

Accounting

What is it – Should you bother?

Accounting is the "*language of business*". Accounting deals with producing, communicating and interpreting information about a company's operations and finances.

Accounting is extremely important to the internal operations any organization, because financial and operating information, allows executives to make informed business decisions - decisions that help those companies become more successful.

IBM Results Fall Short of Targets

Accounting information as generated by the organization's managers, certified by CPAs (Certified Public Accountant), and

disclosed to the general public forms the bedrock of the capital markets. This information is analyzed by investors and their representatives - financial intermediaries like the mutual funds and pension funds. This analysis guides investors to put money in firms, with which those firms finance operations and growth.

Economic events are measured and described by accounting. Everyone works with and uses accounting ideas, whether they're managing a business, investing money, or just deciding how to spend their paycheck. It provides decision-makers information about recent financial activity, as well as information and recommendations useful for forecasting future events.



As soon as accounting reports and results are announced stock markets react instantly. On 04/14/2005 as soon as IBM announced its EPS (earnings per share – you will learn all these terms later in accounting

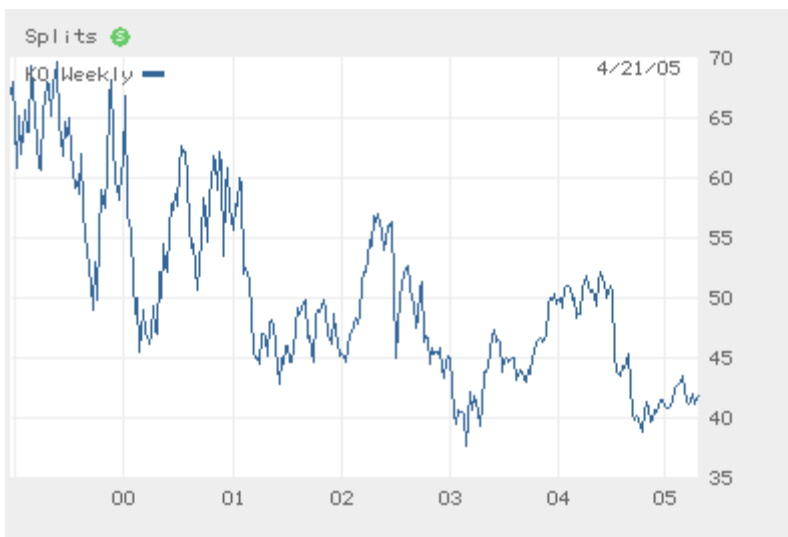
classes) the market digested the results and the stock price of IBM crashed. Billions of dollars were gone in minutes – and this is just for one company in one day! How did the market know what the EPS meant? Analysts were ready with expectations of accounting numbers like Net Income and compared them to the accounting disclosures.

Coca Cola is a great brand.



In recent years, the company has shown great margins in its books but

its stock prices have not kept up. Why? In reality the reported margins are great because it has kept its



low margin segments as off-balance-sheet ventures. Coke beverages are sold by a separate company – Coca Cola Enterprises which has low margins. You can learn all these from financial statements of the company. All financial statements tell stories. If you know how to read them and analyze the accounting numbers you will take great decisions and avoid traps. Many accounting graduates work as analysts, loan officers, investment bankers and fund managers.

Do companies always report truthfully and keep the best interests of investors in mind? They should, but as you can surmise many times they ‘manage’ the results. All statements of publicly traded companies in the US must be audited by a Certified Public Accountant (CPA). Most CPA's work for accounting firms which are organized as partnerships. Four of them are huge – they are called the “BIG FOUR”. The ten largest accounting firms in Chicago are as follows:

	Company	Chicago Professional staff as of 12/31/04	Specialty
1	Deloitte & Touche USA LLP;	3,212	Audit, risk management, tax, financial advisory, business management and systems consulting, human resources consulting
2	PricewaterhouseCoopers LLP;	1,430	Assurance, tax and advisory services
3	Ernst & Young LLP;	1,375	Audit, tax and transaction advisory services, business risk services, information technology security, dispute resolution services, personal financial consulting
4	KPMG LLP	1,170	Audit, tax, financial advisory, valuations, forensic and investigative services, compensation and benefits
5	American Express Tax & Business Services Income	880	Assurance, tax, risk management, accounting and consulting for manufacturing and distribution, real estate, law, financial services, non-profits, health care and technology
6	Crowe Chizek & Co. LLC;	545	Assurance, tax, risk management, corporate governance, corporate finance, mergers and acquisitions, valuations, technology and human resources consulting
7	RSM McGladrey Inc.;	510	Accounting, tax and consulting for manufacturing and distribution, financial services, health care, non-profits, construction and real estate
8	Grant Thornton LLP;	340	Assurance, tax and business risk services, compensation and benefits consulting, forensic accounting and investigative services, international assurance, management advisory
9	BDO Seidman LLP	209	Tax, assurance, health care advisory, business valuation, financial recovery, litigation consulting, information technology consulting
10	Blackman Kallick Bartelstein LLP	202	Audit, tax, strategic and corporate finance consulting for manufacturing and distribution, hospitality, construction, insurance, service companies, non-profits, litigation services

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All these firms do audit or assurance. The other major service that accounting firms offer is tax statement preparation and consulting. As you can see all these firms offer tax services and a host of other services. Some firms specialize in industries.

Most of you may be aware that in the last few years both corporations and the accounting firms that prepare the statements have come under great fire. Two big corporations Enron and WorldCom folded because they misstated accounting results. Chicago-based



Arthur Andersen, which was in the “Big Five” then imploded in 2002. After these shocks, the US Congress passed the Sarbanes-Oxley Act (2002) requiring a much higher integrity for the reporting process.



Accounting graduates held about 1.1 million jobs in 2002. They worked throughout private industry and government, but 1 out of 5 accounting graduates worked for accounting, tax preparation, bookkeeping, and payroll services firms. Approximately 1 out of 10 accounting graduates or auditors were self-employed. Many accounting graduates are management accountants, internal auditors, or government accountants and auditors; however, a large number are licensed Certified Public Accountants. Most accounting graduates work in urban areas, where public accounting firms and central or regional offices of businesses are concentrated.

The accounting profession today is changing at a dramatic and rapid pace. As a young accounting professional, or soon to be one, your skills, interests and attitude will all play

an important part in redefining the future of the accounting profession. The accounting profession is one of the fastest growing professions in the world. The tremendous growth of the global marketplace and information technologies has greatly increased demand for competent and ethical professionals who are fluent in the language of business. The role of an accounting graduate ranks among the most demanding in the American economy.

The accounting graduate's ability to provide the information necessary to determine and evaluate the past, present, and future economic activities of organizations is vital in the business environment. However, accounting graduates are not simply number crunchers. Whether as an auditor, tax advisor, educator, management consultant, business leader, or government official, and accounting graduate carries out assignments with independence, integrity, and objectivity. Accounting graduates are trained to seek logical solutions to diverse problems while applying sound, ethical judgments.

In this chapter you will be introduced to the general skills required to be an accounting graduate, the more specific requirements for professional certification, and typical career opportunities for accounting graduates.

What skills are needed to become a successful accounting graduate?

Becoming a successful accounting graduate begins while you are still in college. You need to demonstrate superior scholastic achievement, possess a good technical accounting background, and complement that accounting knowledge with the broad business knowledge obtained from your core business courses and electives.

Problem-solving skills are vital. You should be able to analyze, compare, and interpret facts and figures. You have to be a creative thinker because every day you will face issues that need innovative solutions. The answers you come up with are often the difference between being a good accounting graduate or and a great one. In addition, you need to understand business systems and computers. You must know about networks and be familiar with spreadsheets and accounting software.

Good people skills and high ethical standards are also essential. Accounting is a service activity, and you will have to work well with clients and coworkers, both in groups and in one-on-one situations. Therefore, communicating well, both verbally and in writing, is essential. Finally, as an accounting graduate, you must have high ethical standards because people rely on the information you provide.

UIC courses in accounting

UIC offers a four-year undergraduate degree and graduate degree Master of Science in Accounting. All CBA business students must take Actg (the course designation for accounting courses) 110 Introduction to Financial Accounting and Actg 111 Introduction to Managerial Accounting. The first course covers concepts and standards underlying the preparation and analysis of external reports; effects and role of accounting in the business environment and capital markets. The second covers information used for internal decision making in organizations - Managerial or Management Accounting. It covers management planning and control; cost concepts and measurement; cost accounting systems; analysis of cost and volume-profit relationships; standard costs and variances; and budget preparation.

If you do not major in accounting or related fields like finance, these will be only courses in accounting that you will take. You will find that accounting knowledge is useful, whatever profession you are in - be it in marketing, information technology or as an entrepreneur. If you are considering accounting as a major then please read the following information carefully. The Department of Accounting is located in 2303 University Hall. The department website at <http://accounting.cba.uic.edu/> has much more information about accounting programs. The rest of this document tells you what you can expect as an accounting major

BS Accounting

Getting an accounting degree can take much hard work the effort definitely pays off. A degree in accounting offers many careers paths and an excellent starting salary once you graduate.

<http://accounting.cba.uic.edu/Media/Top-Ten.htm> gives TOP Ten reasons to major in Accounting at UIC. Here we will briefly update you on the important points you should be aware as an accounting major. The following pages will also help you in planning your program here:

Curriculum: <http://accounting.cba.uic.edu/Classes/UG-Curriculum.htm>

Accounting Curriculum Planner: <http://accounting.cba.uic.edu/Classes/Course-Planner.PDF>

Prerequisites Chart: <http://accounting.cba.uic.edu/Classes/Prerequisite-Relationships-UG.pdf>

To be accepted as an Accounting Major, you need a "B" average in your Introductory Financial Accounting and Introductory Managerial Accounting Courses. That means "B" & "B", "A" & "C" or "C" & "A". If the "B" Average is not achieved but you have at least a "C" in each of those classes you may take the Accounting Qualifying Examination to gain acceptance into the major. For more information on the contents of the AQE and registration information please go to the Department of Accounting web site at <http://accounting.cba.uic.edu/QualifyingExam/Qual-Home.htm>

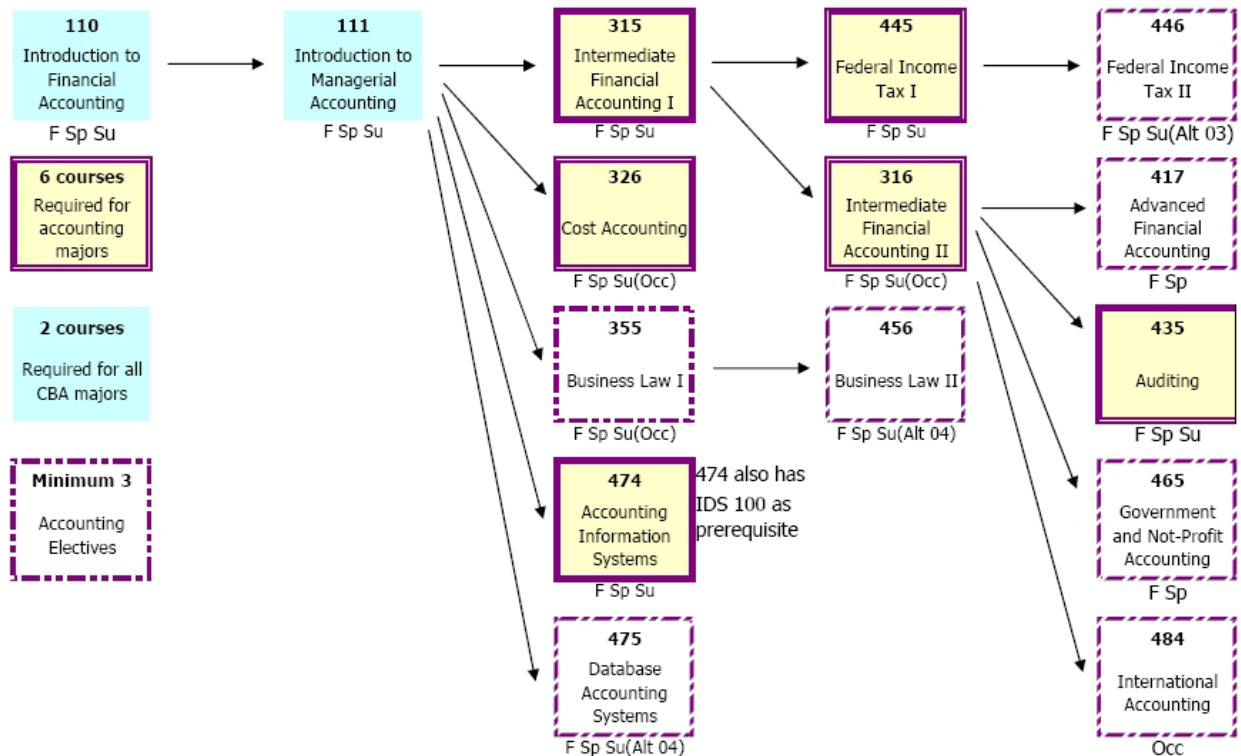
The Bachelor of Science in Accounting degree requires a minimum of 120 semester hours. Out of this 60 hours are in the business school and 27 hours are in the accounting department.

Business Courses 60 hours		
Accounting major requirements 27	Required Course: 19	Actg 315 Intermediate Financial Accounting I 3 Actg 316 Intermediate Financial Accounting II 3 Actg 326 Cost Accounting 3 Actg 435 Auditing 4 Actg 445 Federal Income Tax I 3 Actg 474 Accounting Information Systems 3

	Electives 8	Actg 355 Business Law I 3 Actg 417 Advanced Financial Accounting 3 Actg 446 Federal Income Tax II 3 Actg 456 Business Law II 3 Actg 465 Governmental & Non-profit Accounting 3 Actg 475 Database Accounting Systems 3 Actg 484 International Accounting 3 Actg 494 Special Topics (varying)
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Business core 3	Required Course 29	Actg 110 Introduction to Financial Accounting 3 Actg 111 Introduction to Managerial Accounting 3 IDS 100 Introduction to Management Information Systems 4 IDS 270 Statistics I 4 IDS 355 Operations and Systems Management I 3 Mgmt 340 Introduction to Organizations 3 Mgmt 350 Business and Its External Environment 3 Fin 300 Introduction to Managerial Finance 3 Marketing 360 Principles of Marketing 3
	Integrative Course 4	Actg 495, Econ 495, IDS 495, or Mgmt 495: Competitive Strategy

Prerequisite Relationships for Undergraduate Courses



We recommend that students when starting the major should take Actg 474 Accounting Information Systems and Actg 315 Intermediate Financial Accounting I first. They are meant to be taken together. If there is a schedule conflict you may want to substitute Actg 326 Cost Accounting for one of the above listed two courses. You can sign up for 315 only through the Department of Accounting website:

<http://accounting.cba.uic.edu>. You can not register for these courses through the regular university class registration process.

To receive your accounting degree you must obtain a grade of at least "C" in Actg 315 & Actg 326 and an overall "C" average in your major classes and "C" average overall. If a "C" grade is not obtained in Actg 315 and/or Actg 326, you are allowed to repeat each course only once. Courses "in the major" require a serious time commitment.

Accounting Faculty Advising

Mandatory faculty advising is required every term for accounting majors who are taking 300 and/or 400 level accounting classes. A registration hold for accounting advising will be put on all accounting majors' account in 12th week of each semester. This hold will prevent you from registering for classes until the Department of Accounting releases the hold. It can be released only by your faculty advisor after an advising session.

We in the Department of Accounting feel that by talking to a dedicated faculty member every term, you will benefit immensely. Whatever problems you have, your advisor will act as your mentor and be your advocate while you are here. Common topics and issues that you can discuss include courses to be taken, planning of the program, internships, job search and firm contacts, masters programs, professional certification and general business careers, or any difficulties you might have with your accounting courses.

You can find out the name of your faculty advisor from the notice-boards outside the Accounting Department Office (2305 UH). You will have the same advisor every term so that you can get to know him / her better and vice versa. Your advisor will have your grade transcripts and other information about you when you schedule your appointment.



Certification of accounting graduates

The three most highly recognized certification programs for accounting graduates are the CPA (Certified Public accounting graduate) CMA (Certified Management accounting graduate) and CIA (Certified Internal Auditor). Certification is important to professional accounting graduates because it provides:

- License to engage in certain professional activities
- Participation in a recognized professional association
- Opportunities for continuing professional education
- Recognition from peers for obtaining the professional designation
- Additional credentials for the employment market or career ladder.



Requirements to Become a CPA A CPA, or Certified Public accounting graduate, is a trusted financial advisor who helps individuals, businesses, and other organizations plan and reach their financial goals. Whatever those goals-saving for a new home, opening a new office, or planning a multi-billion dollar merger-CPAs can help. The requirements to become a CPA are governed by state laws. Illinois requires a minimum 24 credit hours of accounting and 24 credit hours other business courses. All states require a bachelor's degree or its equivalent. In addition, many states including Illinois have implemented a 150-hour requirement. In addition to completion of the required credit hours, all states require the passing of the uniform CPA exam. Many states also have work experience requirements. (Illinois requirements at: <http://www.illinois-cpa-exam.com/> and at <http://www.icpas.org/>)

Requirements to Become a CMA The general requirements for CMA certification are a bachelor's degree or its equivalent, successful completion the CMA exam, and two years' work experience in managerial or public accounting.

If you are planning to become a Certified Public Accountant (CPA), the State of Illinois has a requirement that you need 150 hours of education. An easy way to achieve this goal is to go on to graduate school and obtain their Masters of Science in Accounting (MSA). This will enable you to get a degree of great value and become better prepared for your profession. You can also take additional classes without joining the MSA program boosting your hours to 150. To gain acceptance to a Graduate program a minimum "B" average is required in the major and overall. And because you have chosen a course of

study to enter a profession, not just get a degree, your grades are very, very important. Not only will your grades be needed to gain acceptance to graduate school, but your grades also get you your first job. Many employers of accounting graduates ask for minimum GPA's when they come on campus to interview.

There are four active student organizations at UIC for accounting students:



1. Accounting Club - schedules over 20 corporate presentations; mock Interview Workshops; Meet The Firms Night; Banquet, Golf and Baseball Outings <http://accounting.cba.uic.edu/uicaccountingclub/>
2. Beta Alpha Psi - a Honor Society, Conducts community service, free tutoring, tax assistance programs, schedules guest speakers in business, office and site visits and social networking events.
3. National Association of Black Accountants (NABA)
4. Midwest Association of Hispanic Accountants (MAHA)

What Are the Job Opportunities for accounting graduates?

Employment of accounting graduates and auditors is expected to grow about as fast as the average for all occupations through the year 2012. An increase in the number of businesses, changing financial laws and regulations, and increased scrutiny of company finances will drive growth. In addition to openings resulting from growth, the need to replace accounting graduates and auditors who transfer to other occupations will produce numerous job openings in this large occupation.

As the economy grows, the number of business establishments will increase, requiring more accounting graduates and auditors to set up books, prepare taxes, and provide management advice. As these businesses grow, the volume and complexity of information developed by accounting graduates and auditors regarding costs, expenditures, and taxes will increase as well. Increased need for accounting graduates and auditors will arise from changes in legislation related to taxes, financial reporting standards, business investments, mergers, and other financial matters. The growth of international business also has led to more demand for accounting expertise and services related to international trade and accounting rules, as well as to international mergers and acquisitions. These trends should create more jobs for accounting graduates and auditors.

As a result of the recent accounting scandals, Federal legislation was enacted to increase penalties, and make company executives personally responsible for falsely reporting financial information. These changes should lead to increased scrutiny of company finances and accounting procedures, and should create opportunities for accounting graduates and auditors, to more thoroughly audit financial records. In order to ensure finances comply with the law before public accounting graduates conduct audits, management accounting graduates and internal auditors will increasingly be needed to discover and eliminate fraud. And, in an effort to make government agencies more efficient and accountable, demand for government accounting graduates should increase.

Increased awareness of financial crimes such as embezzlement, bribery, and securities fraud will also increase the demand for forensic accounting graduates to detect illegal financial activity by individuals, companies, and organized crime rings. Computer technology has made these crimes easier to commit, and it is on the rise. But, development of new computer software and electronic surveillance technology has also made tracking down financial criminals easier, thus increasing the ease and likelihood that forensic accounting graduates will discover their crimes. As success rates of investigations grow, demand will also grow for forensic accounting graduates.

The changing role of accounting graduates and auditors also will spur job growth, although this growth will be limited as a result of financial scandals. In response to demand, some accounting graduates were offering more financial management and consulting services as they assumed a greater advisory role and developed more sophisticated accounting systems. Since Federal legislation now prohibits accounting graduates from providing nontraditional services to clients whose books they audit, opportunities for accounting graduates to do non-audit work could be limited. However, accounting graduates will still be able to advise on other financial matters for clients that are not publicly traded companies, and for nonaudit clients.

Overall, job opportunities for accounting graduates and auditors are favorable. After most States instituted the 150-hour rule for CPAs, enrollment in accounting programs declined; however, enrollment is slowly

beginning to grow again as more students are attracted to the profession because of the attention from the accounting scandals. Those who pursue a CPA should have excellent job prospects. However, many accounting graduates are also pursuing other certifications such as the CMA and CIA, so competition could be greater in management accounting and internal auditing than in public accounting. Regardless of specialty, accounting graduates and auditors who have earned professional recognition through certification or licensure should have the best job prospects. Applicants with a master's degree in accounting, or a master's degree in business administration with a concentration in accounting, also will have an advantage. In the aftermath of the accounting scandals, professional certification is even more important in order to ensure that accounting graduates' credentials and ethics are sound.

Proficiency in accounting and auditing computer software, or expertise in specialized areas such as international business, specific industries, or current legislation, may be helpful in landing certain accounting and auditing jobs. In addition, employers increasingly seek applicants with strong interpersonal and communication skills. Because many accounting graduates work on teams with others from different backgrounds, they must be able to communicate accounting and financial information clearly and concisely. Regardless of one's qualifications, however, competition will remain keen for the most prestigious jobs in major accounting and business firms.

Among the emerging specialties are tax accounting, environmental accounting, forensic accounting, software development, entertainment and telecommunications. Tax specialists will continue to be high demand, as tax codes become more and more complicated. Additionally, professional skilled in international tax issues should see a dramatic increase in their value. Environmental consultants are needed to help companies avoid penalties for compliance infractions. Forensic accounting graduates are valued for their skills in examining accounting records for fraud or other criminal activity. Within public accounting, competition has forced firms to place increased emphasis on new business development. As little as five years ago, this function was reserved for partners and senior managers, but today it has become essential for managers at all levels.

Opportunities in small and mid-size public accounting firms are also expanding as those firms take advantage of the growing number of businesses going public. In particular, the auditing function has become very competitive as companies continue shopping actively for low-cost auditing services.

Salaries A career in accounting provides individuals with a competitive entry-level salary and long-term growth potential. Entry-level salaries for new graduates with master's degrees at UIC averaged about \$51,500.

What are the different career paths in accounting?

Accounting graduates find employment in three broad sectors: Public practice • Corporations • Government/Not-for-profit

Public Practice

In public accounting, the accounting graduate works as part of a firm, composed of CPAs and other professionals; and either performs audits and provides assurance services or consults with many different clients as a business advisor or owns his or her firm. Public accounting is a great introduction to the world of business. Public accounting graduates are exposed to many different industries, and that experience can be translated into any number of careers. You could end up working with a pro sports team, your favorite television network, or as the company's Managing Partner - you could even start your own business. As an accounting graduate, you will have a broad choice of career paths. Opportunities exist in public practice, industry, government, and not-for-profit organizations. A variety of specialty career

paths exist within public practice.

Auditing and Assurance Services: Using both financial and nonfinancial information culled from past performance and/or present conditions, assurance services providers will put business intelligence into a financial context. They'll convert data into knowledge, especially in sectors such as elder care, e-commerce, risk assessment, performance measurement and information technology. Auditing is one of the most important and best-known services provided by CPAs in public practice. To protect consumers and investors the Securities and Exchange Commission (SEC) requires every publicly-held company to issue an annual financial statement. This financial statement is examined by an independent CPA, and the results are called an audit. The CPA's role as an auditor is to examine a company's financial statements in order to assure stockholders and other financial statement users that a company's financial position is reported fairly. Although privately-held companies are not required to have annual audits, many do so anyway. Privately-held companies that do not undergo an annual audit often engage CPAs to conduct a review or compilation instead. Both involve an examination of a company's financial statements, although a review contains less assurance than an audit while a compilation contains no assurance.

Tax Advisory Services: With the ever-changing tax laws and the growing complexity of business, tax professionals are involved in everything from preparing tax returns to reorganizing a multinational company's domestic and foreign operations in a manner that takes into consideration such factors as U.S. and foreign taxes, cash investment dividends, and economic growth. The CPA tax specialist must deal with a variety of tax problems and opportunities in three primary areas of tax practice: tax consulting, tax compliance, and representation of clients before the Internal Revenue Service (IRS). In addition to supplying technical competence, the tax specialist must exercise good financial judgment and creativity in order to provide constructive solutions to complex tax problems. Therefore, a thorough understanding of the client's business, investment, and personal objectives is required, as well as a thorough understanding of the tax laws and their applications.

Management Consulting Services: Accounting graduates are often requested by their clients to offer objective advice and technical assistance about a variety of business situations. Some common consulting engagements might be computerizing a company's accounting and reporting function, projecting a company's growth, implementing an internal control system, facilitating mergers and acquisitions, assisting with production and marketing techniques, and providing general suggestions on improving overall operating procedures.

International Accounting: Cross-border transactions, overseas trade agreements and other daily activities in the expanding global economy will require the expertise of financial professionals who understand foreign laws, tax structures and business practices. Fluency in one or more foreign languages (particularly Mandarin, Japanese, French or Spanish) will be crucial. International transactions are becoming commonplace, due in part to the dismantling of controlled economies in Eastern Europe and Latin America, the passage of the North American free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade (GATT), as well as economic growth in areas such as Asia. Functional skills needed in global economy include an understanding of international trade rules, accords, and laws; cross border merger and acquisition issues; and foreign business customs, cultures and procedures.

Personal Financial Planning: Financial professionals in this specialty will help their clients reduce debt; develop investment and asset allocation plans; control expenses and minimize their tax burdens. Personal Financial Planners also may get involved in insurance analysis and retirement planning. Accounting graduates who are specialists in financial planning work with individuals and families to develop financial goals and help make these plans become reality. Personal financial planning includes helping clients better manage their money through debt reduction and expense control, developing investment strategies and asset allocation plans, tax consulting, and planning and minimizing estate and gift tax burdens.

E-commerce Experts: The growth of e-commerce will drive the need for financial professionals who are systems security experts and Internet strategists. A comprehensive knowledge of Internet regulations and the ability to manage e-commerce initiatives will be indispensable.

Environmental Accounting: As businesses strive to be environmentally responsible (as well as more profitable), they will enlist professionals with the CPA credential to handle projects ranging from environmental compliance audits to managing and preventing claims and disputes. This is a growth area

in public accounting. As businesses take a greater interest in environmental issues, CPAs have been getting involved in everything from environmental compliance audits or systems and procedures audits, to handling claims and disputes. Utilities, manufacturers, and chemical companies are particularly affected by environmental issues. As a result, companies in these fields have increasingly turned to CPAs to set up a preventative system to ensure compliance and avoid future claims or disputes, or to provide assistance once legal implications have arisen.

Forensic Accounting Experienced professionals who can identify and track computer fraud, particularly in the realm of e-commerce, will be in high demand as corporations increasingly rely on technology. Forensic accounting graduates will work closely with the other financial and IT professionals to solve problems related to systems integrity and security. This is a hot growth area for accounting graduates. The forensic accounting specialist looks beyond the face value of accounting records to determine if fraud has been committed. Also, known as investigative specialist or fraud auditor, the forensic accounting specialist searches for evidence of criminal conduct or assists in the determination of, or rebuttal of, claimed damages. Investigative specialists are also called in to advise companies whether to declare bankruptcy or take the necessary steps to remain solvent. In addition to investigative accounting, the forensic accounting graduate may also be called upon to assist lawyers in the litigation process.

Information Technology Services accounting graduates who have multimedia expertise will be asked to work with IT to implement specialized, advanced computer systems. The growth in information technology has created many job opportunities for accounting graduates with strong computer skills. There is a tremendous need for professionals who can design and implement advanced systems to fit a company's specialized needs. Accounting graduates skilled in software research and development (including multimedia technology) are also highly valued.

Corporations

Corporate accounting (sometimes known as "managerial" or "private" accounting) puts the accounting graduate inside a business enterprise. They use critical thinking skills to provide innovative solutions that help companies run their operations better and also help grow their business. The career path of an accounting graduate working successfully in corporate accounting often leads to a leadership position, such as Controller, CFO or CEO.

Corporate Finance: Under this broad category, accounting graduates are responsible for analyzing a company's future financing needs, making presentations to and negotiating with banks and other investors, and managing an organization's cash and investments.

Financial Reporting: The financial accounting graduate is responsible for accumulating and verifying the data required for the preparation of financial statements. Accounting graduates are also often in charge of the design, implementation, and maintenance of the computer system used in the preparation of financial statements.

Internal Auditing: The CPA as an internal auditor is responsible for providing and objective review of the company's financial and operating systems. She or he may also assist outside CPAs in their examination and evaluation of the company's financial statements. The internal auditor also functions as an in-house management consultant to senior management.

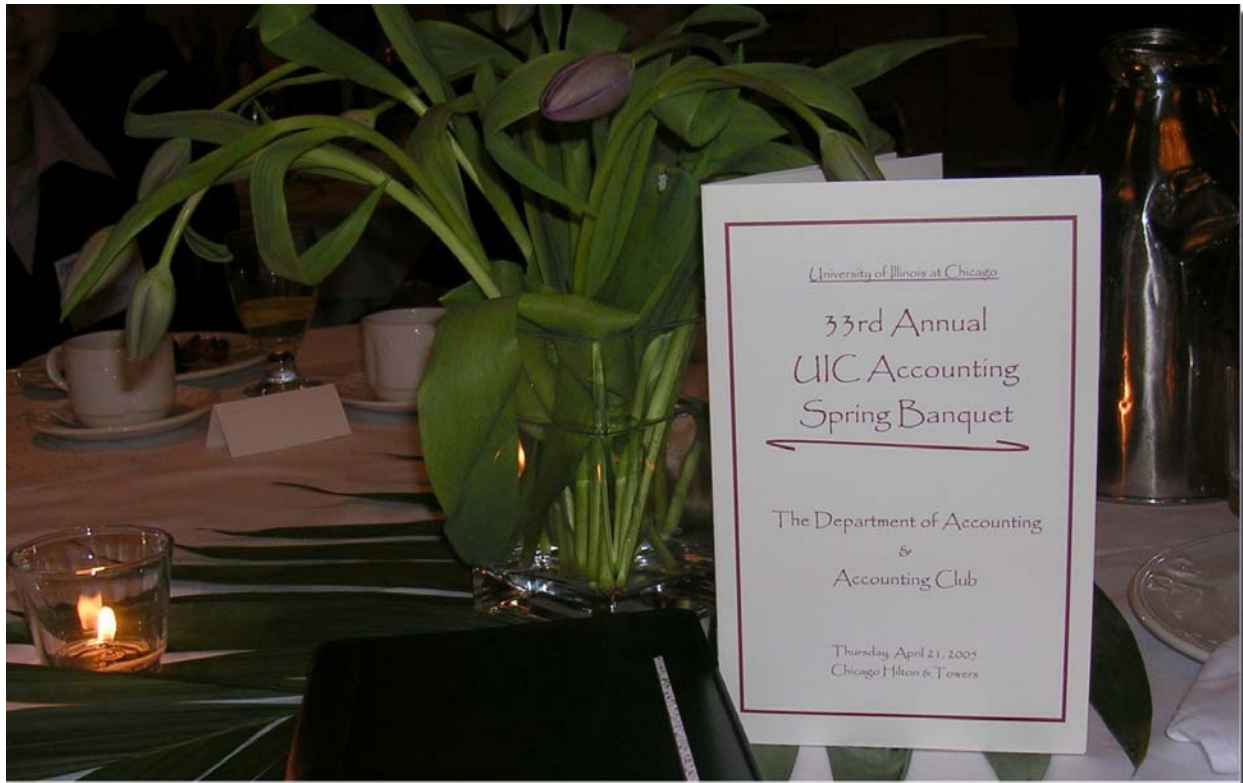
Management Accounting: Tax accounting graduates working in management accounting are responsible for the accumulation and reporting of historical data in a format and level of detail required by management for making business decisions. Cost accounting and adherence to accounting theory are major responsibilities in this function.

Tax Planning: Accounting graduates are responsible for determining the company's liability to various taxing authorities for income tax, licenses, property tax, and payroll tax. They analyze the effects of tax accounting alternatives and study laws and regulations to ensure correct application of new tax measures.

Non-Financial Positions: Accounting graduates are broad-based experts whose knowledge and skills are sought and valued by management in various non-financial positions. Accounting graduates can succeed in business as top-level managers, chief executive officers, and company presidents.

Peggy Weber	Financial accounting, Earnings management	
Abel Galvan	Auditing, Financial accounting	galvan@uic.edu
Brian Leventhal	Financial accounting	brianlev@uic.edu
Michael Popowits	Accounting Information Systems Corporate Training and Development	popowits@uic.edu
Helen Roe	Legal issues in business	helenroe@uic.edu
Yehia Salama	Financial accounting	ysalama@uic.edu

Integration and Transition: To prepare for an accounting career you will need a solid technical accounting background that you will acquire in formal accounting courses. In addition, you will need a broad understanding of business, which you will get from your business core courses and electives, and a good foundation in the humanities. Essential personal skills include creativity, the ability to solve problems, an understanding of business systems and computers, excellent communication skills, and high ethical standards.



Which of the following is not an accounting graduate?

Author John Grisham • Comedian Bob Newhart • Phil Knight, the founder of Nike • J.P. Morgan • Jazz artist Kenny G. • Arthur Blank, founder of Home Depot • Jerry Reinsdorf, owner of the Chicago Bulls and White Sox