



# B A Ψ Courier

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Beta Alpha Psi  
Iota Lambda Chapter  
Superior Chapter Since 1998

Lubin School of Business  
Pace University

www.webpage.pace.edu/BetaAlphaPsi

## President's Address

Lorynn Riley

### Featured in this issue:

- ◆ President's Address
- ◆ Nationals Recap
- ◆ xTax Competition
- ◆ The Mind of a Young Professional
- ◆ Plethora of Professionalism!
- ◆ Road to Riches Accredited with a MBA, CFA, or CFP?
- ◆ XBRL
- ◆ Subprime Mortgage Crisis
- ◆ Looks Matter: Impact of Product Design for Apple's Success
- ◆ Green Is In
- ◆ IRS Special Agent for A Day
- ◆ Book Review
- ◆ Why They Do It
- ◆ Work Hard, Play Hard
- ◆ Welcoming Our New Faculty Advisor!
- ◆ A Semester Full of Service

Riding off the excitement of taking first place at Nationals in Chicago this summer, the Iota Lambda Chapter has no doubt put its best forward this semester in continuing a legacy of professionalism and success. At the beginning of the semester our new executive board had the challenge of synergizing our talents and filling some big shoes. The past few years have been extremely prominent for our chapter and I hope to make this year no different.

Our calendar has been filled to the brim and this half of the year has seen some unique professional and service oriented events. In the following articles you will hear about some of these events in more detail, but I wanted to take the opportunity to draw attention to a few of the outstanding activities. We kicked the semester off with our plan to prepare members for campus recruiting. Our first lecture with

BDO Seidman gave some insight on how to work a career fair and then we followed with Mock Interviews. This year had a new twist on the Mock Interviews by collaborating with Co-op and Career Services. The first weeks of the semester also saw the Business Etiquette Dinner which prepared members for the business dining setting that normally accompanies a second round of interviews. We also held events on resume building and interview techniques, all in efforts to help members and candidates land that job or internship. I am pleased to say that I have heard many members have received offers; congratulations to all of you!

Some more unique events came our way this semester that gave the chapter a more global perspective. A group of members met with the Global Compact of the United Nations to learn about corporate social responsibility. An interesting topic as it is, the members had a great opportunity to

hear first hand what plans there are to create a global initiative for social responsibility and sustainable business. We also had Marc Chandler of Brown Brother's Harriman come in and speak about global economics and foreign exchange; a truly insightful topic from a very distinguished lecturer such as Mr. Chandler, who has been on CNBC and quoted in numerous publications.

And don't forget our awesome collection of community service events! This semester has given the membership some really exciting opportunities to give back to the community. We started out the semester with a multi-chapter park cleanup, where we had the opportunity to meet and network with the other Beta Alpha Psi chapters in the New York City Area.

*Continued on page 2*

## Nationals Recap

Amy Ching

On behalf of our Chapter's success with the Best Practice Topic: Corporate Social Responsibility at the Atlantic Regional back in March 2007, I am proud to announce that we went on to present at the Beta Alpha Psi National Conference in Chicago! The team that presented included: Chapter President, Lorynn Riley; Vice President of External Relations, Shirley Lau; Recording Secretary, Amy Ching; and VITA Director, Benjamin Wong. Vice President of Professional Events, Elizabeth Lenny; Reporting Secretary, Mags Castaneda; and Director of Promotions, Edward Tabile, were among the members from the current Executive Board (E-Board) who traveled alongside the presenting team for support. The

2007 National Conference in Chicago started on August 2, 2007 and ended on August 4, 2007. Those two days were saturated with laughter, hard work, and wonderful memories.

Although the conference started on the 2nd of August, everyone arrived at Chicago on August 1st and was ecstatic to do some sightseeing before the National Conference. A greater bond among this small group of individuals developed as we toured the city and spent quality time together outside of a school setting.

On the first day of the

conference, we completed assigned community service events. Some members were sent to paint a local school, organize a library for children, and still some stayed behind to pack donated school supplies for children. My group and I were assigned to help pack food for low income individuals in the area.

*Continued on page 3*



## PricewaterhouseCoopers Xtreme Tax Competition

Shirley Lau



This semester marked the second year PricewaterhouseCoopers held the Xtreme Tax Competition at Pace University. This year's participating students were all new to the competition, so it was a new experience for them all. With the recent growing emphasis on eco-friendly products and the high costs associated with these products, the case problem for the competition focuses on eco-friendly construction practices for a hypothetical country. Since it is costly to implement these eco-friendly initiatives, the construction council of the hypothetical country asked for suggestions on how to encourage the use of eco-friendly products in the construction industry, while lowering the costs associated with them, to enhance the environment of the country. And of course, we cannot forget about the tax aspect of this case study. After all, this is the xTax competition. The construction council in this case study wanted to create tax incentives to persuade the construction industry towards eco-friendliness.

This competition provided the students with the opportunity to work with their peers from different levels of study. Many of the students agree that it takes a lot of work, but they also agree that it is a very beneficial experience. One student, Maulesh

Trivedi says, "I like that the case presented us with a real world situation." "The competition taught me a great deal about tax incentives and forced my team to think critically about a real world scenario," says Arpit Patel. Another student, Jecy Heng, states that although it was a challenge, it was well worth it because she got to work with an "awesome" team and faculty advisor. Not only that but she got to build friendships with her teammates.

The competition requirements changed somewhat this year, allowing teams to include students of other majors as long as they are taking their first accounting class or accounting minors. However, each of the teams must still have had five students; two sophomores, one junior, and two students from the sophomore to graduate levels. Arpit Patel says, "I enjoyed working with my team and hearing the different views that each of the team members had, which helped me look at things from different perspectives." Like the previous year, each team was assigned a Lubin accounting or tax faculty mentor as well as a PricewaterhouseCoopers professional, whom they could contact for guidance and assistance throughout the two weeks. The students were given two weeks to formulate a solution and present it to

a panel of PwC professionals.

This year Beta Alpha Psi had three teams within the Pace community compete with each other and the winning team from Pace University had their video-recorded presentation submitted for a chance to compete with other winning teams across the nation for one of the five places in the National Finals.

The winning team from Pace University was "The Protons." The members of this team included Jecy Heng, sophomore accounting student; Arpit Patel, junior accounting student; Ami Shah, junior accounting student; Riddhi Shah, sophomore accounting student; and Siddharth Vats, graduate finance student. As the winning team, they will share the award of \$1,000 from PricewaterhouseCoopers and have their video-recorded presentation submitted to compete for a spot in the National Finals.

I would like to thank the following Pace organizations for their assistance with the xTax Competition: National Association of Black Accountants (NABA), Association of Latino Professionals in Finance & Accounting (ALPFA), Lubin School of Business, and the Pforzheimer Honors College.

## President's Address (continued from page 1)

Lorynn Riley

We were up bright and early for the MS Bike Tour, and the ACS Breast Cancer walk. Helping out New York Cares, we participated in Paint a School Day, which is always a fun and rewarding activity. A new service event this semester was the Veterans' Day Parade, where a group of members were marshals - ensuring the high school bands and the old fashioned cars entered the parade at the correct time - a really unique way to give back!

The Executive Board has worked very hard to bring some great events to the table. I would like to note, that through these events, we have seen a number of members and candidates truly shine

by going above and beyond the hours expectations. I am so proud to be President of such a motivated group of individuals! I speak on behalf of the entire Board, when I say that it is very rewarding to see such dedication; I know next semester will have equally great opportunities and I hope to see the same initiative. We started this academic year with mostly brand new E-Board with fresh ideas, grand enthusiasm and some large shoes to fill and we have rounded it out with a better sense of our purpose and how to best fulfill the expectations of such a prestigious organization - I cannot wait to see what next semester holds in store for us!



## Nationals Recap (continued from page 1)

Amy Ching

*“Winning the best practice at nationals... represented how dedicated and how well we worked together as a team.”*



On the second day of the conference, we attended various information sessions. These session topics ranged from how small chapters make a big difference, to career opportunities in the financial industry. The best practice competitions were thereafter, in which our team presented how we created awareness concerning Corporate Social Responsibility within the chapter and community. During the intersessions of these workshops and events, our chapter networked with other chapters from all over the US. This was a wonderful opportunity to meet new people and learn how other chapters operated. Meeting the different chapters from different states made me realize how fortunate the Iota Lambda chapter is on numerous levels; in particular, we were fortunate to have 7 members attend the National Competition and represent the Iota Lambda Chapter.

Aside from attending all

the sessions and enjoying the city of Chicago with my fellow colleagues, my team and I had practiced our presentation numerous times throughout our stay before the best practice competition. We practiced in front of the rest of the E-Board when they were available, and they would offer kind suggestions to improve our presentation as well as offer words of encouragement. We were all very nervous about presenting our work and representing our chapter. I felt so much better knowing that my team and I were not going into the competition alone – we had the rest of our new E-Board supporting us. We thought that the more we practiced, the less anxious we would be on the day of the presentation. However, I discovered that this was a myth. The more we practiced, the more confident we were; however, it did not ease the nervousness we had moments before our presentation in front of over 200 people.

It has been such a great experience working with the entire E-Board last semester and over the summer on this presentation. Sitting in the large conference room at the Marriott Hotel and witnessing the best of the best present their efforts of increasing awareness on Corporate Social Responsibility, I was awestruck (to say the least) on how innovative other chapters were. It was a very challenging competition against these students. When the winners of the best practice topic on Corporate Social Responsibility were announced at the last day of the conference, the Iota Lambda Chapter of Pace University won first! Winning the best practice at Nationals not only represented how we were able to increase awareness of Corporate Social Responsibility, but also represented how dedicated and how well we worked together as a team.

## The Mind of a Young Professional

Wai Htoon

*“The experience I have attained from my involvement with Beta Alpha Psi has been an outstanding journey.”*

New school, new city, new friends, new life; those were among the many things that kept me awake at night three months ago. As I made my move to New York City, I was eager to learn new things, make new friends and start the next chapter of my life. As a business student with the goals of becoming part of the professional business environment, I decided to be a part of the well-known business honor society, Beta Alpha Psi.

I have been a highly involved candidate since September of 2007 and have participated in various community service events along with professional meetings. The experience I have attained from my involvement with Beta Alpha Psi has been an outstanding journey. When I was seeking to be part of an organization, I was looking not only to grow professionally, but also to obtain a sense of “life” in the professional world. Beta Alpha Psi has helped me achieve both these goals thus far, and has also motivated me to focus on my future career path.

During the professional meetings held every week,

representatives from Bear Stearns, Deloitte Touche, Goldman Sachs, BDO, Pricewaterhouse Coopers, KPMG and many other reputable firms discuss various professional topics such as interviewing and public speaking skills, benefits of networking, levels of professionalism in the corporate world, and careers in finance. These opportunities provide students with information on internships, job opportunities and a sense of the everyday life in the competitive world of business. Members and candidates of Beta Alpha Psi also get a chance to interact with these representatives and ask specific questions related to their field of interest. These meetings have helped me achieve a better understanding of the banking industry and realize the competitive expectations of the professional world.

As a newcomer to the organization, I was amazed by the exceptional level of professionalism that each member displays during the meetings. Members and candidates are required to be professionally dressed to attend weekly meetings, which allows us to

achieve a professional mindset and also prepares us to think and act accordingly. Aside from developing professional skills, members and candidates are also learning about the importance of academic achievement. Although I have only been a candidate for a few months, I have already acquired a significant amount of information from two of my top choice firms: Bear Stearns and Goldman Sachs.

Bear Stearns was one of the very first firms that came to speak about their first-year analyst program. We got a chance to speak with a few Pace alumni, who are currently employed with the firm and who spoke about their recent transition from college life to a professional one. The presentation from Goldman Sachs highlighted the firm’s summer program and full-time job opportunities, as well as the skill set necessary for various positions. I have always walked away with a feeling of encouragement and eagerness to learn about every opportunity these professional meetings have to offer.

*Continued on page 4*

## The Mind of a Young Professional (Continued from page 3)

Wai Htoon

As my first semester at Pace nears its end, I am very pleased with my decision to become a part of Beta Alpha Psi. I had the opportunity to listen and learn from the representatives, establish networks with many professional individuals from various firms, obtain many contacts to add to my rolodex, and make great friends within the organization - who are intelligent and motivated young professionals.

My involvement with Beta Alpha Psi has allowed me to realize that through focus and determination, I can achieve my professional goals by concentrating on the challenging career path ahead of me. As I start this new and exciting chapter of my life, I accept the challenge that will help me become a career-driven professional, with a briefcase full of future opportunities and Beta Alpha Psi as my most vital stepping stone.



## Plethora of Professionalism!

Elizabeth Lenny

Beta Alpha Psi's events began in September, but the action never stopped! To kick-off the semester, for the third year in a row, Beta Alpha Psi held the Business Etiquette Dinner. Dr. Walker, a professor from Queens College gave our members advice on what to eat, how to eat it, and even how to order proper wine in a professional setting! The dinner was informal, but informative, as it gave our members the ability to practice eating properly in a comfortable setting and ask questions without feeling silly.

In October, we held events geared toward preparing our members for the interviewing season. Protiviti came and presented on interview skills. They spoke about the "do's" and "don't" for an interview, the type of questions asked on interviews, and even what interviewers look for in their candidates. We also had the pleasure of hearing how to dress for an interview from representatives from PricewaterhouseCoopers. Following these presentations our members were able to apply the knowledge they received from the aforementioned meetings at BAP's mock interview event! Students were able to practice interviewing with professionals from top firms, such as PwC, Deloitte, KPMG, JPMorgan Chase, and many others! This event was very helpful to our members because as the saying goes: practice makes perfect. The most useful part of the mock interview event for the students were the feedback they received on how to improve their interviewing skills to ensure success at their

future interviews!

Adding to the already dynamic calendar was the "IRS Agent for A Day" exciting event! Under the direction of Dr. O'Callaghan and with the support of BAP volunteers, the IRS's "Adrian Project" came to campus and allowed our membership to work with IRS Special Agents in mock investigations ranging from money laundering to tax evasion. This event helped students see the never-ending job opportunities for accountants; not all accountants sit behind a desk all day! Throughout the semester our members were exposed to many different hot topics in the business profession from anti-money laundering, foreign exchange markets, and even what the accounting profession will look like in ten years!

In order for our students to get a real look into the professional world, Beta Alpha Psi held two office visits this semester! BAP first went to KPMG and then to PricewaterhouseCoopers. At both office visits we heard from partners and other influential professionals about what it is really like to work at one of the big four accounting firms. Students heard about diversity to global opportunities! Students also received tours of the facilities to see what corporate America is like. Through another one of our visits our members were able to step out of New York City and enter the UN! Members were able to see the General Assembly building where leaders from around the world come together to discuss international issues. The UN aims to maintain peace, protect human rights and promote development throughout the world. After our tour of the UN we heard from the Global Compact group

about their missions and goals about corporate social responsibility on a global platform. BAP believes this is important for our students because as the world becomes smaller and globalization increases, the business world must be aware of their role in society.

The Iota Lambda chapter appreciates the following firms' support: Deloitte, Bear Stearns, Ernst and Young, PricewaterhouseCoopers, McGladrey & Pullen, Protiviti, KPMG, Goldman Sachs, Brown Brothers Harriman, and BDO Siedman. Without their support and commitment, our calendar could not have been possible. Our job here is never done so stay tuned for even more exciting Beta Alpha Psi events in the future!



# Road to Riches Accredited with a MBA, CFA, or CFP?

Jacqueline Chen



*“Which licenses are necessary for the jobs I am interested in?”*

Ask any Finance major what they aspire to be once they walk out the doors of college and the general response would be, “An investment banker.” Notably, the terms “Investment Banker” and “Finance” have been synonymously linked since the dot-com era. Many would hope to obtain an Investment Banking (IB) position right out of college; however, there are many other options opened, and they offer the same opportunities to become just as wealthy as the I-Bankers are famed to be.

The questions to consider are now: Which licenses are necessary for the jobs I am interested in, and would I need to go for my Masters of Business Administration (MBA)?

Quite simply, if you are able to work well under stress, make decisions under pressure, and love a fast paced environment, then being an Investment Banker is for you. In becoming an I-Banker, attaining the Chartered Financial Analyst (CFA) license would be a strong credential to have. The process of obtaining the CFA license is very rigorous and requires at least four years of work experience in the investment industry and countless hours of self-studying in preparation for each of the certification’s three exams. The CFA license is not a simple exam - only 42% of 71,897 candidates world-wide have achieved certification this past summer in June 2007. The rewards, however, are worth the effort. According to the Bureau of Labor Statistics,

nearly 175,000 individuals in the first quarter of 2006 have earned an average salary of \$8,367 a week. Mutual Fund managers have also reported an average annual salary of \$480,000 in 2005 and this figure is estimated to have increased since.

If you are interested in handling other people’s money, in addition to having exceptional problem solving and communication skills, then maybe Wealth Management is something to consider. The Chartered Financial Planner (CFP) license would be of great value here. According to Julie Bennett, a writer for the Wall Street Journal’s CareerJournal, this requires at least three years of relevant work experience, 18 post-college semester credit hours approved by the CFP designated institutions, and a passing grade on the CFP exam. As expected, the ability to obtain this license is not simple. This 10 hour, two-day exam has equated to the passing rate of 51% out of the 2,053 candidates who applied in the summer of 2007. On top of passing the exam, you are required to have a strong client base in addition to having a clear understanding of your clients’ investment goals in order to build trust and credibility. Wealth managers can easily earn up to \$300,000-\$750,000+ a year, just by handling the assets of wealthy individuals.

Interested in the transformational process of a business, or participating in an active management role whether it

be in Venture capital, Initial Public Offerings, or Mergers? Then Private Equity would be of interest to you. In this area, you are required to have a broad array of knowledge in the business industry and have a strong network; two things you will undoubtedly gain from a prestigious MBA program. Harvard graduates who work in private equity recently reported a median base salary of \$130,000 annually with bonuses up to \$105,000. Earnings of senior private equity managers range from the \$400,000 to \$650,000- plus in base and bonus, along with multimillion-dollar share of profits.

With this in mind, the road to riches is not just based on the salary you wish to earn, but rather what you wish to pursue (the money will always follow). There are countless positions out there that will accommodate to your personality and skill sets. The chartered licenses (CFA, CFP) and a MBA are suggested to aid along the journey of finding a career you will enjoy doing. The chances for you to realize the opportunities in the financial industry are endless, and the rewards are reflected upon your interest, passion, and dedicational discipline.

## XBRL

Jenny Urena

*“XBRL enables organizations to define, produce, exchange, and communicate data from different systems.”*

XBRL, or eXtensible Business Reporting Language, is an emerging global reporting standard that uses extensible markup language (XML)-based coding to define and communicate financial and non-financial business information. It is governed by a global non-profit consortium consisting of 450 organizations. This electronic reporting standard uses “tags” to identify commonly used items of data which are readable, searchable, and calculable by computers. These tags and the relationship between them are

defined in files called taxonomies. Taxonomies can be created by international or national bodies as well as individual firms and are the means by which common frameworks are developed. XBRL enables organizations to define, produce, exchange, and communicate data from different systems. Moreover, users of this data can receive, find, compare, and even analyze data without the need of manual re-entry.

There are several benefits in implementing XBRL besides simply using a common

framework that combines data from different systems. One of these benefits is that the process of collecting, handling and reporting data is streamlined. Therefore, the time required to prepare reports is shorten, and as a result, the costs associated with report preparation are reduced. Another benefit of using XBRL is that it automates the process of checking the information, which in turn mitigates the possibility of errors.

*Continued on page 6*

## XBRL (continued from page 5)

Jenny Urena

Lastly, this reporting tool is adaptable to different and changing requirements and uses. For example it can apply different languages and changing standards.

Currently, there are some challenges with XBRL due to the infancy of this standard and the transition companies go through from flat, disparate and manual reporting tools to a universal interactive one. One of the challenges reported by users of XBRL is the learning curve experienced in understanding and implementing this tool as well as converting existing reports. Another challenge is the upfront costs incurred in employing this standard. The amount of time and the expertise needed to set up taxonomies, tagging information, and mapping out business reports translates into expenditures that must be incurred in the initial stages

of the project.

As XBRL becomes more widely accepted by the business community and as companies surpass the transitioning stages of this project, these challenges should no longer be hurdles to firms. We have seen a trend within the last few years moving towards XBRL acceptance by different industries in several countries. For example, within the US, the FDIC, the Federal Reserve, and the Comptroller of Currency have mandated XBRL reporting for its regulatory returns. Today, the SEC is conducting a pilot program where companies volunteer to convert their financials into the XBRL format. Outside of the US, countries such as Japan, Australia, China, Germany, Spain, and the UK already utilize XBRL on financial reports, tax returns, and other organizational filings from organizations. Other

countries, for instance: Belgium, the Netherlands, and Sweden are moving towards XBRL reporting. As technology continues to advance and the business community demands more detailed, timely, and accurate reports, XBRL reporting will become a more attractive alternative among companies and consumers of data.



## Subprime Mortgage Crisis

Radhika Chopra

*“One of the biggest write-downs was reported by Citigroup, with an estimate of \$7 billion dollars.”*



As the year comes to an end, worries of a recession due to the credit crisis in the financial markets have caused players of the U.S economy to become extremely concerned. The recent downturn in the markets has caused investors to become more risk averse, and has caused liquidity in the market to decrease. Borrowers are finding it increasingly difficult to find sources of funds. According to many economists, the damage of the mortgage crisis in the U.S has not completely unfolded and there are still many costs that need to be accounted for. Jan Hatzius, a Chief Goldman Sachs economist stated that “costs of the subprime mortgage crisis have so far been underestimated.”

Many economists are trying to understand how this crisis began and evolved to the massive scale it is at today. After reviewing data and research, one theory suggests that many mortgage lenders were taking part in predatory lending, which is the practice of lenders aggressively convincing borrowers to agree to the terms of a loan that usually have an unfair disadvantage for the

borrower. Many U.S mortgage lenders sold loans to borrowers that were not capable of meeting the terms of the loan. Sure enough, as the years went by and interest rates went up, these borrowers began to experience difficulty making their monthly payments. Eventually, many of these loans defaulted and the percentage of homes that went into foreclosure rose.

Numerous investment banks were bullish on securities that backed these subprime mortgage loans. As the foreclosures in the U.S real estate market rose, scores of these securities began to turn into losses. It first started with the Bear Sterns fund that incurred major losses in June of this year. Once investment banks began to report their third quarter earnings, secrets bloomed and many of these banks began to estimate their write-downs for the losses they incurred due to the mortgage crisis for the fourth quarter. One of the biggest write-downs was reported by Citigroup, with an estimate of \$7 billion dollars. Not only are the investment banks on Wall Street taking write-downs, but they are also cutting jobs

and reducing annual bonuses.

As investors began to worry about the affects of the mortgage crisis on the economy and the drop in stocks indices throughout the summer, the Federal Reserve took action. On September 18th, the FOMC cut the federal funds rate by 50 basis points, and on October 31st, the FOMC cut the rate by 25 basis points. They believed this rate cut would provide liquidity in the market and promote moderate growth.

Aside from the stock indices, commodities have increased in the past few months. Crude oil has risen and is marching towards \$100 a barrel. As the dollar weakens, many investors look to oil as a hedging position. As this trend continues and gasoline becomes closely tied with crude oil, gas pump prices will begin to rise again as they have in the past.

All in all, what seemed to be a lucrative opportunity five years ago is now the biggest crisis financial markets have experienced in the last four years.

## Looks Matter: Impact of Product Design for Apple's Success

James Desrouleaux



*"Apple's secret in heading off strong competition in the industry lies in its commitment to smart spending on its research and development."*

The scope of business is undoubtedly changing on so many fronts. With globalization and progressive change in the economy, the impacts on the business environment are even more induced. Emphasis has shifted from the industrial to information; to the knowledge based economy; from centralized to decentralized to outsourced; and from hierarchies to consolidation. Furthermore, with astounding breakthroughs information technology and the internet (where information is relayed at blistering speeds) challenging factors pertinent to decision making must constantly be taken into consideration by today's business leaders. Issues impacting growth and production including plant and equipment, patent laws, regulations, price-earnings ratio, and infrastructure must always be rooted in the consciousness of these leaders.

So what is the secret behind a powerhouse like Apple during these challenging times? This year for instance, Apple ranked 6th (First in its industry) in Fortune 100's list of fastest growing companies. They also accumulated \$21.586 billion in revenues. For an already established giant in the field of computers and technology, to still be making great headway in expansion and growth remains quite an accomplishment. Apple's secret in heading off strong competition in the industry lies in its commitment to smart spending on its research and development (R&D). In 2004, it spent \$489 million on R&D. Spending on R&D since then has grown 5.6% per year. More importantly, most of that R&D spending has been translated into Apple's most advantageous asset: its product design.

While rivals outsource design in an effort to cut costs, Apple chooses never to give up control of its creation methodology. Even though they produce fewer models relative to rival computer companies, Apple's products deviate from the norm in such a way that they stand out from the competition. Even more significant to note, Apple sets the direction for the rest of the industry. Because of that, product design is a very significant factor now for executives in the industry to consider when creating new products.

Apple goes to great lengths in preserving product design advantage through putting up black drapes around its production lines at the factories of hired contract manufacturers, and through encouraging those workers to manufacture during the midnight shift.

Executives from Apple's competitors, however, look towards outsourcing design as a means to lower salary to be paid, and to have engineers on duty working throughout multiple time zones. Apple's CEO, Steve Jobs, argues that you sacrifice cohesive team work and communication in bringing creative ideas to life. According to Jobs, it is too much of a heavy price to pay, for the sake of cost savings in manufacturing.

Other technology companies meet with outsourced design manufacturers (also known as ODMs) to see designs they have created and in turn, asking those ODMs to tweak some features if necessary. Apple on the other hand, has its own engineers to do the electrical and mechanical work to make a one-of-a-kind, aesthetically pleasing products. Naturally, these unique blueprints for mini works of

art create difficult work for the manufacturers contracted to mass produce. With Steve Job's no screw visible policy for the laptops for instance, one ODM executive said that his company handling the job had to invent new tooling processes to complete it.

The manner in which Apple products are designed and packaged serve additional benefits in the elimination of waste, space, and environmental hazards. Increased useful life of products are established as well as increased natural efficiency, decreased packaging mass and volume, and reduced energy consumption. The current iMac uses 59% less plastic, 20% less paper, and 40% less space than the iMac G4 flat panel. With other Apple product comparisons, the 15.4 inch Mac Book Pro is 45% lighter and uses 45% less volume than the Power Book G4. The 5th generation 30GB and 80 GB iPod have a reduced packaging volume of 69%; yielding an increase of 120 more units that can be shipped per pallet. This maximization of shipping efficiency, the waste minimization, and the energy consumption reduction promote improved quality and performance of these environmental friendly products that in turn, strengthens Apple's bottom line. The beautiful and unique look of the products themselves are an icing on the cake served to reel in the consumers.

Heavily influenced by Apple's recent success, Apple's competitors have been taking notes and some of them may be on track to rebound. It will be interesting to see how performance and competition the industry pan out within the coming years for the software and computer industry.

## Green Is In Mags Castaneda

Feeling warmer? According to data from NOAA and NASA, the Earth's average surface temperature has increased by about 1.2 to 1.4 degrees Fahrenheit in the last 100 years. Eleven of the last twelve years rank among the 12 warmest years on record (since 1850), with the warmest two years being 1998 and 2005 (www.epa.gov). The increase in temperature is partly due high concentration of heat-trapping gases

emitted in the atmosphere from burning fossil fuels.

In addition to the climate change, public concerns have increased over depleting natural resources. Prices at the gas pumps are as high as they had ever been. In November, crude oil is priced above \$94 a barrel. The rising prices prompted companies and consumers to conserve and to seek alternative renewable sources of energy. Companies across the globe are

taking initiative to reduce the impact of their operations on the environment beyond the laws and regulations set by government.

Earlier this year, Chase opened its first environmentally friendly bank branch in Denver, Colorado. The "green" bank branch featured walls painted with low volatile organic compounds, state of the art plumbing, bamboo flooring, and energy efficient equipment and appliances.



## Green Is In (continued from page 7)

Mags Castaneda

The carpet and ceiling tiles are created from recycled materials. Chase also strategically located the branch near Denver's mass transit hub to encourage employees and customers to take public transportation.

Frito-Lay processes more than 500,000 pounds of potatoes into Lay's and Ruffles chips. As you can imagine, the procedure consumes massive amounts of energy and creates immense water waste. With the realization of its impact on the environment, Frito-Lay embarked on an aggressive move to become more eco-friendly.

The company laid out plans to install state-of-the-art filtration systems to recycle used water in its Casa Grande, Arizona plant. Frito-Lay also plans to dedicate at least 50 acres of land to capture solar energy. In addition, a biomass generator is in the works to produce extra energy. According to the company, the improvements are expected to reduce electricity and water consumption by 90 percent and its natural gas use by 80 percent. Furthermore, greenhouse gas emissions would be cut by 50 to 75 percent.

These changes will, in the long run, improve a company's

bottom line as energy prices rise and government regulations increase. Reports also indicate that becoming "greener" will improve the image of a company and can lead to brand equity. According to Deloitte's 22nd Annual Holiday Survey, 18 percent of 14,135 consumers surveyed said they would purchase more "eco-friendly" products this holiday season. Seventeen percent said they are willing to pay more for environmentally friendly gifts or supplies. This survey is just a sample of the growing trend of "going green."

## IRS Special Agent for A Day

Benjamin Wong

Nobody said that after graduating from college with an accounting degree you would have to crunch numbers behind a desk and computer monitor all day long. As an alternative to these "bean counters," there are groups within the IRS that investigate financial crimes and provides these bean counters a gun - how exciting is that?! Pace University, Queens College, and the IRS co-hosted an exciting event, "The Adrian Project," for the second time at the Pace campus in downtown Manhattan. Participants of "The Adrian Project" were given real-life simulated experience of a day in the life of an IRS Special Agent. I personally had the privilege to be one of the 25 students who participated in this eye-opening experience. This great opportunity was something that I could not pass up!

On Friday, September 28, 2007, "The Adrian Project" began at 7:15 A.M., under the direction of Dr. Susanne O'Callaghan, Joe Foy, and the support from Beta Alpha Psi volunteers. The participants were broken up into five teams, which dealt with various mock investigations that ranged from money laundering to tax evasion. Also, each team had an IRS Special Agent as a mentor for the day. My team's Special Agent was Rich Morano, an insightful and very helpful agent, who has been passionate in his field for nine years. My team consisted of five students,

three from Pace and two from Queens College.

My team began our long adventure around 8:00 A.M., when we received our money laundering case. The team received a tip from our informant, that Roger Pothead is laundering money, generated from drug trafficking. We then pursued for a warrant for his arrest and to search his premises for any illegal substance. But before my team raided Roger Pothead's house, we were given lessons on how to safely secure a location and handcuff suspects!

As 10:45 A.M. rolled around, the team was ready for action. We stormed into a dark and musty room, where we apprehended Roger Pothead and his associates with illegal substance and cash on the counter top. On his own premises, the team questioned Roger Pothead vigorously to find out who supplies him with drugs and what he does with the money, but he did not budge.

Back at our base at 11:30 A.M., we had to sufficiently prove that Roger Pothead was laundering money generated from drug trafficking. In order for us to sufficiently prove that he was laundering money, we obtained subpoenas to review his tax returns and monthly expenditures, which included mortgage and car payments. From these documents, we concluded that Roger Pothead's reported income couldn't support his lavish lifestyle. We then proceeded to interview various

individuals to obtain more information about Roger Pothead's relationships with his investment institution, accountant, and car dealership.

In the afternoon around 1:00 P.M., we began our interviews with Roger Pothead's investment manager, accountant, and car financing manager. These three separate interviews gave us an insight on how Roger Pothead was spending his "dirty money." For one instance, Roger Pothead had bought a house under the investment manager's name, who also happened to be Roger Pothead's girlfriend. After the series of interviews, the team had enough evidence to put Roger Pothead behind bars!

But instead of putting Roger Pothead behind bars right away, the team decided to work with Roger Pothead to see if we can pin down the drug supplier through a sting operation. The sting operation was set for a 3:30 P.M. drop and as promised, Roger Pothead's supplier showed up with a suspicious package. While the exchange of money for goods was conducted, IRS Special Agents were on standby to make the immediate arrest. As the exchange was finished and the two men were walking away, IRS Special Agents jumped out, ready to handcuff him and shouted, "STOP! THIS IS THE POLICE!" The suspect made a dash for an exit, but to only find that our team had all the exits sealed - ready to handcuff the suspect.

*Continued on page 9*



***"STOP! THIS IS THE POLICE!" The suspect made a dash for an exit, but to only find that our team had all the exits sealed - ready to handcuff the suspect."***

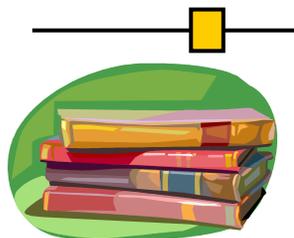
## IRS Special Agent for A Day (continued from page 8)

### Benjamin Wong

Taking part in “The Adrian Project” has opened my mind to the various career opportunities that accounting can offer. Throughout the day, team members had to be able to communicate effectively with each other in order for us to be safe from any potential injury. Thinking critically and being analytical also

played an important role in this event. I learned so much from this exhilarating event, even though this event is only a small portion of what IRS Special Agents do for a living. Becoming an IRS Special Agent would be a great career option for those who are not seeking the traditional route of becoming an accountant. The IRS Special Agent

for a Day was very fun and enlightening. Thank you to all those who helped make this event possible! We hope to continue hosting this event in the years to come!



## Book Review: The Smartest Guys in the Room

Lorynn Riley

Everyone has heard of the Enron story. If they haven't, they must have been sleeping through the last decade. But if you ask people, “What happened at Enron?” would the average person really know? Most people would say, “accounting scandal”; “cooking the books”; “accounting fraud”. The ethics and values of a great profession were severely questioned and downgraded, but truth be told, there was a lot more going behind the doors of Enron than shady accounting and unethical auditing. The Smartest Guys in the Room: the Amazing Rise and Scandalous Fall of Enron goes into tremendous detail and is the smartest read for any business major to really get a clue about one of the biggest scandals in the history of United States' business.

Written by two Fortune Magazine journalists - Bethany McLean, former Goldman Sachs analyst, and Peter Elkind, an investigative reporter - the book is a perfect mix of information and suspense. Told with a slightly sarcastic and witty tone, the authors fill the four hundred plus-page book with anecdotes and commentary to provide a full view of the corporate culture. Digging into the trenches of the Enron way, the authors shed some light on how the dog-eat-dog mentality came to rise at Enron and each of the main players, Chairman Kenneth Lay, CEO Jeff Skilling, CFO Andy Fastow, among other big wigs, are given rather extensive biographies so the reader fully grasps the characters that ran America's once seventh largest corporation.

Beginning the story at a time before Enron came to be, the authors explain how Kenneth Lay built the energy giant from strings of

joint ventures and acquisitions. He is described as a big brother type, never wanting to do the dirty work of management and often turning a blind eye to any corruption taking place at Enron. But when it came down to making money, Ken Lay knew what to do. Rubbing elbows with the who's who of energy and political policy, “Kenny Boy” (lovingly dubbed by George W. Bush) knew exactly which buttons to push in Washington. Not only did he seemingly have Washington in his back pocket, he had one of the most ambitious and genius men by his side: Jeff Skilling. A one time McKinsey consultant, Skilling had the idea that you were nothing if not a genius. Only wanting to work with the best and the brightest, Skilling surrounded himself with untamable egos and those willing to go any length to be ahead of the game; all of which created an empire of hubris and greed. One of the “smartest guys” was CFO Andy Fastow. Number crunching whiz kid, Fastow designed some of the most convoluted financial structures and accounting vehicles in the industry. Utilizing special purpose entities (SPEs) to carry out off-balance sheet transactions, Fastow and his team created a mess of intricate structures that boggled some the brightest on Wall Street. He complicated things further by investing in these SPEs himself and bringing in other Enron employees as well, spurring conflicts of interest that entailed whole problems of their own.

The book also provides analysis of the numbers game Enron played that led to their scandalous bankruptcy. As numbers climbed and Enron seemingly continued to outdo itself, they had Wall Street fooled. The book explains that as Enron's grew larger, no deals were

turned down because they were too risky or unethical; as long as everyone was making money, everyone was happy and no one seemed to question a thing. Wooing their analysts, Enron would hold flashy summits in resorts around the world, telling analysts, consultants and the like, anything they wanted to hear. And for the most part, everyone took the bait. Why weren't the analysts analyzing? Why weren't the consultants digging? It wasn't just the auditors turning a blind eye, it was entire business community; but ask any person what happened at Enron, and they will say, “bad accounting.” The authors by no means downplay the fraud, unethical accounting, or lack of controls at Enron, but they definitely go into the culture, policies, and external dealings that facilitated a web of scandal.

They may only scratch the surface of the scheming culture that developed; however, McLean and Elkind do a tremendous job of breaking down into lay man's terms the financial structures, accounting schemes, and management policies that came into play. Someone with no knowledge of accounting or finance could pick up the book and get a general understanding of what happened and why it was wrong. It cannot be stressed enough how this book opens the eyes. No doubt academics and professionals see how Enron changed the business world with the onsets of Sarbanes-Oxley and other new protocols, but for aspiring young professionals or those who simply have an interest, The Smartest Guys in the Room: the Amazing Rise and Scandalous Fall of Enron serves as a great overview of what really happened at Enron – or at least an alarm clock for those who have been sleeping.

*“...there was a lot more going on behind doors of Enron than shady accounting and unethical auditing.”*

## Why They Do It

### Charles Worden



*“Along with this newfound feeling of selflessness came a permanent smile.”*

The sacred stillness of 4:30 A.M. was abruptly shattered by the buzzing of my alarm clock. Forcing my eyes open, I stared at the clock wondering if I was truly going to do this. Watching the seconds tick by, I thought to myself: Wasn't it just 1:30? Slowly turning on my back, I went over my choices. Cowardice or honor? Laziness or pride? Sleep or community service?

The cold October wind cut through my hoodie like it wasn't even there. I drugged through countless dark streets, trying to remember what I was doing up at this ungodly hour. Then I remembered – Multiple Sclerosis Bike Tour. With that thought, I picked Queen's "Don't Stop Me Now" on my iPod and quickened my pace.

From far off, I spotted Pjeter, the Director of Community Service for BAP. My mood lightened. It occurred to me that I am not the only one who dragged himself out of his toasty beds to be here. We greeted, surprising ourselves with our pre-dawn enthusiasm. As we talked, the other volunteers arrived and we headed over to the registration desk. Any trace of contempt vanished when I realized that these people chose to be here. I felt the positive energy in the room. Sleep can wait. I was there to help people. Along with this newfound feeling of selflessness came a permanent smile. I still

couldn't feel my toes though.

The volunteers were assigned jobs. My assignment was to direct bikers to the starting line, which sounded simple enough to me. At 5:30 A.M., there was an eerie stillness, complete with the chirping of crickets. A couple minutes later, I let my guard down and started to chat with my fellow volunteers. At 5:33 A.M., there was an explosion of bicycles. Bikers to the left and right. Bikers as far as the eye could see. I was again reminded of the vast quantity of people in New York City. There was no time to stand in awe. The infinite mass of bikers needed my help. I was in a constant state of answering questions, pointing people in the right direction and dodging oncoming bicycles. I quickly glanced to my left, seeing my fellow volunteers involved in their own answering, pointing and dodging. I looked to the right to see Lorynn, the President of BAP doing the same, while unnecessarily yelling into a megaphone. All of us were smiling. It took me a moment to realize that, in the midst of this organized madness, I was smiling as well. The bikers were grateful for the assistance we have provided. A few hours shot by without my knowledge. The Multiple Sclerosis Bike Tour had started.

The volunteers congregated to set up a parking area for the bikes once the tour was

finished. The minutes ticked by as we waited for the first bikers to finish. The first bikers started to roll in and the excitement started again. Our job was to direct them to an appropriate parking spot for their bike. I saw the look of triumph and joy in the bikers' faces, knowing that they have helped others in their own way. I view these people as heroes, doing what they can to make the world a better place. As 9:30 A.M. rolled around, I was surprised to find out that that I didn't want to leave. There were still people that needed my help. Pjeter then mentioned breakfast and I realized how hungry I was. The stresses of the day that I had forgotten about suddenly came back. This time, however, the hunger and fatigue came along with a great sense of accomplishment. And a free T-shirt!

Eventually, the volunteers of BAP found themselves at a diner, eating a well-deserved breakfast. Everyone's spirits were high. I got to talk to the people I admire away from the usual professional environment. Just by talking to them made me realize that these people are heroes. Not in the sense of risking one's life, but in helping others without wanting any reward. Their selflessness made me look at what kind of person I am. What about me? Does this apply to me? BAP made me realize that I knew the answer the whole time.

## Work Hard, Play Hard

### Edward Table



Beta Alpha Psi understands how difficult it can be (especially for potential candidates) to commit to all of our activities during the semester; balancing school, internships, friends, family, and other obligations. Beta Alpha Psi members have been attending an array of professional events, office visits, and community service activities this semester, and it was time for a well deserved break.

This semester, the executive board organized two social events for the members and candidates. The first social event was the "T-shirt Making Night," followed by "Bowling Night." These events not only gave our members a chance to relax after mid-terms, but also

provided an opportunity for members and candidates to get to know one another a little better.

The "T-shirt Making Night" offered members and candidates the opportunity to design T-shirts with their respective bowling teams. Everyone certainly demonstrated that they could do more than just fill out income tax returns. Both members and candidates utilized their artistic talents in order to create unique designs and fancy team names such as "Strike This," "This is Why I'm BAP," and "300 Spartans."

The second social event was the "Bowling Night," where members and candidates competed in teams against one another. With a

total of six teams competing, this event was undoubtedly the most fun for our members. Although there were no formal prizes for the winning teams, the event certainly proved that Beta Alpha Psi members sure knew how to throw excellent gutter balls!

As the semester comes to an end, Beta Alpha Psi hopes to plan more exciting social events for our members in the upcoming Spring semester. We hope that these social events not only help continue to keep our members relaxed and calm throughout the school year, but also instill the "work hard, play hard" motto when it comes to their careers.

# Welcoming Our New Faculty Advisor!

Helen Dong



We are pleased to announce that Dr. Charles Tang has accepted the role as faculty advisor for Beta Alpha Psi Iota Lambda chapter!

Currently, Dr. Tang is an associate professor of accounting and lectures financial, managerial, advanced, and international accounting at both the undergraduate and graduate level. Upon joining Pace University's Lubin School of Business in 1997, Dr. Tang serves various other roles within the school. From 2001-2004, Dr. Tang was the Director of an overseas MS Accounting Program and has been the core course coordinator for Managerial Accounting from 1998 to present.

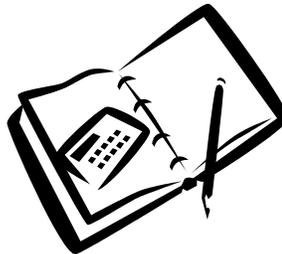
Coming from an extensive academic background, Dr. Tang received his Ph.D in

accounting and MS in accounting from Stan Ross Department of Accountancy, Baruch College, his MBA in accounting from Antwerp University in Belgium, and his BA in accounting from the Shanghai Maritime University in China. Dr. Tang research interest entails issues in equity valuation and he has earned recognition in internationally acclaimed accounting and business journals such as Journal of Accounting, Auditing and Finance, the Journal of Corporate Finance, and the Strategic Management Journal.

With Dr. Tang's extensive knowledge and experience, we are excited and eager to work with him throughout the coming year. Providing support and guidance, Dr. Tang's contributions will greatly add to our members'

professional and personal growth.

Please join us in welcoming Dr. Tang to the Beta Alpha Psi community! We look forward to continuing success with him as our mentor!



## BAΨ Courier Staff

**Pjeter Dushku**  
Co-Editor

**Amy Ching**  
Co-Editor

Thank you to our  
**Contributors:**

Mags Castaneda  
Jacqueline Chen  
Amy Ching  
Radhika Chopra  
James Desrouleaux  
Helen Dong  
Pjeter Dushku

Wai Htoon  
Shirley Lau  
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Lorynn Riley  
Edward Tabile  
Jenny Urena  
Benjamin Wong  
Charles Worden

# A Semester Full of Service

Pjeter Dushku



Painting murals for New York Cares Day really lets your imagination soar!

## Multi-Chapter Park Clean-up (September):

Baruch College's Alpha Gamma chapter hosted the 2nd annual Park Clean-up at Harlem's Jackie Robinson and St. Nicholas Parks! The event drew together Pace, NYU, St. John's, Fordham, and CW Post chapters to restore the truly beautiful parks. Our team worked to shovel leaves, re-mulch the area, and have a good time meeting fellow BAP students!

## MS Society's Bike Tour (October):

In the wee hours of the morning, when all is silent and still, our volunteers were meeting to lend a helping hand to the Multiple Sclerosis Society's Bike Tour! At 5:30 a.m. we helped register participants, worked the information booth, and cheered on those who crossed the finish line.

## New York Cares Day (October):

For the third year in a row, Beta Alpha Psi has participated in a New York City-wide school restoration event. Our group had the pleasure of working with a professional muralist at H.S. Lewis and Clark in the Bronx to paint colorful wall murals.

## Making Strides (October):

It was our pleasure to register participants at the American Cancer Society's Making Strides Against Breast Cancer Walk. The event drew 28,000 walkers who collectively raised \$2.9 million!

## NYC Veterans' Day Parade (November):

This November was our first year as Parade Marshals! We were delighted to show our support for our veterans and troops and help in the Parade's coordination. We were able to meet marching bands from all across the country, see vintage vehicles, and have a great time!

## PB&J Wars (December):

By the time of this publication we will have hosted our annual Peanut Butter and Jelly Wars. Each year the Iota Lambda chapter organizes this event whereby 500+ PB&J sandwiches are donated to those in need. May the best team win!



Everything gets done quicker when you work as a team!



We were up bright and early to beautify H.S. Lewis and Clark in the Bronx!



We volunteered to be parade marshals at the Veterans' Day Parade!



Members taking a well-deserved lunch break after a morning full of painting!



The Iota Lambda Chapter was ready to get to work and lend a helping hand!



Beta Alpha Psi is always willing to help out at the Breast Cancer walk in Central Park.



The calm before the storm of bikers at the MS Bike Tour!