College, Arizona State, Beijing Jiaotong University, University of Toledo, University of Wisconsin, Northern Illinois University, Southwestern University of Finance & Economics, Marquette University, University of Tennessee, Peking University, London School of Economics, California State University, Marshall University, Loyola University, St. Louis University, Sam Houston State University, William and Mary College, Fu-Jen Catholic University, and Santa Clara University.

story continued on page 17

YMP Program Graduates 68

In August of 2005, 68 students graduated from the M.S in Accountancy Program for Ernst & Young employees. In so doing, the ND Accountancy Department, along with a sister program at the University of Virginia, continued its association with E&Y in offering the 15-month YMP (Your Master Plan) Program. The program provides students with a quality education delivered primarily during two intense academic summers on the ND campus with one distance learning course delivered between summers. Students also receive practical experience in the program through client-serving at E&Y offices throughout the nation between the academic summer sessions.

The program is unique in that it primarily recruits non-accounting majors (about 80% of each entering class) to the accounting profession for work in the Assurance and Advisory Business Services sector. The program has allowed students to jumpstart their careers with a master’s degree, practical experience, and help in meeting CPA exam requirements. Students also live in dormitories with fellow E&Y students for two summers allowing them to develop close working relationships with fellow employees in their own class.

The visionary and program founder for the YMP Program at the University of Notre Dame was Professor Thomas Frecka. The YMP Program is now in the seventh year of operation, and has had over 500 students matriculate through the University of Notre Dame and an equal number through the University of Virginia.

YMP Program Graduates 68

This year’s focus for the Notre Dame Accounting Association will be the multitude of career opportunities available to accountancy majors. Members will have the opportunity to interact with professionals from the big-four accounting firms, mid-market public accounting firms, and a variety of corporations.

Recently, the NDAA hosted a presentation by five middle market public accounting firms. A similar event will be offered in October with big-four firms Ernst & Young and KPMG. In November, the organization held its annual Christmas care package drive for troops stationed in Iraq.

The NDAA is an active undergraduate organization with more than 100 members. Junior and senior accountancy majors are welcome to join, along with freshmen and sophomores considering accounting as a major. Officers and chairs are elected in mid-April. The 2005/2006 Officers are Sean Colleran, President; Eric Gast, Co-Vice President; Jennifer Galano, Co-Vice President; Angela Celis, Secretary; Christy Tabit, Treasurer; Devin Dunn, Webmaster; and Prof. Margot O’Brien, Faculty Advisor. For more information, please visit http://www.nd.edu/~ndaa.
Two Master’s Students Trying to Make Katrina Less Taxing

Dan Kelly (M.S.A.’06) has come up with a tax proposal that is receiving a lot of press. His proposal would allow the 70 percent of taxpayers who do not itemize (i.e., they simply take the standard deduction) a charitable contribution deduction for contributions to organizations that assist the victims of Katrina and Rita. A write up on Dan’s proposal appeared in the Peoria Journal Star and Tax Notes Online. The M.S. in Accountancy students are sending Dan’s proposal to their Senators and Representatives. Deloitte flew Dan and Katie Landsberg to Washington, D.C. in October so that they could present it to Deloitte’s National Tax Policy office. The hope is that the Tax Policy people at Deloitte will carry the proposal to Capitol Hill where members of the Ways and Means Committee and the Senate Finance Committee will get a chance to consider it. Dan is hoping that his proposal will appear in newspapers all over the country. If you know of any way that you can help Dan in getting his message out please email him (dkelly2@nd.edu) and lend your support.

Tax Assistance Program Sees Busiest Year

Facts, firming up its financial foundation and focusing on the future are the primary elements of the following update on the Vivian Harrington Gray Notre Dame-Saint Mary’s College Tax Assistance Program (TAP). The facts indicate that 2005 was the busiest year ever for the TAP. Over 1,800 taxpayers were served and almost 3,500 tax returns were filed by TAP personnel. About 90 Notre Dame and Saint Mary’s College students participated in the 34th year of the TAP and provided service at eleven different locations in South Bend and Mishawaka. The students were assisted by faculty members and other CPAs who volunteered their time. The financial foundation of the TAP was substantially strengthened thanks to the generosity of Tim Gray (’64). In the late 1990s, Gray provided a $200,000 endowment to the TAP. During the past year he agreed to a transfer of $50,000 into the operating funds of the TAP and also provided an additional $150,000 of endowment funds. THANK YOU, TIM GRAY. Focusing on the future of the TAP, Ken Milani (Faculty Coordinator of the TAP) and Tom Schaefer have started succession planning discussions. Milani wishes to continue in the teaching and tax preparation aspects of the TAP but is looking to reduce his administrative responsibilities in the future. Several possibilities are being investigated. It is hoped that during the next academic year a transition strategy can be developed.
Sophomores Start Integrative Experience

As part of the newly launched Sophomore Integrative Experience for all business majors, fall semester students in the introductory Business Law course read and commented on "Business as a Calling: Work and the Examined Life" by Michael Novak. In this book, Novak, a scholar at the American Enterprise Institute in Washington, discusses business as a vocation and describes the good that can be accomplished by virtuous people in business. Novak spoke to an enthusiastic Mendoza audience on September 16.

Business Law professors Bill Kirk, Tonia Murphy, Jamie O'Brien, and Margot O'Brien incorporated discussion of the book into the introductory course throughout the semester and required students to complete papers on the book. Paper topics were designed to draw out personal reflection on Novak's analysis, ethical conduct in business, and the role of law in fostering virtue.

Middle Market Firms Visit Notre Dame

On October 4th, the Notre Dame Accounting Association (NDAA) hosted "Middle Market Public Accounting Firms Information Night." The presentation unveiled the vast career opportunities that lie outside the celebrated realm of the Big Four Public Accounting Firms.

Representatives from all levels of five leading middle market public accounting firms were in attendance, most notably speakers from BDO Seidman, Crowe Chizek & Co., Grant Thornton, McGladrey Pullen, and Gurrie & Co. The event attracted not only students from the NDAA but also members of Beta Alpha Psi, the Career Center, undergraduate students in Accountancy, and the faculty and staff of the Notre Dame Accountancy Department.

Students were extremely receptive to the information and truly welcomed the opportunity to network with the speakers at a reception held outside the Jordan Auditorium following the presentation. The Notre Dame Accounting Association looks forward to making this an annual event in the spirit of deepening the strong ties between the Notre Dame family and its affiliates in the accounting profession.

Fraud Examination Course Popular With MSA Students

You walk by an accounting class in COBA and it doesn’t sound at all familiar. Benford’s Law, chain of custody, invigilation and predication are some of the terms floating forth. But then you listen some more and some of it rings a bell—Sarbanes-Oxley, Enron, and the fraud triangle. Of course! This is Professor Frecka’s Accounting Fraud Examination course. We interviewed Professor Frecka to learn more about the course.

What caused the department to decide to offer an accounting fraud course?

"Enron. The answer is Enron. Enron is arguably the most important company-specific accounting failure in our history, and back in 2001, we didn’t want accounting

story continued on page 17
**Faculty Activities**

**Peter Easton** serves as the Academic Director of the Center for Accounting Research and Education at the University of Notre Dame as well as being a principal at Chicago Partners LLC, and the Notre Dame Alumni Professor of Accountancy.

His journal editorial responsibilities include: *Journal of Accounting Research; Contemporary Accounting Research; Accounting and Business Research; Accounting and Finance; Journal of Business, Finance and Accounting*; and *Journal of Accounting, Auditing and Finance*.


Some of the presentations Professor Easton has made this year include: American Finance Association annual meetings, Philadelphia; American Accounting Association Financial Accounting and Reporting section mid-year meetings, San Diego; Brigham Young University, *Journal of Business, Finance and Accounting Capital Markets conference; University of Illinois; University of Melbourne; Fifth Annual Netherlands Accounting Research Conference; University of Rotterdam; University of Toronto; Washington University, St. Louis; Leeds School of Business at the University of Colorado; and The Wharton School.


**Tom Frecka** is a member of a variety of university and college committees whose overall goal is to improve teaching and learning. Included are the Provost’s Advisory Committee on Assessment, the Advisory Committee to the Provost on the Evaluation of Teaching, the Core Curriculum Committee, the Mendoza College of Business Teaching and Learning Committee (chair), and the Department of Accountancy Undergraduate Curriculum Committee (chair).

He is serving as a member of the Technical Working Group for a University of West Virginia project funded by the U.S. Department of Justice/National Institute of Justice whose purpose is to develop a model curriculum for education in Fraud and Forensic Accounting. The committee recently issued its draft report.

**Jim Krillenberger** (Adjunct with the EMBA Program in Chicago) delivered the keynote address to the annual meeting of the Business Broker Network on the topic of Exit Strategies for Small Business Owners in Dallas in August with Todd Wood, EMBA 2005.

He also provided expert witness testimony in the US Bankruptcy Court, Northern Indiana District, on the topic of the value of a bankrupt manufacturing company to determine the existence of fraudulent conveyance in a leveraged buyout transaction.

In addition to teaching for the EMBA (Chicago) Program, Jim also established ValueKnowledge LLC in Hinsdale, IL in July. ValueKnowledge provides valuations of businesses and securities for transactions, tax and accounting purposes.

**Fred Mittelstaedt** continues as the Director of the Master’s of Science in Accountancy Program.

Receiving a citation from the Internal Revenue Service is usually not the high point of anyone’s year. However, **Professor Ken Milani**, was given a service award by the IRS in recognition of his long service (34 years) as Faculty Coordinator of the Vivian Harrington Gray Notre Dame-Saint Mary’s College TAX ASSISTANCE PROGRAM (see front cover). Milani continues to teach at the undergraduate and graduate level. 2005 marked the third year for TAX TALK, a weekly column that appears in the South Bend Tribune during the “tax season.” It is co-written with Claude Renshaw, a faculty member at Saint Mary’s College. He delivered during the year: The Michiana Institute of Management Accountants “Management Accounting as a Vocation... a Calling” while the Tucson Notre Dame club was the audience for a Hesburgh Lecture—“Ethics and the Elderly: Peering at America’s Aging Population from a Business and Economic Perspective.”

On the publishing front, Milani and John Connors co-authored TAX TIPS FOR THE 2005 GRADUATE. There were also two articles co-authored by Milani that appeared in *Practical Tax Strategies*. 
**Jeff Miller**’s paper titled “Effects of Preannouncements on Analyst and Stock Price Reactions to Earnings News” was published in the *Review of Quantitative Finance and Accounting*. He presented his paper titled “Market Related Values and Pension Accounting,” coauthored with Paquita Davis-Friday and Fred Mittelstaedt, at the 2005 American Accounting Association annual meeting. He presented his paper titled “The Influence of Prior Stock Price Changes on Analysts’ Earnings Forecast Revisions: Experimental Evidence,” coauthored with Lisa Sedor, at Emory University. He also served as a reviewer for *The Accounting Review, Contemporary Accounting Research, Review of Quantitative Finance and Accounting*, and the AAA Accounting, Behavior and Organizations 2005 section annual meeting.

**Kevin Misiewicz** completed his appointment as Faculty Director, MSA (now Master of Non-profit Administration) Program. He continues to serve as a Member, Editorial Board, Issues in Accounting Education and a Member, Teaching Resources Committee, American Taxation Association.

Kevin’s presentations in April included “Teaching Ethics Workshop II” with Patrick Murphy, College of Business Administration, University of Toledo, “Universal Notre Dame Night,” Notre Dame Alumni Clubs of Topeka & Wichita, KS and in August, “Determining and Assessing Learning Objectives in an Ethics in Accounting Course,” 10th Annual Research Seminar on Ethics in Accounting, American Accounting Association, San Francisco, CA.

Curriculum Development includes “Reinforcing Ethics Learning in Undergraduate Accounting Courses,” with Patrick Murphy – developed a Resource Packet and Seminar for faculty teaching junior and senior accounting courses in order to build on the two-year old required sophomore business ethics course.


In March, **Tonia Murphy** participated in a roundtable discussion of pedagogical methods and available textbooks and materials during the symposium “Building a Better Business Law Community.” The symposium was held in Las Vegas and was sponsored by McGraw-Hill/Irwin.

In August, Tonia Murphy attended the four-day annual meeting of the Academy of Legal Studies in Business in San Francisco. During the meeting, she moderated an academic session on bankruptcy law reforms and also attended meetings of the editorial board of the *Journal of Legal Studies Education*, where she serves as a staff editor.

**Ram Ramanan** served as the faculty advisor for Beta Gamma Sigma, the business school honor society. He was also the College Diversity Officer and represented the college in the University Cultural Diversity Committee. Ram has been elected to serve a three-year term on the academic council and the graduate council at the university level.

**Mike Morris** continues to serve as the Faculty Advisor for the Ernst & Young M.S. in Accountancy Program. He was also named as a 2005-2006 Faculty Fellow for the John A. Kaneb Center for Teaching and Learning at the University of Notre Dame, in recognition of his record for teaching excellence.

In March, **Dave Ricchiute** published *Auditing*, 8th edition (South-Western Publishing, 2006); taught undergraduate and graduate auditing; received the MS in Accountancy Program’s 2005 Outstanding Teacher of the Year Award; and served on committees of the American Accounting Association’s Auditing Section, including the selection committee for 2005 Notable Contributions to Auditing Education Award.

**Norton Rueschhoff**, Professor of Accountancy, continues to serve the International Accounting Section of the American Accounting Association as its historian. He also serves locally as Board director with the Families First Center, a neutral home where parents or guardians may visit their estranged, abused or neglected children. In the fall he directed Notre Dame’s Santiago Chile MBA program.

**Tom Schaefer** was appointed to the Accounting Accreditation Committee of the International Association for the Advancement of Collegiate Schools of Business (AACSB) and continues to serve as an outside accreditation reviewer for accountancy programs at other universities. Tom completed work on the 8th edition of *Advanced Accounting*, a senior/graduate level textbook on business combinations and other advanced topics published by McGraw-Hill/Irwin. Tom served on the 2005 American Accounting Association taskforce to respond to a national curriculum proposal by the National Association of State Boards of Accountancy (NASBA). Tom also finished
a two-year term on the Board of Directors for the Federation of Schools of Accountancy.

**Bill Schmuhl, Jr.** continued serving on the following Boards of Directors during 2005: Heywood Williams Group, JSJ Corporation, MISCOR Group Ltd., Rieth-Riley Construction Co., Inc., Thakar Aluminum Corporation, and Michiana Public Broadcasting Corp. (WNIT Public Television), where he formerly served as Chairman. Bill also serves as Treasurer on the Board of Trustees at St. Mary’s College (Notre Dame) and as a Faculty Advisor for the College Republicans of Notre Dame.


**Lisa Sedor**’s paper entitled “Using Counter-explanation to Limit Analysts’ Forecast Optimism” with K. Kadous and S. Krische has been accepted for publication in *The Accounting Review* and is forthcoming in March 2006.

In early summer, **Margaret Shackell-Dowd** traveled to Sydney, Australia to present “Can Experienced Accountants Interpret Causal Information?” with Sandra Vera-Muñoz and Marc Buehner at the Global Management Accounting Research Symposium. Margaret presented “Chief Executive Officers, Boards of Directors, and Firm Survival: Evidence from the Internet Shakeout,” co-authored with Glen Dowell & Nathan Stuart, at the University of Arizona and “Firms’ Responses to the Collapse of Andersen: The Case of Reaudits” co-authored with Dan Simon & Tom Stober at Notre Dame this Fall. She also did a poster session “The Personal Schedule: Allowing Student Flexibility in Learning” at the American Accounting Association Annual meeting in San Francisco, CA, in August.

**Tom Stober** continues as the Accountancy Department’s Assistant Chair and this year will chair the committee of the Financial Accounting and Reporting Section of the American Accounting Association to plan the Plenary Session of the section’s mid-year meeting in Atlanta, GA.


She presented “Corporate governance reforms: Redefined expectations of audit committee responsibilities and effectiveness” at the 2nd Annual Ethical Dimensions in Business Conference, Mendoza College of Business, University of Notre Dame, November 18, 2004. The article is forthcoming in the *Journal of Business Ethics*, 2005, and will be reprinted in the Institute of Chartered Financial Analysts of India’s *Journal of Audit Practice*.

She was an invited scholar at the 1st Annual Field Research in Accounting & Auditing: A North-American Focused Workshop,” Queen’s School of Business, Kingston, Ontario, Canada, September 16-17, 2005. Professor Vera-Muñoz was also invited to participate as Group Leader in the New Faculty Consortium in Leesburg, Virginia, February 3-6, 2005. Professor Vera-Muñoz completed her 2003-2005 service on the Editorial Advisory and Review Board of *The Accounting Review*.

**Jim Wittenbach** is a contributing author to the 2006 Pratt & Kulsrud Taxation Series published by Thomson. The series consists of three textbooks. Jim and Ken Milani have had an article entitled “Are S Corporations Liable for Employment Taxes on Distributions Paid to Shareholder/Officers?” accepted for publication in the December 2005 issue of *Practical Tax Strategies*. He continues to serve as the advisor to the Masters of Science Accounting Association (MSAA) and as the co-editor of the Notre Dame Accountancy Newsletter.
Ninety percent of the 73 students had one or more internships prior to beginning the MS in Accountancy program in the fall semester. Four days of orientation activities introduced the students to their peers and for some to the university. Orientation featured a trip to Chicago to visit the Big 4 before embarking on the innovative curriculum.

The seven Master of Science in Accountancy Association (MSAA) officers elected in September to represent their class are: Doug Durkalski, President; Colin Flood and Allison Wright, Co-VPs of Fundraising; Andrea Hoffman, VP of Communication; Kathryn Peer, VP of Community Service Projects; Kathryn Lansberg, VP of Recruitment; and Brian Burkavage, Secretary/Treasurer.

The MSAA held a concession stand at the Michigan State game to raise money for their events and charities for the year. Their community involvement includes: donations to Tarkington Elementary School—assorted school supplies for the children; water and soda to the Food Bank of Northern Indiana, Food Bank drive in February to replenish supplies after the holidays; volunteering by reading stories to 1st grade children at Tarkington Elementary School; adopting a family for Christmas from Swanson Elementary School (presents and dinner) and participating in the School Inc. program.

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What do you cover in the course?

“Well, fraud is a really big topic and the possibilities seem almost endless. I would say that the course tends to focus on the core aspects of fraud and forensic accounting including asset misappropriation, financial statement fraud, and fraud in a digital environment. We emphasize proactive approaches for early fraud detection and the importance of strong control systems. We also focus on the importance of strong corporate governance and ‘tone at the top.’ In addition to accounting fraud material, we cover some material related to criminology and we have a large block of material that focuses on litigation advisory services work in the areas of valuation, damage claims, minority shareholder lawsuits, etc.”

What do students like best about the course?

“Probably the videos and movies. We use a number of video products developed by the Association of Certified Fraud Examiners. But, several times during the semester, after class we bring in pizza and then watch a full-length movie. It’s amazing how many movies are based on a fraud theme! I’m sure you’ve seen Wall Street. How can we ever forget that performance by Michael Douglas as Gordon Gekko, and the famous ‘Greed is Good’ speech? But have you seen Owning Mahoney? A video on the Phar-Mor fraud is also great viewing. And I can’t wait to show the new Enron movie, The Smartest Guys in the Room.”

What are the most important things you would like students to take with them from the course?

“I would like students to understand the significance of the fraud problem, understand the tools that are available to fight fraud, and most importantly, I would like to see many of them take advantage of the important career opportunities available to them in forensic accounting and litigation support services.”
(BOTTOM TO TOP): Kevin Misiewicz, Jeff Miller, Margaret Shackelt-Dowell, Tom Schaefer, Margot O’Brien, Jamie O’Brien, Tonia Murphy, Tom Frecka, Juan Rivera, Jim Seidz, Kathy Knox, Fred Mittelstaedt, Ken Milani, Chao-Shin Liu, Jim Wittenbach, David Ricchiute, Ed Hums, Sandra Vera-Mañor, Tom Stoker, Mike Morris and Oliver Li. (NOT PICTURED): Peter Easton, Paquita Friday, Bill Nichols, Janet O’Tousa, Ram Ramanan, Norlin Rueschhoff and Lisa Sedor.