

BETA ALPHA PSI

Courier



The Iota Lambda Chapter at Pace University



Fall 2011

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The President's Address

DANIEL POSNER '13

President of the Iota Lambda Chapter



It is a great honor to be elected president of the Iota Lambda Chapter at Pace University. This organization has a strong tradition of excellence and has always been a great source of pride for the Lubin School of Business. Our current executive board is comprised of a group of talented and dedicated individuals. Together we have been working since the beginning of the summer and have the highest expectations for the fall and spring semester.

Last August, we once again participated in the Annual Nationals Conference which was held in Denver, Colorado. It was a fantastic learning experience of getting to meet different chapters from all around the country, as well as, learning new and different ways to successfully run a chapter. Our chapter maintained the superior chapter status this year, an honor we have re-

ceived since 1998. We also had the opportunity to participate in a panel for winning the Diversity Award. We explained how our chapter was able to achieve our goals in creating a diverse environment in that panel and most importantly, we continued to compete in the Best Practices. Our

“This organization has a strong tradition of excellence and has always been a great source of pride for the Lubin School of Business”

chapter's presentation on cloud computing won third place in the category of "Innovate: The Accountant's Role in a Changing Business Environment." Overall our trip to Denver was a great success for our chapter. I am looking forward to this year's Atlantic Coast Regional Conference

where we will once again compete in the Best Practices.

As for community service, our chapter participated in many events this semester that helped contribute to the many causes around our city. We helped setting up for the annual MS Bike Tour and walked in the annual Making Strides for Breast Cancer Walk in Central Park. We also painted the inside of a local public elementary school and its surrounding areas for the NY Cares Paint a School Day. What's more, we took part in a multi chapter event with other universities from New York in collecting and composting leaves at Socrates Sculpture Park in Queens. There is a new event our chapter participated in this semester, it was the Light the Night Walk in which we walked over the Brooklyn Bride and raised \$373 for the Leukemia and Lymphoma Society. Our main community



“Peanut Butter & Jelly Wars” Community Service Event
November 2011

service event of the semester was the very popular Peanut Butter and Jelly Wars. This is an event in which we host and make over 400 sandwiches which were donated to a local church. Our chapter will continue helping our community and I look forward to the many new exciting events that we have planned for next semester.

One event that I am especially proud of was our annual Business Etiquette Dinner. This is one of my favorite events of the semester and one of the most important lessons we provide to all our members. Not only do you get to enjoy a great meal, but also you obtain invaluable knowledge on how to present yourself when interacting with business professionals. As

always, Dr. John Walker was great in his presentation. We had a fantastic turnout of over seventy students who got to take part in such a wonderful event.

These events of professional developments and community services are what make our chapter one of the best in the country. All of our accomplishments show the amount of dedication our chapter has made us not only one of the best chapters in Beta Alpha Psi, but also one of the most important organizations on campus. None of this could be done without one key element: our members. Our members continue to be the driving force behind this outstanding organization. Every event we hold has always had

minimum of thirty, passionate and devoted students ready to work and learn. With the hard work of our executive board, the active support of our national and chapter members, and most importantly, the eagerness of our candidates to be a part of something special, the Iota Lambda works towards greatness in all of our endeavors.

Bridge to the Future

CHARLES TANG, PhD.

Associate Professor of Accounting

Faculty Advisor



"[Our] achievements have placed the Iota Lambda Chapter as one of the top 15 chapters among more than 275 BAP chapters worldwide"

The Iota Lambda Chapter of Pace University has been a shining star in the Beta Alpha Psi (BAP) universe since its establishment in 1998. It has been honored as a *Superior Chapter* for many years and earned the *Gold Chapter* status for two years in a row. It has also won many awards at the BAP annual and regional conferences. These extraordinary achievements have placed the Iota Lambda Chapter as one of the top 15 chapters among more than 275 BAP chapters worldwide. The chapter has helped many generations of students from Lubin grow professionally and succeed in their business careers. Additionally, the chapter has also helped connect classrooms to the professional world and enriched student life on campus. BAP has become an important component of the Lubin School of Business and is indispensable for the school to achieve its mission.

As a professor, I am often asked by students: "How can I get an opportunity to work for a top accounting or finance firm?" For many years, membership in BAP virtually guaranteed students a job at a top firm. The recruiters, likewise, viewed BAP as the primary source for recruiting outstanding college graduates in accounting and related fields. Today, although the recruitment channels have become more versatile in the form of the variety of internships that usually lead to permanent job offers, BAP continues to assume a vital role in developing young men and women into active and contributing professionals who have the leadership and communication skills that are sought after by recruiters.

BAP goes beyond helping its members obtain jobs by instilling values that will help them in their transition into leaders in the business world.

The long lasting value of BAP can best be highlighted through the acronym: "BRIDGE"— a bridge to the future, a bridge for the student to take and a bridge for the profession to embrace.

BRIDGE can be described as follows:

- B** – Building relationships with peers and professionals to develop organizational and team building skills
- R** – Recognizing and rewarding scholastic success
- I** – Instilling commitment to lifelong professional development and learning
- D** – Developing leadership skills and offering opportunities to lead
- G** – Giving back to the community through service
- E** – Encouraging ethical behavior.

These values are fundamental for students' future success and are developed through the many leadership, communication, and networking opportunities that BAP offers to its members. I recommend that you join and support the Iota Lambda Chapter of Beta Alpha Psi at Pace University.

It All Adds Up

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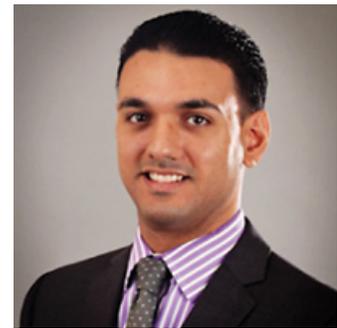
Anthony Vinci BBA/MBA '06 credits his experience on Pace's Beta Alpha Psi Executive Board with arming him with the skills he needed for a real-world career. As a student, Vinci served as the group's treasurer—then president.

"It was like running a small business," Vinci says, who today serves as a Manager in the Financial Services Office of Ernst & Young. "We had fundraising projects, managed funding received, and prepared and submitted financial statements to the national board of Beta Alpha Psi." He arranged speakers from the Big Four accounting firms to visit campus for networking opportunities with students, along with more than two dozen other industry-related events a year—all while juggling a job, internships, and classes. "It was intense work, but deeply rewarding," Vinci continues. "The whole experience taught me how to manage a team of professionals and peers, and prepared me for a job after graduation."

Since graduating, Vinci continues to serve students at Pace. Now Secretary of the Executive Board of the Lubin Alumni Association Leadership Team, he collaborates with board members to be a resource to undergraduates when needed. When

he speaks with students, he tells them how his experience with Beta Alpha Psi sharpened his skills.

"It is so important for students to take advantage of everything Pace has to offer," says Vinci, who even found time to serve on the Budget Allocation Committee of Student Government and in the Lubin Graduate Society. His hard work was duly recognized: he graduated summa cum laude, and received the Board of Trustees Award in his senior year, a number of academic and leadership honors, and the Outstanding Alumni Award by Pace's Beta Alpha Psi chapter in 2007. "It is certainly challenging to manage a full course load and, for some, a job at the same time. But the long-term benefits outweigh the short-term stress."



ANTHONY VINCI, CPA, MBA
Class of 2006
Manager at Ernst & Young

*Vice-President of Lubin School of Business'
Alumni Association Board of Directors*

Beta Alpha Psi Alumni

*"The whole experience taught me how to
manage a team of professionals and peers,
and prepared me for a job after graduation."*

-Anthony Vinci

Highway to Success

HIREN PRAJAPATI '11
Advisor to the Board



“Taking on an active leadership role in Beta Alpha Psi will help students develop the crucial skills needed in the professional service industry”

It is amazing how quickly time has passed by. It feels as though it was just yesterday that I was a freshman sitting in the same seat that many students sat in at the first general meeting this semester. When I walked into the general meeting in spring of 2008, I was intimidated as the Executive Board sharply dressed in business professional attire gave a brief background on their internship experiences and discussed the requirements of Beta Alpha Psi. I thought to myself, wow, these students are very talented and successful; I wanted to achieve the same goals that they had reached. So, I set my goals on that day and since then I have strived to reach them.

As of this semester, I have been an active member of Beta Alpha Psi for 8 semesters. I have attended and participated in 3 Atlantic Coast Regional Conferences in Boston, Washington D.C., and Providence; and 2 National Conferences in San Jose

and Denver. I received Outstanding Beta Alpha Psi Member of the Year awards several times for my dedication and outstanding commitment to the Iota Lambda Chapter. I participated in the Volunteer Income Tax Assistance program every tax filing season since I was a freshman. More importantly, I held several Executive Board positions which included Treasurer, Co-Director of Regional Planning, and Executive Board Advisor.

I am very grateful for the opportunities that Beta Alpha Psi has provided me. It helped me land three leadership programs with Big Four accounting firms and internships at a mid-sized printing company, AIG, PwC, and a top hedge fund. All these internships helped me to develop my work experience and gave me an insight of the work environment at several firms in various industries. These experiences look great on a resume, but they did not have the

greatest impact on my professional development.

My experiences in Beta Alpha Psi had the most influence on my development as a professional. But the experience was not limited to just the educating weekly professional lectures, the various networking dinners, the business etiquette workshops and the annual conferences that Beta Alpha Psi provides for its members. My growth and development began when I started becoming more involved beyond the basic membership requirements of completing community service and professional hours. It started when I took the extra step to become more active and take on leadership roles within the organization.

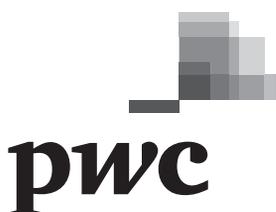
Being a leader in Beta Alpha Psi gives one the experience of working with a large executive board, faculty advisors, alumni, members of Lubin, professionals and other organization while trying to tackle many side projects, best practice competitions,

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meet multiple deadlines, help with special requests and projects, while trying to prepare, organize and ensure that our dinners, workshops, community service and professional meetings operate smoothly. These tasks are ‘no walk in the park.’ On top of this, it is a challenge to balance school work, internships and a personal life. Why would anyone want to do this?

Well, this is how one will develop and gain skills that are pertinent in the professional world, especially in the professional services industry at companies such as the Big Four. This is the industry that many accounting and finance students want to start their careers in. In this industry, having the ability to multitask multiple projects for various managers whom want the job done immediately is a must. The ability to work with various groups and interact with co-workers and clients is also a requirement. Also, one needs the ability to develop and maintain relationships with clients and co-workers.

The skills that students gain while being a leader in Beta Alpha Psi are

“My growth and development began when I started becoming more involved beyond the basic membership requirements”

transferable into the real world. Taking on an active leadership role in Beta Alpha Psi will help students develop the crucial skills needed in the professional service industry.

From my personal experience, if one is dedicated and willing to invest the time into Beta Alpha Psi, he or she will make great returns from this investment. One will successfully transition from a student to a student leader and finally into a leader in the professional world.

Once again, I am very thankful to Beta Alpha Psi for all the opportunities it has provided me and hope that current members and candidates take advantage of these opportunities. Within these past years, I had the pleasure

of meeting and working with faculty, professionals, alumni, and some of the most talented and motivated students on campus. I would like to especially thank Dr. Susanne O’Callaghan and Dr. Charles Tang for all the support they have given me.

As I embark on a new chapter in my life, I will try my best to provide support to the Iota Lambda Chapter as an alumnus of this organization. I have no doubt that our current Executive Board will continue to be successful and maintain the Iota Lambda Chapter’s status as one of the best chapters in the world.

Reliable News Sources

JOSHUA BOUZY '15

Director of Community Service



Having dependable and impartial sources is very important when you are trying to inform or persuade someone. A number of people can present on a topic, but the substance of their presentation can be different in many ways. This is because of the enormous amount of sources available to receive information from. However, if the sources are thorough, credible and objective, the information should be the same. Today there are three main sources of media; television, newspapers, and YouTube videos. Though all can be informative, television is the best with providing trustworthy news. This can be seen by looking at CNN, The New York Times, and various YouTube channels and how they presented information about the 2011 United States government shutdown.

What makes YouTube special is the fact that anyone can record themselves and upload their videos. As long as it does not violate any rules, YouTube will host their videos for the world to see. This allows viewers to get first-hand accounts about a certain

topic. When the government shutdown started to become an issue, many people began voicing their through YouTube. For the most part, they are random people not affiliated with any organizations, so subjectivity is not an issue. However, many of these people are not experts, so more often than not, their content would not be deemed credible. Some said that a government shutdown would be extremely bad for the economy and have long term negative effects, but many of these people were not aware of the government shutdown in 1995 where there were no such effects. This is why YouTube isn't the best source to get your news. However, if one wants to get a variety of perspectives on a certain topic, YouTube is definitely the best place.

The New York Times is a well-known newspaper. Their columnists are exceptionally knowledgeable on the topics they write about, so they are not random people who have an opinion to voice. They are experts who understand the background of whatever topic they decide to tackle. Many are researchers, historians and doctors, so

their credibility is not an issue. However, they are not the best news source. The problem with newspaper articles is that they only show one person's view on a topic. More often than not, you will not find multiple articles on a topic; thus, you do not get a variety of perspectives. So when reading an article about how a government shutdown is completely harmless, you will not have another view to refer to, unless you consult another media source.

CNN is definitely the best if you want the most credible current news. They are a worldwide news network with many reporters in key locations. Their credibility is not an issue because CNN only hires the best people to represent them worldwide. Because of the large amount of reporters they have, they were able to inform their audience that a government shutdown would close many government programs and agencies. A reporter was able to go to Yellowstone National Park and interview some of the locals, who said that if the park shut down, they would have lost a lot of business from the lack of tourism. They also

were able to interview an army wife named Marybeth Loyal, who said a government shutdown meant her husband would not get paid, which was a problem because they were living paycheck-to-paycheck. CNN experts were also able to uncover that the FDA and the EPA would stop monitoring

pollution and lessen cleanup at nuclear sites. It is because of CNN's vast network of reporters that allowed them to receive all this information and deliver very quickly.

In closing, there are many ways in which a person can get information about a certain topic, but each source

will have its own benefits and disadvantages in the way it provides its information.

Learning Curve

IRVING CHONG '14

Director of Fundraising & Social Media



According to Collins Dictionary, the term learning curve refers to the representation of progress in learning. Another source explained that it simply represents at a glance the initial difficulty of learning something and, to an extent, how much there is to learn after initial familiarity. Given the different degrees, background and experience that my fellow summer interns at HFP Capital Markets had, one of our supervisors said “you all will have very different learning curves, rest assured, they all will be high.” Question: is it better to experience a high or low curve during the process of learning? What does it say about you as learner in absorbing and internalizing information? Having low learning curves, window programs such as Paint and Notepad are relatively easy to learn, but they fall short

in offering more after the initial learning process. Constructing an accurate financial models (“FM”), on the other hand, possesses a high learning curve as anyone who has attempted to do so before is aware of the difficulty; ultimately, strong fundamentals and practices allow you to construct more sophisticated and reliable models. It is also possible for something to be easy to learn, but challenging to master the skill. It is the companies’ best interest that their employees are developing skills constantly and efficiently; to accomplish the objective, some considerable managements offer the conducive ladder for competent employees to advance to the next level. Initially, I had very limited background in investment banking; naturally it was not at all easy to complete assigned tasks without referring to resources. The key to smoothen the steep upward

trending learning curve is to seek the right guidance. My supervisors did not expect me to possess all the knowledge and skills but the competitive ability to learn and implement the materials almost immediately. Ask the right questions (not anything that you can find out independently online) and you will be rewarded with insightful tips. Exploring different approaches within the team is also constructive as it introduces you different perspectives. Most importantly, you have to be motivated; without diligence and the will, conquering any learning curve can be as tough as predicting the future, at least to the ordinary.

Last In First Out?

SINEAD PLANKEN '11

Vice-President



Methods of inventory accounting have a significant impact on a company's reported earnings. Inventory is one of the largest items in the current asset section of the income statement and must be measured using two distinct problems: determining physical quantities and determining an appropriate dollar valuation. Recently, the reporting of inventory methods used in the United States is being criticized since the Security and Exchange Commission (SEC) released a roadmap for the "potential use of financial statements [to be] prepared in accordance with International Financial Reporting Standards (IFRS)." This roadmap has outlined milestones that could enforce companies who currently issue financial statements in accordance with US Generally Accepted Account Principals (GAAP) to conform to the requirements of IFRS by 2014.

The objective of potentially enforcing IFRS is to create standards for accounting that are globally recognized, transcendent, and transparent. With the turn of the century, globalization has become a force that affects each and every business, re-

gardless of whether or not they compete in a national or global market. The general purpose of financial statements is to make information useful and understandable to decision makers such as investors, and other interested parties who want to examine and compare a company's financial position. It has now become



essential for business operating throughout more than one global arena to ensure that their accounting information is being presented in an equal, transparent matter.

The reason for the discrepancy when accounting for inventories is that GAAP permits companies to use LIFO for tax and external reporting purposes, while maintaining a FIFO, or standard costing system for internal reporting purposes. In regards to

the income statement, this results in a lower amount of net income, and companies therefor pay less tax. Under IFRS, inventories are required to be stated at the lower of cost and net realizable value, and companies are prohibited to use LIFO for book accounting. The proposed shift from GAAP to IFRS would force companies to change their tax method and will therefore affect the amounts reported in their financial statements.

The primary reason companies with inventories chose to adopt LIFO is because it enables them to lower their income tax liability and to postpone paying taxes. This method not only discriminates against companies who do not carry inventory, it violates tax laws as well. By excluding LIFO from its acceptable methods of inventory, IFRS is recognizing the negative impacts the results of reporting are having on the accuracy of their financial statements. The inaccuracies of financial statements need to be addressed and the United States, especially after the recent financial crisis, should recognize the potentially detrimental impact LIFO may have on our economy.

Three Ways to Implement an Effective Social Media Campaign

KEVIN LIU '13

Creative Director



“You are merely their partner in aligning their goals with your product or service”

Facebook, Twitter, and LinkedIn; we’ve all heard of it, used it at one point, or know someone who uses it. But what is social media and how should you implement it towards launching your brand? The first thing to remember is that it is more than just a fad and it is here to stay. According to a recent study published by *Advertising Age*, “social media accounts for one out of every six minutes spent online in US.” This is crucial because as more and more businesses start to build an online presence, so will consumers and how you respond to your customer base that will determine the ultimate success or failure of your brand.

The previous model of marketing was to place advertisements about your product or service and have customers respond through sales figures or research data. But today, this process is becoming less important. Consumers now have more of a say into their interactions with brands. They have become a tremendous force and their power is amplified online since their opinions can be shared with a larger audience within seconds. Think about a recent time when a product had to be pulled off the shelves because of complaints

online? More often than not, social media probably played a role in influencing that decision.

So why do businesses like to use social media in their marketing strategies? One reason is that it is a low investment, cost effective platform to generate a high returns without spending too much time, money, and resources. The returns on investment are huge compared to traditional methods of promotion such as printing flyers and placing newspaper ads.

Here are some tips to consider when launching a social media strategy for your business:

Engage in a Conversation

Promoting updates through Facebook or Twitter just for the sake of doing it will not get you far when trying to reach an audience. The key thing to remember is that it means nothing if you have over 50,000 followers and you cannot even close a sale on any one of them. Customer interaction is now multi-lateral and how you respond will make a difference in their minds.

Learn to Listen

Showing that you are listening and that you do care what customers

have to say about your business is one effective way to build rapport with your audience. People like making an impact whether it is to other people or an actual business itself. By listening and engaging with your customers, it shows that you value their feedback but more importantly, you value them.

Put a Face to the Brand

As consumer trends have transitioned more towards an individualized buying experience, it’s important to embrace the human element of your brand. No longer are customers drawn in towards a fancy website by some fancy company. Customers strongly identify with brands in which they can relate to and first step is it to get rid of the notion that you are a business. You are merely their partner in aligning their goals with your product or service offering. Ideally, you would want to show that there is a real person behind your brand who is passionate and hardworking about building the best product or service.

In the end, with these key factors in mind, your brand will be well-positioned for success as you build your online presence.

Casinos in New York City?

JOANNA GONZALEZ

Candidate

This past August, Governor Cuomo proposed an idea that will possibly help New York's economy with the legalization of Vegas-style casinos.

Cuomo and his administration is actively (investigating) the possible implementation of casinos in the state of New York and New York City. He also asserts that "full-fledged" commercial casinos will bring new tax revenues, create job opportunities, and increase economic development.

New Yorkers expect to rake in about a \$1 billion a year through just one casino, disregarding the others that they intend to construct around the city. It might not seem like much, but when you add up ten or twenty casinos, that's almost a quarter of a trillion dollars a year, according to VillageVoice.com

Since other neighboring states, such as New Jersey, Connecticut, and Pennsylvania support casinos, New York should too, stresses Governor Cuomo. He also believes that providing casinos in New York City will lure in people from outer states to come in and spend, thus filtering even more revenue within the state of New York, according to the NYpost.com.

"Each city has its own attraction. It gives people the reason to move around. If you want to gamble, you go to Las Vegas, if you're interested in Fashion, you come to New York City--New York City already has too much going on as it is," expressed Pace sophomore and Management major Tiffany Nguyen.

If passed, profits collected by the

state will go into education, renovations, and of course, the casino houses.

The plan would be to build casinos only in hotels and resorts, as well as other affluent areas of the city. They will not consider furnishing casinos within inner city locations or prominently poorer areas.

"People shouldn't be able to lose a month's salary on their lunch hour," stated Assembly speaker Sheldon Silver, concluding that casinos also wouldn't be located in popular business districts.

It won't be until 2013 when New Yorkers will get the final OK in going through with the deal; many politicians tend to agree with Cuomo's proposition, meanwhile citizen's feel that it will just be taking advantage of "suckers and addicts."

A poll conducted by Quinnipiac University showed that 64 percent of Americans approved the idea of casinos as job and economic boosters, but they also they think that there will be an increase in gambling addiction.

"I do not believe gambling and casinos should be legal in New York City, because there is already enough crime present, gambling would only increase this rate," said junior and business management major Jennifer Bailey.

Currently, New York State only permits gambling and casinos on secluded Indian reservations, which are only found upstate under the Federal Gaming Indian Act. The City of New York's biggest "casino" diversion is found in Jamaica, Queens. The Aqueduct Racetrack is a place where there are only electronic gaming machines

at a gambler's disposal, also known as *racinos*. Of course, we also cannot forget about the New York State lottery.

Since the constitution prohibits commercial gambling in New York State, many believe it will be very difficult to amend it.

If we look at Vegas, casinos are only found in Hotels and Resorts, meaning that the people who visit these casinos must have money in the first place to even be there. Since Las Vegas is only made up of hotels and resorts, no one is going to fly to the middle of nowhere to go and gamble money they don't have.

This is a problem that poses a question. New York City isn't a secluded area. Though they only plan to build most of their casinos in hotels and resorts, will it stop outsiders from entering? They must be very strict on the people that come in, and only allow that particular hotel's resident to play, if we intend to stay safe.

"He has talked about the potential for economic growth and jobs, but in the end it should be up to the people," states Skelos, spokesman, Scott Relief.

AIG's Plan to Spin Off

NICOLE CASTANO '13

Reporting Secretary



The American International Group (AIG) is one company which suffered during the financial crisis.

AIG was bailed out by the US Treasury and received more than \$170 billion dollars. Up to now, AIG has spun off or sold several divisions such as their international life insurance arms, and a consumer finance unit, in order to pay off their obligations to the US Treasury. As of July 2011, AIG still owed the U.S. Treasury \$53 billion dollars. As such, AIG has decided to make a strategic move in spinning off one of its aircraft units.

The International Lease Finance Corporation is one of AIG's aircraft units. It currently has 933 aircraft in its fleet, and will become an even greater investment when it receives an additional 236 new aircrafts, which it is expected to receive by the end of 2019. This additional purchase will be worth \$17.6 billion, making the International Lease Finance Corporation even more valuable than it is now. The company has

also been helpful in paying off \$6 billion worth of loans to lenders and the government. Additionally, the company has entered a total of one-

after the initial public offering, AIG plans to rid the other 80% of the aircraft unit. Although the spin off has not occurred yet, based on the fact



hundred and fourteen lease commitments this year. It is evident that this aircraft unit is very valuable and would be a worthwhile investment for prospective investors.

AIG plans to offer 20% of their holdings in the International Lease Finance Corporation. Three years

that the International Lease Finance Corporation has helped to pay debt in the past through its profitability, and its' attractiveness to investors, it will be successful in achieving the goal that AIG has set out: paying their liability to the US Treasury from the bailout.

Pursuing a Career in Finance

AROUB KHAN '14
Vice-President of Treasury



Pursuing a career in finance is something I always wanted to do. Ever since I got acquainted in finance in high school, it really got me interested in setting a future goal to work on Wall Street. As I took several different business and finance classes in high school, finance started to appeal to me more and more. I was really interested in the different retirement plans, savings accounts, college funds and stocks. Since I had never heard of these terms before I entered high school, these subjects were fascinating to me. I was interested in the fact that one could make money other than just working. In other words, I was amazed by the idea that one can earn a little money by putting some of their income in savings or retirement plans and earning interest. But what mostly sparked my interest about pursuing a career in finance was the stock market crash in 2008. When the stock market crashed, at first I did not understand

what the big deal was. I thought to myself, "Why are people making such a big fuss out of the stock market?" But as my mentors explained to me the different reasons why this panic even happened, I started to discover how important the stock market was. As many banks and large institutions failed, many countries close closed their markets for a certain amount of time. I learned that many people lost their jobs and the crash of the stock market forever changed the lives of some people. These few factors motivated me to learn about finance. It was interesting to learn about different policies and businesses that can trigger our economy.

Apart from these reasons which

led me to pursue a career in finance, the experience I gained led me to like finance even more. I worked as an intern at Citigroup in risk management during the summer of 2009. There were many activities I participated in which included attending conference calls and working on team projects. In addition, I assisted in creating and maintaining a mass spreadsheet which was used by co-workers around the globe. Also, I organized client data according to risk level.

These tasks involved a lot of concentration and I really enjoyed working on these projects. When I received my second internship at AIG, I was placed in the Underwriting section. I learned how to use different data bases and update the archive. But when I re-

ceived my third internship, which I am currently doing right now, I was sure I wanted to pursue a career in finance. I am working as an intern in a financial advisory firm which works for state and local governments called Public Resources Advisory



Group. I attended many bond pricings and conference calls. In addition, I assist in competitive and negotiated sales for a variety of municipal bonds in addition to providing comparable issues with spreads. Furthermore, I maintained secondary trading analysis using recent MSRB trades as well. These tasks got me interested in finance because I was interested to see

how one step by the government can lead to a huge change in our economy.

My experience at Pace University has been great so far. I am eager to start taking different finance courses offered at Pace and use the knowledge I gained in the business world. I hope to expand my knowledge here at Pace and apply it in the work field.

Look Out for VITA!

BOSKI PATEL '14

Director of Professional Events & VITA



Volunteer Income Tax Assistance Program (VITA) is the largest community service event held during the spring semester at Pace University. This program runs in conjunction with the IRS, which certified volunteers prepare income tax returns free of charge for low-income Citizens. The VITA Program has many benefits and opportunities such as enhancing your resume, gain experience, explore taxation, learn to do taxes, and much more. You will be able to expand your volunteer activities section on your resume. VITA counts as relevant experience because you are doing actual tax returns for people. From the experience you will be able

to decide if a career in taxation is for you. So if you want to kill two birds



with one stone, both getting community hours and certified this is for you.

Before any member can begin volunteering, they must pass a certification exam via an on-line test. The test is an open book test administered by the IRS. All VITA participants must attend Federal tax, State

tax, and *Taxwise* training sessions before they can qualify to take the exam. Members will receive in-class instruction, training materials, and information about the exam during these sessions.

Who can get involved?

VITA is open to all members of the Pace community, however participants must pass an exam and become certified by the IRS before they can begin preparing returns. All members of the community are welcome to apply for free tax preparation.

How will the returns be prepared?

The program will provide site and software materials as needed for preparing tax returns.

If You Dream It, You Can Do It

WASEIF QAHTAN '13

Candidate



Ever wondered why people pay large sums of money for certain cosmetic brands? There's a well-kept secret that many companies do not want people to know. I recently discovered a secret. I was obsessed with private labeled cosmetic companies such as MAC and NARS. I was constantly shopping at stores such as Macy's and Bloomingdales. For the most part, I never noticed any differences in the quality of the products. The major difference I noticed was the difference in packaging and price. As I researched the different brands and their manufacturers, I came about this well-kept secret. The expensive make up brands have the same manufacturers as the affordable ones, so technically consumers are paying extra for the brand name.

I experienced an epiphany to start my own company. I figured if I could introduce an affordable, high-quality makeup brand, then, I would be successful. After thorough research, I set out to form my own company. My law professor, Arthur Magaldi, stated, "The hardest part

about establishing a company is the name;" he wasn't joking. So, my business partner and I quickly started to argue about the name and spontaneously said "Let's make up." We both smiled, but to our surprised

"Find something you love to do, and you'll never work a day in your life"

-Harvey MacKay

this name was already taken. So we kept brainstorming and I mentioned that we girls like to do our thing in privacy and that is when "Lets Makeup Backstage" (L.M.B) was born. It was catchy and fun and it had everything to do with our products.

I want my products to be known for their portability. They are great for those on-the-go career women and professionals. After years of working with prestigious brands such as MAC Cosmetics, I wanted to pour my heart into something that was mine, and I wanted my vision to be a reality.

I found a strategy. I researched

products of various cosmetic companies; targeting their top sellers and added similar products to L.M.B. For example, MAC Cosmetics is known for their high pigment eye shadow and NARS for their amazing blush. I want my makeup line to be affordable and much more popular than the other brands.

I realize I can put together the perfect brand for my clientele, which are professionals on the go with active social lives after work and are not afraid of making a statement. I put my collection together and it began with eight lip colors and fifteen eye shadows. I launched off by selling my products to friends and family. Then all of a sudden my products became popular as everyone started buying them. I started getting requests for different colors and from there LMB Cosmetics bloomed. I realized I needed more people to sell the products, so I started to get friends and family to host parties for a percent incentive. A few months later, I am an upcoming cosmetic brand. MAC, Estee Lauder, NARS.....Here I come!

Standardized Testing

JACQUELINE SICKORA '14

Recording Secretary



Since the mid-1800's, standardized test-taking has been a part of the classic American education. However, after 2002, standardized test-taking was used much more often than before. In 2002, President Bush came out with the No Child Left Behind Act, which required mandatory annual tests in all 50 states. For example, from elementary school through high school, children and teenagers must take these standardized tests. Also, these exams are even required for being admitted into many programs in college.

But do these tests really measure one's intelligence accurately? Is one test really enough to decide whether a student can move on to the next grade? Should these tests be used to decide whether a person is intelligent or not? These are some of the questions that should be further explored.

Although standardized test-taking has become mandatory, it has not

improved students' achievements; On the contrary, their achievements have been hindered. This can be illustrated by the fact that since the No Child Left Behind Act was passed, the United States of America has dropped from 18th to 31st in the global Program for International Student Assessment in Math. Similarly, our country has seen such a drop in science scores as well. It is also documented on standarizedtests.org that these tests are unreliable measures of students' performance because year-to-year improvements are usually temporary, that is to say, it is caused by fluctuations that have nothing to do with long-time learning. In addition, these tests only measure a small portion of what education is about. Through education, one is supposed to learn honesty, integrity, knowledge, critical thinking, creativity, motivation and many other characteristics that can hardly be measured by one test.

Theoretically, standardized tests are unfair and discriminatory because only a minority of students are expected to answer questions that are designed for mainstream that refers to white students. What's worse, this discrimination is compounded by the fact that English may not be the first language of children of different colors. Standardized tests may potentially harm these students because some ramifications of them don't do well in these tests. Perhaps, a new method of identifying learning styles and abilities needs to be implemented in order to give all children a fair shot at success.

Reflections on a Trip to Occupy Wall Street

SETH NEEDELMAN

Candidate

That night was cold and windy and it was raining. It was not the kind of night you spend outside. But for the dozens of devoted protesters camped out in Zucotti Park, it was just another night. By now, the warm summer weather had given way to autumn and the protesters, especially those that had been there since the beginning, had become cold and wet, tired and hungry. This was the point in the protest movement where the message would really sink in to the American public. The greater cause of the occupation was more important than the personal discomfort endured by the young men and women. However, after this long in the harsh and unforgiving terrain of the urban jungle, they were committed to endure it for as long as it took.

Our class departed the Pace Campus in pairs, walking south towards Wall Street. At this point, most of us had not ventured down to the financial district site of the occupation and were unsure of what to expect. I partnered with my classmate Joyce and as we walked down Broadway, her large umbrella shielding both of us from the drizzle, I felt both excitement and apprehension for what I would encounter.

What I found was essentially what I

expected: a lot of young, idealistic disaffected youth. Most of them were able to join the protests because they didn't have jobs, and most of them didn't have jobs for the very reason they were protesting. Their message from the very beginning is still very



much relevant today; that the economic system is in need of fundamental change. The purpose of the occupation is to bring attention to the masses that our government needs to stop crafting policy that singularly favors the rich at the expense of the majority of Americans, or what the protesters call the 99%.

The sight of tarps and tents and

handwritten cardboard signs serves as a great juxtaposition against the backdrop of the towering skyscrapers surrounding the little plaza. The movement has become a great ship that for the sake of the American people does not sink before real progress has been

achieved. With the winter approaching and the government getting impatient, it remains to be seen whether the occupation will survive much longer. But regardless of whether it survives or not, we can only hope that the message remains alive long enough to emerge from the dark storm that is our current economy to breed a new political and economic system.

Financial Innovation and the Demise of Capital Markets

JAIME FARLEY

Candidate

Warren Buffet, one of the worlds most riches men and CEO of Berkshire Hathaway once famously said, "If past history was all there was to the game, the richest people would be librarians." He has a point, it is always easier looking back in hindsight to see what was the issue than to forecast and predict the future. The financial sector draws people in with the big salaries that Wall Street jobs can provide. There are professionals with high levels of education and superb mathematical and creative ability and Wall Street prides itself on having the biggest and brightest intellectuals in their companies. Then why didn't anyone realize the fundamental flaws in the system like an expanding void in the intellect of such professionals? Was it that they were too ignorant to see the consequences of the innovation that they brought to the table, or more focused on the short term gains that reflected the prestige of their degrees and high caliber companies to mightly to be affected.

Innovation

Financial innovation has expanded beyond the bounds of ordinary understanding and therefore control. The ability for personnel to manage risk effectively has diminished and instead of vast companies operating efficiently as one entity, many parts of the com-

panies are operated independently and do not model the risks, that each section of the company is taking, effectively. This doesn't seem to be a problem when the economy is booming, but after huge credit explosion, there is a credit crunch. This is when the problems are exposed. This is what has happened in the most recent crisis, the most popular explanation of its origin was the failure of the banks to manage the new risks posed by financial innovations. For instance lets look at the simple idea of credit default swaps. Credit default swaps obliges the seller to compensate the buyer of the CDS in the event of default. In normal circumstances credit default swaps are useful as they provide a means to hedge risk, but they have transformed into what Warren Buffet calls "financial weapons of mass destruction." Effectively, one can take out insurance on something without owning the underlying asset. This idea creates warped incentives. Consider for example, if you could buy insurance for your neighbor's car and that in the event of a crash or mishap, you would be compensated. When this idea is correlated to financial markets, there are all kinds of the wrong incentives in place.

Risk Management

We can leverage money today, and buy into an investment whose potential return is higher that the risk that is as-

sociated with it. This is one of the traditional channels of making money, but we have to make a distinction between risk- which is measurable, and uncertainty. Risk management methods did not adequately reflect the new risks created by the spread of derivatives. In the current banking slug, what started as a liquidity crisis- an inability of banks to borrow in the wholesale market to meet their current liabilities- rapidly turned into a solvency crisis- an insufficiency for bank capital to cover toxic assets. Now there is the situation where the risk of carrying assets with borrowed money is so great there is a competitive panic to get liquid. Each individual who succeeds in becoming more liquid further decreases the price of the asset in the process, the result being that the margins of other individuals are impaired and their confidence undermined. Because of this, share prices are undervalued from panic bred out of uncertainty. But when this happens, investors should buy, not sell on a falling market, as the expectation of picking up bargains is more rational than yielding to the panic of the crowd.

The Executive Board

FOR THE ACADEMIC YEAR
2011-2012



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(from left to right)

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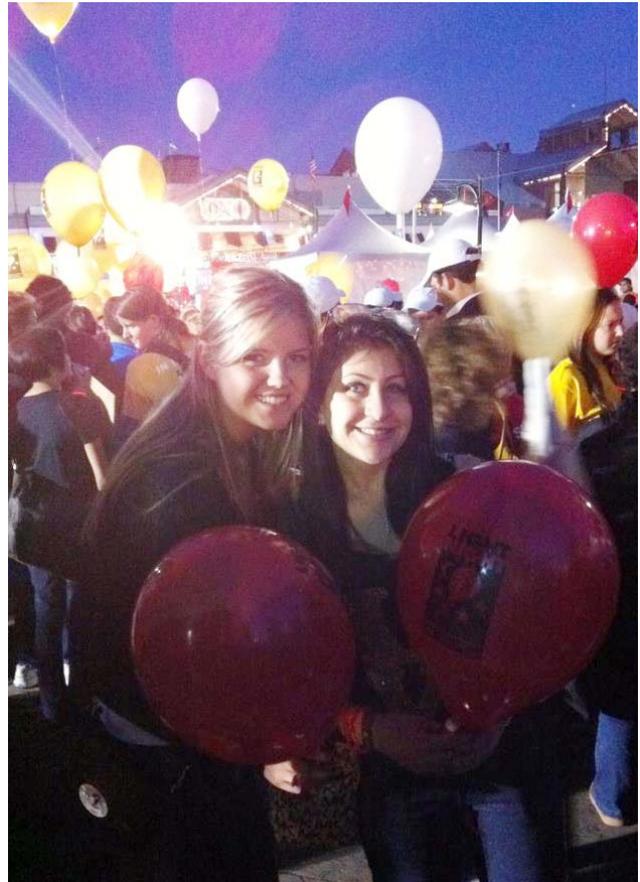
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A Semester of Service

Beta Alpha Psi is proud to give back. Throughout the semester, we have organized many events that have served the community through our volunteering and fundraising efforts. Here's a recap of the events we have held this semester:



Fall Community Service Events

(clockwise from top left)

Top Left: Making Strides Against Breast Cancer Walk

Top & Left: Socrates Park Cleanup

Bottom: Light the Night Walk

Bottom Left: Christmas Cards for the Troops