

STEED SCHOOL STATEMENT



A NEWSLETTER FOR ALUMNI AND FRIENDS
OF THE STEED SCHOOL OF ACCOUNTING
SPRING 2013 UPDATE

2012-13 FACULTY MICHAEL F. PRICE COLLEGE OF BUSINESS

Kenneth R. Evans, Dean and Fred E. Brown
Chair

Robert Dauffenbach, Associate Dean,
Research and Graduate Programs, and
Director, CEMR

Nim Razook, Associate Dean, Undergraduate
Programs

JOHN T. STEED SCHOOL OF ACCOUNTING

Frances L. Ayres, Director and W.K. Newton
Chair in Accounting

Terry L. Crain, Dale Looper Chair in
Accounting and Associate Professor of
Accounting

Andrew D. Cuccia, Steed Professor of
Accountancy, Grant Thornton Fellow, and
Associate Professor of Accounting

Cindy Cuccia, Lecturer

Dipankar Ghosh, David C. Steed Chair in
Accounting and Executive Director of the
Business Energy Solutions Center

Karen Hennes, Assistant Professor of
Accounting

Kevan L. Jensen, John T. Steed Professor
of Accounting and Associate Professor of
Accounting

Carol A. Knapp, John Mertes Jr. Presidential
Professor and Assistant Professor of
Accounting

Michael C. Knapp, David Ross Boyd
Professor, Glen McLaughlin Chair in
Business Ethics and Professor of Accounting

Marlys Gascho Lipe, Rath Chair in Accounting
and Professor of Accounting

Robert C. Lipe, KPMG Centennial Professor
of Accounting

Wayne B. Thomas, John T. Steed Chair and
Professor of Accounting

ACCOUNTING DOCTORAL STUDENTS

Jaehan Ahn
Herita Akamah
Bryan Brockbank
Matthew A. Cobabe
Andrew M. Collins
Xuerong Huang
Shuai Ma
Sydney Shu

STAFF

Jan Nelson

FROM THE DIRECTOR:

The past year has been a busy year for the Steed School of Accounting. Late last spring we hosted a research conference, "Regulation and the Audit Industry". Our faculty and graduate students had the opportunity to hear papers by top auditing researchers worldwide. We spent much of the year focusing our efforts on recruiting a new faculty member. We were excited that our first choice candidate, Mary Hill, accepted our offer and is joining us this fall. Mary will be teaching and doing research in financial accounting and reporting. For more about Mary and her family see our article in the newsletter.

We were pleased with our recent program rankings in the Public Accounting Report. Both our master's program and undergraduate program were ranked among the top 25 of comparable size programs. The undergraduate program was ranked 5th and the master's program 6th. We continue to show growth in our programs. As of fall 2012 we have 581 accounting undergraduate majors, a growth of 52% since 2004.

Our introductory financial and managerial accounting are offered primarily in a large lecture format. We supplement this with an active "Action Learning Center,"

staffed by knowledgeable teaching assistants who work with students to help them complete homework assignments.

This program has been tremendously successful. Student ratings in our large courses are among the highest in the college, thanks to our talented faculty members.

I am finishing up my term as director this year. Having served as director since 1994, I am ready to move in new directions and focus more on my teaching and research. I have enjoyed the opportunity to lead the Steed School of Accounting for the past 19 years. I think we have made progress in a number of areas as is reflected in recent rankings. I am confident our new Director, Terry Crain, will continue to build the School's prominence.

*Frances L. Ayres, Ph.D., CPA,
W.K. Newton Chair in Accounting
and Director,
Steed School of Accounting*



THE VISION OF THE STEED SCHOOL OF ACCOUNTING IS TO
LEAD THE DEVELOPMENT AND DISSEMINATION OF ACCOUNTING
KNOWLEDGE THROUGH RESEARCH,
EDUCATION AND SERVICE.

MACC HAPPENINGS

BY ANDREW CUCCIA, MACC COORDINATOR

It's been another exciting year for students and alumni of the OU Masters of Accountancy (Macc) program. The Steed School welcomed 51 students to the program in 2012, the largest incoming class ever. The new class boasted an average GMAT score in excess of 600 and an average undergraduate GPA in excess of 3.6.

For the second year, all incoming students participated in a semester-long professional development seminar designed to introduce them to various business and professional issues related to the accounting profession including several challenges and opportunities faced by the profession collectively and its members individually. Speakers included Daryl Buck, current member of the Financial Accounting Standards Board, and Rob Campbell-Watt, a

member of PwC's national Sustainable Business Solutions practice.

In what is becoming a tradition, twenty-four MAcc students participated in Price College Service Day. Joined by Professors Robert Lipe and Andy Cuccia, students restored the outdoor classroom at Wilson Elementary School, allowing Wilson's kindergarten through fifth graders to again learn about science and the outdoors through hands on experience.

Twenty-five students graduated from the program in spring 2012, celebrating their accomplishments at a gathering at Blu. The placement rate of spring graduates was 100 percent, with nearly 85 percent joining the nation's ten largest public accounting firms. In exit surveys, all graduates rated the overall quality of the program positively, with 96 per-

cent saying they would recommend it to others interested in pursuing a Masters of Accountancy degree.

In 2012, MAcc alumni once again performed exceptionally well on the CPA exam, suggesting they are leaving the program well prepared. The 70 percent success rate of first-time candidates from the OU MAcc program far exceeded the national average of 54 percent. Similarly, the 66 percent overall success rate for all (i.e., first-time and repeat) OU Macc candidates far exceeded the national average of 49 percent.

In recognition of the quality of its students and the success of its graduates, the *Public Accounting Report*, in its 2012 rankings of accounting programs, ranked the OU MAcc program number 6 in the nation among programs of similar size: a fitting end to another great year.

MCLAUGHLIN PRIZE FOR RESEARCH IN ACCOUNTING ETHICS

This year is the 15th year for the McLaughlin Prize for Research in Accounting Ethics Award. This award, funded by an endowment from Glen and Ellen McLaughlin provides a \$10,000 award for the best unpublished paper addressing ethics issues in accounting. Past award winners have subsequently

had their work published in top journals in accounting and economics such as, *Journal of*

Accounting and Economics, *The Accounting Review* and others. The

(continued on page 3)



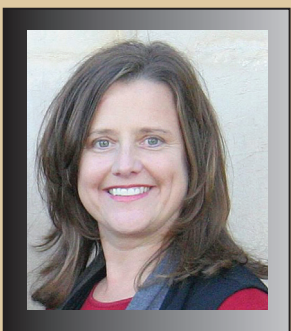
This newsletter was produced for alumni and friends of the school at no cost to the taxpayers of the state of Oklahoma. The University of Oklahoma is an equal opportunity institution. (April 2013)



From the McLaughlin Prize presentation (from left) William Mayew and Thomas Steffen (Duke University), Fran Ayres and Dipankar Ghosh (University of Oklahoma), Shane Dikolli (Duke University) and Chris Knapp (University of Oklahoma)

HILL TO JOIN STEED FACULTY IN FALL 2013

Mary Hill will be joining the John T. Steed School of Accounting this fall as an Assistant Professor. She completed her B.S. in accounting from the University of Alabama in 1992 and will receive her Ph.D. in accounting from the University of Alabama



and their effectiveness in resulting in operating improvements. Mary also has an interest in researching executive compensation. She has a



this May. Her dissertation, which received the *AAA/Grant Thornton Doctoral Dissertation Award for Innovation*, focuses on the relevance of intangible assets in the credit default swap market and the impact of financial distress on that relationship.

Her research interests include financial accounting and reporting issues, particularly topics of interest to accounting standard setters. In addition to her dissertation, she has a working paper analyzing restructuring charges

working paper analyzing the presence of excess compensation for U.S. CEOs.

Hill holds a CPA license. Prior to joining the doctoral program at the University of Alabama, she served as audit senior manager at Ernst and Young, LLP, audit senior manager at Way, Ray, Shelton & Co., P.C. and Director of Finance at AFFLINK, LLC.

Her teaching interest is primarily in financial accounting. She has taught introductory and

intermediate accounting. Mary particularly enjoys using her work experience in the classroom to provide real world examples of financial accounting principles.

She and John married in 1992 and have three boys: Drew (age 14), Brett (age 12), and Jack (age 10). As a family they enjoy soccer and are active in their church. They were drawn to the family friendly environment and the active soccer community in Norman. They will be moving to Norman this June.

MCLAUGHLIN PRIZE FOR RESEARCH (CONT.)

winners of the award are invited to the University of Oklahoma campus where they present their findings to graduate students and faculty in a public forum. They also meet individually and in small groups with students and faculty members in the Steed School of Accounting.

The program is run by Professor Dipankar Ghosh, David T. Steed Chair in Accounting. Frances Ayres, Director of the Steed School commented that, "Professor Ghosh has done a fantastic job of publicizing the McLaughlin Prize and attracting top researchers to submit their work for consideration for the prize. The number of papers submitted for the prize has grown

along with the visibility of the prize. The quality of recent prize winning papers has been exceptional." In the past few years 30-40 papers have been submitted for consideration.

This year's prize winning paper is, "Honoring One's Word: CEO Integrity and Accruals Quality," by Shane S. Dikolli, William Mayew and Thomas D. Steffen, all from Duke University. The paper finds that in the CEO's letter to shareholders, CEO's ranked highly on integrity use less qualifying language in the letter to shareholders' suggesting that high quality CEO's are more likely to honor their promises, mitigating a need for explanations in the CEO letter.

ALUMNI -- STAY IN TOUCH!

*New job, new
address, other
news? Let us know!
Email us with your
updates.
Send email to
jnelson@ou.edu.*

HENNES' PAPER SELECTED FOR NOTABLE CONTRIBUTIONS TO THE ACCOUNTING LITERATURE AWARD

An important part of our faculty role is engaging in research that helps guide how we think about accounting and business decisions. Research in business is expected not only to be published in top tier journals, but to have an impact on decisions and help build a framework for future research. One example is a recent paper by Karen Hennes. Karen Hennes received the American Accounting Association 2013 Notable Contributions to the Literature Award for her paper, "The importance of distinguishing errors from irregularities in restatement research: the case of restatements and CEO/CFO turnover" published in *The Accounting Review* in 2008 (co-authored with Andrew Leone, and Brian Miller). The criteria for the award are as follows:



"Nominated items must have been published from 2008 to 2012 and must meet the following criteria:

- Uniqueness and potential magnitude of contribution to accounting education
- Practice and/or future accounting research
- Breadth of potential interest
- Originality and innovative content
- Clarity and organization of exposition
- Soundness and appropriateness of methodology"¹

She summarizes the finding of her research below:

1 <http://aaahq.org/awards/nominat3.htm>

"Around the passage of the Sarbanes-Oxley Act in 2002, there was considerable concern about the increase in the number of companies restating their financial statements. In our study, we note that although the number of restatements had increased over time, the relative percentage of restatements that appear to be caused by fraud had actually decreased. We show that failing to account for this changing mix in restatement types can result in misleading conclusions, and we propose some guidelines to help researchers sort restatements into different categories. Our recommendations have influenced a broad range of subsequent research in accounting, finance, and management on the causes and consequences of restatements."



Around Price College -- (left) working together on a community service project; (above) students access the Action Learning Center, set up to enhance the learning experience for introductory finance and managerial accounting classes