Save the Date! Lecture Confirmed for Fall 2017

The changing regulatory and political environment presents new challenges and opportunities for environmental, social and governance practices. Steven will discuss Tetra Tech’s business model; sustainability initiatives and sustainability reporting; the impact of the changing regulatory and political environment on environmental, social and governance practices; and shareholder value and long-term investment returns.

Tetra Tech is a premier worldwide consulting and engineering firm, focusing on water, environment, infrastructure, resource management and energy, and international development services. As CFO, Steven is responsible for operational finance and accounting, treasury, tax, financial reporting, internal audit and governance, mergers and acquisitions, and investor relations. Prior to joining Tetra Tech, Steven served in various executive financial management roles with TRW and Aura Systems. He began his career with Ernst & Young LLP where he served as a senior manager and focused on clients in the aerospace & defense, high tech, and engineering & construction industries. Steven is a CPA and graduated from Santa Clara University with a B.S. in accounting/business administration.

The Dreier Chair in Accounting Ethics Distinguished Speaker Series is funded by the R. Chad Dreier Chair in Accounting Ethics and is part of the activities and events of the Institute for Business Ethics and Sustainability (IBES) at Loyola Marymount University. (Note: This was formerly the Center for Accounting Ethics, Governance, and the Public Interest’s Distinguished Speakers Series. IBES will be formally launched in fall 2017.)
Guest Speakers Discuss Audits, Redistribution and Big Data

The Center for Accounting Ethics, Governance, and the Public Interest (organized by Larry Kalbers) invited two familiar faces back to the Hilton stage for encore lectures, Lynn Turner and Edward Kleinbard. Lynn Turner is a senior advisor with Hemming Morse’s Forensic and Financial Consulting Services Group, a member of the PCAOB Investor Advisory Group, and former chief accountant at the SEC. In his lecture, Lynn disclosed troublesome figures on the quality of audits. Today’s audit deficiency rate hovers somewhere between 35-40% and error rates are especially high for the Big 4 accounting firms (up to 50%)! In a survey last year, public company CFOs estimated that 18% of companies manipulate their earnings by an average of 10%. So what needs to change? Lynn believes we need to reexamine the business model of how audits are done, auditors need to recognize that the investor is the customer, auditors should use tools available by Wall Street, and accountants need to have master’s degrees.

Edward Kleinbard, Johnson Professor of Law and Business at USC, gave a timely presentation on government redistribution and fiscal policy. Kleinbard is a strong proponent for a larger government which he believes will lead to more economic growth. He says the government should purchase investments and insurance with money raised through taxes. Contrary to popular belief, the U.S. is a low tax, small government economy that does very little redistribution. While the U.S. has the most progressive tax system of all countries, it also has one of the highest levels of inequality. Kleinbard believes the future of the U.S. depends on us working together as a democracy. The fiscal soul of the U.S. is in peril and something needs to be done. As citizens, Kleinbard says we must have institutionalized empathy and connect with our fellow Americans through common action.
It has been a year full of sorrow and joy for LMU Accounting. We were devastated by the loss of Professor George Dasaro, a legendary teacher, mentor, colleague, friend and family man. Please take time to read the tribute to George in this issue.

This year we also embraced the continued success and achievements of our accounting program. At the annual Accounting Society Spring Banquet, 34 accounting students were awarded scholarships totaling nearly $275,000. We celebrated the remarkable achievements of our first ever joint alumni of the year, Kristi Frey ’90 and J.C. Frey ’90. Professor Nancy Coster was also named Professor of the Year. I want to thank the Accounting Society Executive Board and Professor Scott Delanty, faculty moderator, for their hard work in making the Spring Banquet a great success. I also want to thank Professor Nancy Coster for coordinating the scholarship application and awards process.

LMU Accounting continues to garner national recognition. The undergraduate program was ranked #31 by U.S. News & World Report in 2017, and #16 in their 2018 graduate rankings. According to the 2016 National Association of State Boards of Accountancy report, the LMU passing rate on all four parts of the CPA exam significantly exceeded both state and national averages, and was very competitive with other top accounting programs in California.

Our Accounting Advisory Board (AAB) had another active year providing direction and support to the accounting program. I want to thank all members of the AAB for their active participation under the leadership of John Di Carlo ’77 and Michael Good ’96, chair and vice-chair, respectively. The AAB’s advice and engagement resulted in improvements in our curriculum and increased communication between accounting students and practicing professionals.

As always, I am indebted to the accounting faculty for their hard work and devotion to our students through teaching, advising and interacting with representatives from the accounting firms. Most of our faculty members are also active in scholarship, which provides additional insights in the classroom and increases the intellectual capital and reputation of the department.

Finally, I want to thank all of our loyal alumni, parents, friends, recruiters and donors. The success of LMU Accounting is in no small part a result of the substantial support we receive from our many stakeholders. If you have any questions or would like to learn more about the Department of Accounting, please contact me at 310.338.2758 or Lawrence.Kalbers@lmu.edu. We look forward to another productive and successful year for LMU Accounting!

Larry Kalbers, Ph.D., CPA
CHAIR, DEPARTMENT OF ACCOUNTING
R. CHAD DREIER CHAIR IN ACCOUNTING ETHICS
Longtime LMU accounting professor George Dasaro died on Feb. 18, 2017 after a long illness at his home in Westchester. He was 75 years old. George joined the accounting faculty at LMU in 1977 and was deeply involved in the university for 40 years.

“During the last four decades, George was dedicated to his family, his students and his profession – he was a man of high standards with a very caring heart,” said Dennis Draper, dean of LMU’s College of Business Administration.

A 1963 alumnus of Loyola University Los Angeles, George first came to campus in the fall of 1959 as a freshman, never dreaming that nearly all of his professional life would be spent ‘on the bluff.’ Generations of LMU graduates landed jobs with public accounting firms because of his guidance and recommendations, and he inspired thousands of alumni to master their craft and be men and women for others.

George received numerous awards throughout his illustrious career, including the Accounting Society’s Professor of the Year (nine times!), MBA Faculty of the Year, and the Department of Accounting Alumnus of the Year. He also served as the inaugural Paul A. Grosch Professor of Accounting from 2005-2006.

Prior to joining LMU, George worked as the treasurer of a privately-held manufacturing company, divisional controller of manufacturing for a NYSE-listed corporation and an auditor in public accounting. He was a CPA, held a certificate in fraud examination, and belonged to the American Accounting Association, the California Society of CPAs, and the Association of Fraud Examiners. He earned his master’s degree in accounting at Cal State L.A. in 1966, and his B.A. in accounting at Loyola University in 1963.

“I feel very fortunate to have spent the last 40 years of my life teaching accounting at LMU,” said George in 2016. “What makes this place special is the lifelong relationships that are formed with classmates, faculty and the university.”

George is being honored in perpetuity through the George A. Dasaro Endowed Fund in Accounting, which provides financial resources to ensure that the programmatic quality he helped build over the past four decades remains strong for generations to come. Visit cba.lmu.edu/giveacct to make a gift in his memory.

Big data was a big topic for the Paul A. Grosch Lecture Series (organized by Mahmoud Nourayi).

Ruth McCartney, CEO of McCartney Multimedia and stepsister to the famous Beatle, says that accounting and finance graduates with data analytics expertise are in high demand. Because accountants and finance professionals are trained to gather, analyze and benchmark data, students today are in a unique position to be able to provide a new and critical service to employers: making big data smaller and distilling vast amounts of information into actionable insights. Big data is here to stay and will create jobs and place more power in the hands of the financial community.

Daniel O’Leary, USC Professor of Accounting, discussed the main sources of big data and the impact of big data on privacy and ethics. He spoke on the five characteristics of big data known as the five Vs: volume, velocity, variety, veracity and value. O’Leary also discussed the magnitude of big data, including the Internet, social media and even personal devices such as Fit Bit bracelets. The “internet of things” is a relatively new phrase that refers to all of the devices, cars, appliances, etc. that are directly connected to the Internet and continuously gathering data. The key question is: what does all this data mean and how can it be used to benefit business?
LMU power couple Kristi and J.C. Frey were named the 2017 Accounting Alumni of the Year, the first time two people have been jointly honored in the award’s 27-year history. It’s not every day two young accounting students meet, get married and go on to achieve massive professional success, all while staying engaged in service and philanthropic activities with their alma mater.

At LMU, Kristi and J.C. started an endowed scholarship fund that supports accounting students. They have had the pleasure of meeting the student recipients of their scholarship and are continually amazed at their achievements and overall professionalism.

Kristi joined the LMU Board of Trustees in 2015 and is a member of the Development Committee. She is a former LMU Regent (2011-15) and a former member of the Regents’ Development Committee, the Career Development Services Advisory Board, and the Alumni Association Board of Directors. Kristi is a former real estate broker and most recently worked at Shorewood Realtors where she specialized in residential and income properties and received the “Top Producer” award. She is a CPA and former trustee of the Catholic Education Foundation.

As managing partner at Kayne Anderson Capital Advisors, J.C. oversees the firm’s $11 billion energy marketable securities group which he co-founded. He has been the portfolio manager of the largest and longest tenured MLP hedge fund, Kayne Anderson MLP Fund, L.P. (KAMLP), since its inception in 2000. Prior to joining Kayne Anderson in 1997, J.C. was an audit manager in KPMG Peat Marwick’s financial services group, specializing in banking and finance clients, and loan securitizations. He is a CPA and earned a Master of Taxation from USC. J.C. and Kristi have two sons and reside in Manhattan Beach.

As leaders in the LMU Accounting Society during their undergraduate days, Kristi and J.C. were thrilled for the opportunity to attend the Accounting Society Banquet and see how much the student organization has grown over the years. Attendees were equally thrilled to hear their inspiring Alumni of the Year acceptance speech which touched upon the benefits of being an accounting major, favorite campus memories, the importance of giving back, words of wisdom for graduates, and their overwhelming love for all things LMU. The Accounting Times had a few follow-up questions for the Freys:

What was your reaction upon learning you were selected as the 2017 LMU Accounting Alumni of the Year?
We were humbled and honored. Receiving the first joint alumni award highlights that two people who went through this program can achieve different experiences and career paths.

What do you think has been key to the success of the LMU Accounting Program?
It is the outstanding professors who care about you and are interested in teaching you more than just accounting. They are committed to educating the whole person and become your mentors as well your friends.

Why did you decide to start the J.C. and Kristi Frey Family Endowed Scholarship?
Since we were fortunate to be able to attend this top accounting program, we felt it was important to give back and to ensure other students will have the same opportunity and experience. We believe creating an endowment helps to continue the longevity and to be able to attract the top students that make this program so outstanding.

Why do you make it a priority to stay involved with LMU and give your time and money toward so many great causes?
LMU shaped us to become who we are today and gave us our foundation. We feel grateful and blessed to be a part of LMU. We enjoy working with the students, faculty, and administration and like to help in any way we can. We hope to inspire other accounting alumni to get involved and give back.

What’s your advice to current LMU accounting students or even recent graduates?
Our advice would be to take advantage of the opportunities this great accounting program provides. We think it’s important to stay involved and connected with other students, get to know your professors, and network with others including the alumni.

Any chance your boys could follow in your footsteps and attend LMU to study accounting?
That would be wonderful of course and we think they’ve heard it mentioned by us a few times before!
“LMU has been my dream school since I was in the sixth grade,” said Samantha “Sami” Curtis, a senior accounting major from Stockton, Calif. “I’ve always wanted to come to Los Angeles to advance my career and I liked that LMU was a small Jesuit school.”

Sami’s choice to major in accounting also proved to be a smart decision. “Accounting pushes me every day to work harder and do my absolute best,” said Sami. “I knew the skillset I gained in accounting could open doors for many opportunities.”

Sami is taking full advantage of all LMU accounting has to offer. She most recently spent her summer as an intern in PwC’s assurance practice. She’s also participated in summer leadership programs at PwC, Frank, Rimerman + Co. and Green Hasson Janks.

Now entering her final year at LMU, Sami is preparing for her duties as the new president of the Accounting Society. She already has a short list of things she wants to accomplish.

“I am really going to encourage our members to participate in more service events,” said Sami. “I would also like to do a better job of helping our accounting students find their place at an accounting firm.”

In addition to the Accounting Society, Sami serves as vice president of philanthropy for the Alpha Chi Omega women’s sorority where she organizes events to raise awareness for victims of domestic violence. She’s also gaining leadership experience as supervisor for Malone Student Facilities and vice president of internal affairs for the LMU Student Booster Club.

“At last spring’s Accounting Society Banquet, Sami was recognized as the recipient of the Green Hills Memorial Park/Ray and Vivian Frew Accounting Scholarship. “I am so grateful to the Frew Family for this incredible honor,” said Sami. “Their generosity and support of LMU accounting students is such an inspiration and really makes a difference.”

After graduating in May 2018, Sami plans to study for the CPA exam and start work in the fall. After a few years working at a firm, she’d like to go back to school to get her MBA or MSA. For now, she’s planning to enjoy every moment of her senior year because she knows it will go by fast.

“My experience as an accounting major at LMU has been wonderful,” said Sami. “The endless support from my professors and the relationships I’ve built with other accounting students and the accounting firms has made this a truly unforgettable experience.”

Outside of LMU, Sami volunteers at the Alexandria House helping elementary students with their homework and playing with the younger children. She also enjoys golfing, dancing and hiking.

FACULTY HIGHLIGHTS

► George Dasaro, professor of accounting (1977-2017), was posthumously inducted into the LMU Faculty Hall of Fame which honors faculty who made significant contributions to LMU through teaching, research, creative and/or scholarly works, and are exemplars of the teacher-scholar model of the Jesuit and Marymount traditions.

► Nancy Coster was named Professor of the Year at the Accounting Society Spring Banquet. This award is selected each year by accounting majors which is a testament to Nancy’s personable nature and leadership talents in and out of the classroom.

► Mahmoud Nourayi has been reappointed as holder of the Grosch Professorship for another three year term (2018-2020). We thank Mahmoud for all of his contributions to the Department of Accounting – particularly the Paul A. Grosch Lecture Series – and look forward to another fruitful three years.

► Richard Minot has joined the Department of Accounting as a visiting clinical assistant professor. Richard previously taught at Cal State San Marcos and UC Irvine. He is a CPA and president of Minot Accountancy Corporation.

► Meghna Singhvi and her husband Vishal welcomed daughter Meher Singhvi Munsif on December 21, 2016. Congratulations to the new parents!
GIVING BACK

Adolph Molina ’54 Honors Parents with Scholarship

Hon. Adolph U. Molina had the best seat in the house at the Accounting Society Spring Banquet, where he was recognized for his remarkable career and generous contributions to LMU Accounting. But all he could focus on was the magnitude of the event and poise of the students.

“Wow, what an exciting time!” said Molina. “It was an absolute pleasure to be there. This was my first banquet and I must say these are some very sharp and impressive accounting students.”

One of those students was Takeko Horiuchi, the inaugural recipient of the Adolph C. and Consuelo L. Molina Memorial Scholarship, which Molina started in 2014 in honor of his parents.

“My parents were hardworking people who sacrificed so much for me and I wanted to do something for them,” said Molina. “College is so expensive nowadays. As a lifelong bachelor, I wanted to help support accounting students because I have the money to do it. Hopefully I’ll inspire some of my fellow alumni to do the same.”

Molina has agreed to leave a portion of his estate to LMU after he passes to fund the Molina endowed scholarship to support deserving accounting students in perpetuity. He recently decided to fund this scholarship now so he could have the opportunity to meet his scholarship recipients in person, tell them about his experiences as a Loyola student and about his inspiration – his parents.

Being in the company of his alma mater brought back fond memories of his time as a student at LMU, then known as Loyola University. He was one of only 12 accounting students and remembers the coursework being very rigorous.

“At the time, there was an incentive to do well in school because the Korean War was going on,” said Molina, who also served as treasurer of the student body. “You definitely didn’t want to flunk out!”

No problem for Molina; he was born with a strong work ethic. As a kid, he earned money as a paper boy, a theater usher and a holiday postal worker. He credits his parents for being great role models and setting him up for success.

“My parents were hardworking, loyal and patriotic Americans who believed in the power of an education,” said Molina. “My father told me as a boy that the only way to get ahead in America is through education.”

Molina and his parents first arrived in Los Angeles in 1939 at the height of the Great Depression. When it came time to select a high school, they decided as a family on Loyola High. He commuted via street car and bus from his home in East L.A. to the prestigious all-boys Jesuit school.

“Service for others’ is a major part of Loyola High’s philosophy which stuck with Molina throughout his life and career. It was only natural that he would set his sights on LMU for his undergraduate studies. His tennis coach, Father Domachowki, helped him earn a scholarship to LMU which covered half his tuition.

After graduating from LMU, Molina joined the Air Force as a navigator for a few years before attending UC Berkeley School of Law under the G.I. Bill. Equipped with a law degree, Molina moved back to Los Angeles and got a job with the State Compensation Insurance Fund where he defended the employer vs. injured employees for 12 years. In 1974, he took a job in Santa Ana and became a worker’s compensation judge, and was later appointed presiding judge.

Even though Molina never became a CPA, he got plenty of use out of his accounting degree.

“The combination of accounting and law proved to be a solid foundation for a great career,” said Molina. “I am so grateful for my accounting background. It gives you the basic business skills for whatever you choose to do. I’ve used it in so many different fields – in the Air Force, as an attorney and as a judge. I can even do my own income taxes!”

Now that Molina is retired and enjoying the fruits of his labor at home in Costa Mesa, he can look back and reflect on the lessons he’s learned over the years. He shared some simple words of wisdom for accounting students and recent graduates:

“Save money, invest money, don’t go into credit card debt and live within your means.”

He also emphasized the importance of ethics in the workplace. “Ethics is essential in every profession, not just accounting. There will be times you may be tempted to stray from the rules but it’s important to always be honest to your profession.”

Molina’s favorite saying is a short quote by poet Ralph Waldo Emerson that sat at his mother’s bedside, which he believes is a perfect depiction of life:

“This time, like all times, is a very good one, if we but know what to do with it.”
2017 Accounting Society Spring Awards Banquet

On April 20, the LMU Accounting Society held its 37th Annual Spring Awards Banquet at the Marina del Rey Marriott. Over 200 guests attended, including students, faculty, staff, alumni and industry professionals. This year, scholarships totaling nearly $275,000 were awarded to 34 students by our generous donors (in parenthesis):

Joshua Blank (Stephen & Judy Page Endowed Scholarship);
William Brant (Accounting Department Annual Scholarship);
Marissa Bryant-Manago (Joseph & Carol Page Family Accounting Scholarship);
Kristen Burch (J.C. & Kristi Frey Family Endowed Scholarship);
Claire Burdick (Green Hills Memorial Park/Ray and Vivian Frew Accounting Scholarship, Accounting Department Annual Scholarship);
Calix Carrington (Accounting Department Annual Scholarship);
Winston Chang (J.C. & Kristi Frey Family Endowed Scholarship, Accounting Alumni Annual Scholarship);
Maliyah Cullars (Accounting Faculty Emeriti Scholarship);
Samantha Curtis (Green Hills Memorial Park/Ray and Vivian Frew Accounting Scholarship);
Avinda Dewi (Accounting Department Annual Scholarship);
Kent Dukklewicz (Alan A. Cherry Endowed Accounting Scholarship, Accounting Department Annual Scholarship);
Christian Fiechtner (Accounting Department Annual Scholarship);
Michelle Frost (Accounting Department Annual Scholarship);
Elena Garcia (Alan H. Falcon Annual Accounting Scholarship);
Miani Harkey (Class of 1980 Endowed Scholarship);
Takeko Horiuchi (Adolph C. and Consuelo L. Molina Memorial Scholarship, Accounting Alumni Annual Scholarship);
John Hughes (Accounting Department Annual Scholarship);
Jason Kim (Accounting Faculty Emeriti Scholarship);
Julia Lanman (Dreier Family Endowed Accounting Scholarship, Accounting Alumni Annual Scholarship);
Nick Lee (Stephen & Judy Page Endowed Scholarship);
Ashley Lillegraven (Hindman Family Scholarship in Accounting, Accounting Alumni Annual Scholarship);
Tiffany Lin (Accounting Department Annual Scholarship);
Madeline Lipkowitz (Accounting Department Annual Scholarship);
Candice Luciano (Stapleton Family Annual Accounting Scholarship, Accounting Department Annual Scholarship);
Judith Martinez (Sara Mijares Del Fium Scholarship);
Jayden Murrieta (Provenvio/Arias Family Scholarship);
Shane Penner (John A. Garstka Accounting Scholarship, Accounting Department Annual Scholarship);
Megan Pepi (McGee Family Scholarship, Accounting Alumni Annual Scholarship);
Noemi Perez (Sara Mijares Del Fium Scholarship);
Evania Santy (Stephen & Judy Page Four-Year Merit Scholarship);
Davin Takenishi (Accounting Faculty Emeriti Scholarship);
Charisse Tanedo (Poladian Accounting Scholarship, Accounting Department Annual Scholarship);
Luyu Yang (Accounting Department Annual Scholarship);

For a complete list of accounting donors for the 2016 calendar year, please go to: cba.lmu.edu/2016acctdonors

ACCOUNTING EXCELLENCE AWARDS
Abdullah Alyaseen
Christopher Bacchetti
Joseph Catsavas
Yian “Jordan” Cho
Ryan DeBlaey
Jean Kisaka
Artem Kondratiev
Paige Petersen
Daniella Ryskina
Morgan Sabine
Iva Tio
Alexander Venetos
Jeffrey Walker

PAUL A. GROSCH AWARD
Paige Petersen

LEADERSHIP & SERVICE AWARD
Jessica Purnell
Daniella Ryskina

INCOMING MEMBERS OF THE 2017-2018 ACCOUNTING SOCIETY EXECUTIVE BOARD:

Samantha Curtis, President
Candice Luciano, Fall Vice President
Melissa Sandoval, Spring Vice President
Kelsey Nourayi, Treasurer
Kristen Burch, Secretary
Takeko Horiuchi, Director of Service & PR
Megan Ko, Special Events Coordinator
Maliyah Cullars, Mentor Coordinator
Jerrad Voboril, Programs Coordinator
Brannen Overly, Director of Technology
Alexis Wong, Historian
Scott Delanty, Faculty Moderator

If you are interested in learning more about starting a named scholarship either through outright giving or your estate, please contact College of Business Administration Director of Development, Roberta Kuhlman, at roberta.kuhlman@lmu.edu or 310-258-5483.