Tax Students Place in the Top 10 in National Competition

A team of four students from the Steed School of Accounting in the Price College of Business at the University of Oklahoma was recognized as one of the top 10 performing teams in the seventh annual Deloitte Tax Case Study Competition, a nationwide interscholastic competition for tax accounting students.

Nearly 60 teams from 44 colleges and universities met at 11 regional Deloitte offices around the country. Each team was presented with a complex, hypothetical case study that tested their knowledge on a variety of tax topics and had five hours to develop a solution based on the Tax Code and Treasury regulations. Solutions were then submitted to a panel of judges from Deloitte Tax LLP for evaluation. “Our goal is to engage and inspire the tax leaders of tomorrow and complement the education they are receiving from the nation’s top accounting and tax programs,” said Shaun Budnik, president of the Deloitte Foundation and partner of Deloitte LLP.

“This competition takes students’ preparation for the business world beyond the classroom and presents a challenge they would encounter as tax professionals in a client service setting today.”

The Tax Case Study Competition features two divisions, graduate and undergraduate. The top 10 teams from
FROM THE DIRECTOR:

Welcome to the first edition of our newly revamped Steed School of Accounting newsletter! I hope you enjoy the news. We welcome any feedback you may have as well as ideas for future newsletter topics. As I write this letter, I am reminded how fortunate I am to be a part of the Steed School of Accounting, Price College of Business and the University of Oklahoma. When I interviewed at OU in the spring of 1981, the oil boom was still active and faculty had averaged 12 percent pay raises for several years. This rapidly changed in 1982 when oil prices fell to $9 a barrel. In my first year at OU, we had a two-day (unpaid) furlough, and many businesses and banks began to fail. I found myself wondering if I had made the right choice to come to Oklahoma. It did not take much thought for me to realize that the same people who recruited me were at Oklahoma and that Oklahoma was a place for the long haul.

We did stay in Oklahoma. I could not have made a better choice. I came to OU at a time when the university had begun to move toward greater national academic promise. We have continued to grow, and under President Boren’s leadership OU now is regularly recognized as a top choice for many students. A factor that has been of great benefit to the Steed School of Accounting is the success of many of our graduates. In 2006, the name of the school was changed to the Steed School of Accounting in recognition of a gift from David Steed in honor of his father, John Steed, who established a successful CPA practice in Ardmore, Okla. Their bequest to the School of Accounting provided funding for substantial endowed scholarships and three endowed faculty positions. Over the years, many students who have graduated as Steed Scholars have successfully entered the profession. Many of them now support us with their gifts. Accounting alumni donations help to fund scholarships, support conferences and programs, award faculty for outstanding teaching, and provide grants and fellowship opportunities for students. Last summer we hosted the McLaughlin Ethics Award 10th Anniversary Conference. The conference included speakers from academics and industry. This wonderful event, planned and organized by Professor Dipankar Ghosh, was sponsored by Glen McLaughlin, a 1955 accounting alum.

We now are at another challenging time economically. As a state, Oklahoma is better situated to weather a storm than we were in 1982. I know that we will continue to grow and thrive despite these challenges. Much of this is due to the quality of our students, alumni and faculty. We received a $100,000 gift from Deborah Kitchens to support our master’s program. This will help many students finance the important fifth year of study needed to earn a master’s and become qualified to sit for the CPA exam. Accounting as a field remains one of the top “in-demand” majors nationally and internationally. We are delighted that so many excellent students choose OU as the place to study accounting. As our recent pass rates indicate — our master’s students are able to compete with the top schools nationally on this exam. We also have new programs under way that we will be telling you about in the near future. Stay tuned for an announcement soon about an exciting new program, the Ernst and Young Focus on Energy, funded by a major grant from the Ernst and Young Foundation.

Frances L. Ayres, Ph.D, CPA, Branch Professor and Director

ANNOUNCEMENT

Oklahoma Accounting Educators’ Conference
March 28
University of Oklahoma

The John T. Steed School of Accounting at the University of Oklahoma is hosting the annual Oklahoma Accounting Educators’ conference in Price Hall on March 28. This conference is designed for educators from two- and four-year colleges throughout the state of Oklahoma. The theme for this year’s conference is “Current Issues in Financial Accounting.”

Several of the sessions are related to International Financial Reporting Standards. We will look at IFRS issues from three different perspectives. First, Ernst and Young will make a presentation comparing IFRS to GAAP. Next, we will get a perspective from industry on issues related to conversion to IFRS with Joe Shockley of BankFirst Corp. and Jeremy Humphers of Devon Energy. Finally, we will have a panel of accounting educators (Wayne Thomas from OU, Don Hermann from Oklahoma State University and Carolyn Weber from Oklahoma City University) discuss how to transition to IFRS in the classroom.

OU’s Bob Lipe will make a presentation on proposed changes to the basic financial statements and OU’s Nim Razook will present a two-hour session on ethics.

Contact Professor Terry Crain for more information on the conference (tcrain@ou.edu).

TAX COMPETITION

(continued from page 1)

each division were recognized, sharing approximately $100,000 in individual scholarships and institutional awards. The four OU team members were Jordan Geurkink, Jacob Hill, Kathleen Via and Sarah Tintera. OU team members have been recognized four times in the past six years for their performance on the Deloitte Tax Competition.
OUR STUDENTS

The New Big MAcc

If you graduated from the OU Masters of Accountancy program more than just a very few years ago, you may not recognize it now.

For example, the five year, integrated Bachelors/Masters (B/MAcc) program has undergone significant curriculum changes that provide for more, and more diverse, accounting courses at the graduate level. Students interested in doctoral studies can even be found sitting in on Ph.D. seminars. And virtually all graduates of the B/MAcc program now participate in an internship at some point during their program.

The program has grown steadily over the past several years. Forty-nine students were admitted to the program during 2008, with the Steed School able to commit, through the generosity of several contributors, more than $90,000 in scholarships toward the cost of their education. The new class increased the total number of students in the program to 90, the most ever enrolled in the program.

Graduates continue to place well, in the Southwest region and beyond. Recent graduates have taken positions all across the country, from New York and Atlanta to California, as well as in Oklahoma and Texas. And if performance on the CPA exam is any indication, it appears students are leaving the program well equipped for success. According to results published by the National Association of State Boards of Accountancy, graduates of the Steed School MAcc program have had one of the 10 highest pass rates of all graduate programs in the country in two of the four years since the adoption of the computer-based exam. In 2007, the last year for which results are available, the overall first-time pass rate of OU graduates was the sixth highest of all graduate programs nationally, with the first-time pass rate on both the auditing and regulation sections of the exam in the top 10.

Program innovation, and the quality and success of our students, led to the Public Accounting Report recognizing the Steed School MAcc program in its 2006 survey as one of the top 30 such programs in the country.
OU’s Lipe Serves As First FASB Fellow

During the 2007-08 academic year, Robert C. Lipe, the Steed School’s KPMG Centennial Professor of Accounting, served as the first FASB Academic Research Fellow. In this role, Lipe served in Norwalk, Conn., as a consultant who conveyed the insights from academic research to the FASB board members and project teams.

During the fall, Lipe headed the team responsible for responding to the SEC’s Concept Release concerning the possibility of adopting International Financial Reporting Standards in the United States. The letter generally supported the move to IFRS, providing that several conditions are met. In the spring, Lipe assisted in drafting a portion of the FASB and IASB’s discussion paper regarding the presentation of information within financial statements. In particular, he helped with sections that incorporated the implications of academic research in disaggregating income. Lipe has leveraged these experiences into several presentations for his Price College colleagues and students as well as several ongoing research projects.

ACCOUNTING AND ETHICS CONFERENCE

Last May the Steed School of Accounting hosted the 10th anniversary celebration of the McLaughlin Ethics Prize.

This Accounting and Ethics Conference included presentations by the four finalists for the McLaughlin Ethics Prize as well as speakers from industry. The conference, organized by Dipankar Ghosh, was attended by faculty and doctoral students in the Steed School of Accounting as well as guests from a number of institutions throughout the United States. Glen McLaughlin, OU accounting alumni 1955, generously provided funding for the conference and the McLaughlin Prize. The winning paper, “Whistleblowing: Target Firm Characteristics and Economic Consequences,” by Robert Bowen, University of Washington; Andrew Call, University of Georgia; and Shiva Rajgopal, University of Washington, found that whistle-blower firms had scarce financial resources, rapid growth, capital market pressures and poor corporate governance compared to a control group of firms.

The keynote speakers from industry provided a real-world perspective on accounting ethical issues. They included Cynthia Cooper (whistle-blower from MCI Worldcom); Tim Griffy, Ernst and Young’s vice chair of Quality and Risk; and Marc Siegal, global head of accounting and legal research for Risk Metric Groups Financial Research and Analysis Unit.

The Steed School of Accounting has a tradition of hosting conferences on a regular basis on a wide range of current topics in accounting. Conferences such as this are an excellent opportunity for our faculty and doctoral students to interact with top faculty at other institutions as well as introducing faculty at other institutions to OU faculty and students.
In Memoriam
Garold Martin Bowlby

Garold Martin Bowlby passed away on Jan. 28, 2009. Bowlby was born on March 17, 1925 in Lawton, Okla. He graduated from Lawton High School in 1943. He immediately went into infantry training at Camp Wolters, Texas. He married Billy Ludrick on May 26, 1944, and was sent overseas to join the 28th infantry division, fighting in France, Belgium, Luxembourg and Germany. He earned four Battle Stars, the Combat Infantry Badge and a Purple Heart for wounds received on Dec. 22, 1944, during the Battle of the Bulge. He became a staff sergeant squad leader.

With the help of the GI Bill of Rights, he earned a business degree in accounting from the OU and soon became the 983rd Certified Public Accountant in the state of Oklahoma. He practiced accounting with the firm of Billups, Arnn & Co. for nine years, and then spent 14 years at the Oklahoma City office of Arthur Andersen & Co. for nine years, and then spent 14 years

In recognition of the additional financial burden the 150-hour requirement has placed on accounting students who want to sit for the CPA exam, Deborah Kitchens and husband Jack Goddard have endowed a scholarship fund for Master of Accounting students. Kitchens is a 1978 graduate of the School of Accounting and has been active with the school’s Board of Visitors since its inception, serving two different times.

“I owe a great deal to the university, the School of Accounting and the people that I’ve met through my association with OU. Most importantly, that includes my husband! We met when we were students. My experiences at OU broadened my world view and gave me the background that helped us attain a secure lifestyle. It’s only appropriate to give back under those circumstances. Hopefully these scholarships can help other accounting students realize like-success as well,” she adds.

Kitchens majored in journalism at OU for two years and transferred to the College of Business in her junior year. She indicated, “I was so uneducated about business and accounting careers. I didn’t know that the Big Eight (at the time) were international accounting firms. Professor Homer Brown was chastising our class one day and told us none of us would get jobs with the Big Eight if we didn’t master whatever concept he was trying to get us interested in. I had to go to the library and look it up so I wouldn’t embarrass myself. Everyone else in the class appeared to know what he was talking about. Luckily I found a magazine article that detailed who they were and what they did.”

After graduating with a BBA in accounting, Kitchens worked for the Oklahoma City office of Arthur Andersen & Co. for nine years, and then spent 14 years at Kerr-McGee Corp., first as director of Internal Auditing, then controller of the Exploration and Production Division, and then vice president and controller. “I had a great early career that let me get exposure to international entities, a variety of industries with heavy emphasis in oil and gas, and SEC reporting and requirements. It was often exhausting but a tremendous experience. I’ve worked with some fabulous people along the way,” she said.

In 2002, the couple moved from Norman to Dallas where Kitchens became the vice president of accounting and financial reporting for Hunt Petroleum Corp., a privately held independent. “This job was filled with lots of opportunities and challenges, but at a more realistic pace.”

From 2002 to early 2008 the company’s proven oil and gas reserves doubled and production volumes increased 140 percent. “We developed a budgeting and operating reporting system for the over 20 entities managed by HPC. I also got to learn about trusts and estates,” said Kitchens.

The oil and gas companies were sold in September 2008 at the peak of the oil and gas markets. Kitchens stayed on for a six-month transition assignment with the buyer and is now doing some consulting work for the trusts. She also is working on a new course for the OU MBA program on Energy Accounting and Regulation, which should be ready for fall 2009.

When not looking after aging parents, traveling and gardening, the couple is impatiently waiting for OU football season to begin again. “We take this seriously. We have a football house in Norman,” Kitchens added.
Have you taken a new position, moved to a new location? Please keep us updated by sending us your current address, e-mail and contact information. If something special has happened, professionally or personally, please send a short note by e-mail or hard copy. You may e-mail your updates to fayres@ou.edu or send by mail to:

Steed School of Accounting
307 West Brooks Room 200
University of Oklahoma
Norman, OK 73019-4004