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Alumni Newsletter

Liberty University - School of Business

Letter from the Dean

Special points of interest:

- Dean's Letter
- Will Economic Globalization be the Catalyst to Usher in World-wide Accounting Standards - Dr. Gene Sullivan
- Faculty Focus: Dr. Jim B. Shelton

Last fall we welcomed back to Liberty Mr. Alan Rowe, CEO of First Commercial Bank in Florida and the first graduate of Liberty University's School of Business. In May another 750 graduates left Liberty Mountain to serve around the world as Champions for Christ, graduating with master's and bachelor's degrees in Accounting and Business.

Graduation is always a highlight of the year, and we feel a sense of joy in the accomplishment of our graduates but also a bittersweet sense of loss as we send out the outstanding young men and women in whom we've invested so much for the past four years or so. We always encourage those young people to stay in touch with us in the School of Business, and we ask all of you, our alumni, to let us know what and how you're doing.

The Apostle John expressed our attitude when he said, "I have no greater joy than this, to hear of my children walking in the truth" (3 John 4). We love to hear of how the Lord continues to guide and direct you in your careers and your personal lives.

This has been an exciting six months here in the School of Business. After receiving approval to offer a Bachelor of Science Degree in Business with a specialization in Human Resource Management, we graduated our first students with that degree. The students who earned that degree also participated in the state and regional competition of the Society for Human Resource Management (SHRM), earning first place honors in both. Two other teams from Liberty earned 5th and 6th place honors out of 28 teams, including the University of Tennessee and the University of Alabama,

among others.

Dr. Colleen McLaughlin, faculty sponsor for our student chapter, was elected to serve as an officer in the state-wide SHRM this spring. Moreover, SHRM awarded Liberty University's chapter the Outstanding Student Chapter Award to recognize our chapter for excellence in programs, activities, and levels of participation that distinguishes it from other student chapters.

The Student Marketing Association also had a banner semester, earning a first-ever trip to the American Marketing Association's national competition in New Orleans. The team of Liberty University students came in third, a fantastic showing.

The Accounting Society, under the sponsorship of Dr. James Shelton, and the Liberty University Financial Management Association (LUFMA), sponsored by Professor Scott Ehrhorn, had very busy and profitable semesters. This semester we also resurrected the former International Business Council as the Future Global Professionals (FGP). Dr. Edward Moore and Dr. Stephen Preacher sponsor that organization, and among the activities that FGP plans for the next academic year is a college study tour to the European Union.

Speaking of trips overseas, the School of Business-sponsored trip to Europe recently returned from a 15-day trip to Vienna, Budapest, Bratislava, Prague, Berlin, Paris, Canterbury, and London. There were 45 students, alumni, faculty, and family members who enjoyed this trip, among the highlights of which were a concert of Mozart and Strauss music in Vienna, a cruise on the Danube in Budapest, a visit

to the Louvre in Paris, and an evening at the London theater seeing Rogers and Hammerstein's *Carousel*. Since all alumni are invited to join in these trips, you may contact Dr. Bruce Bell at bkbell@liberty.edu for future tours and prices.

Alumni from the School of Business will also be interested in knowing that we have adopted a dress code for the new academic year that will require a more professional look for our Business and Accounting majors. The new dress code requires students to maintain a neat, well-groomed, and professional appearance in all 300- and 400-level classes as well as school-wide functions held within the School of Business.

Acceptable attire for female students will be conservatively fitting blouses, sweaters, skirts, full-length dress slacks or khaki-style pants, or dresses, and dress sandals or shoes. The length of skirts may be long or appropriately at (or just above) the knees. Skirt slits must be conservative, and midriffs may not be exposed.

Acceptable attire for male students will be collared or button-down shirts, polo shirts, sweaters/vests, with khaki-style pants, and oxfords or loafer-style shoes with socks. All shirts will be worn tucked in.

All apparel should be neat, clean, and without material flaws such as holes and frayed edges.

The following items are considered inappropriate attire for all students:

- T-shirts; frayed or faded collared shirts; sleeveless tops; halter tops; sweatshirts;



- Leggings; stretch pants; Capri pants; pants that are frayed, have holes, or are faded
- Denim (pants or shirts)
- Birkenstock-type or thong-style sandals, athletic or hiking shoes
- Hats or caps

The exhibition of “non-traditional” jewelry (e.g., wearing of earrings by male students, nose or belly-button piercing by any student) is unacceptable. Tattoos will be covered. Facial hair should be neat and closely trimmed. Hairstyles will be in an appropriate fashion for a professional look.

This change should help distinguish our majors in Business from some other students at LU and prepare them better for the expectations of potential employers when they leave Liberty and begin their professional careers.

Academic scholarship is always a hallmark of universities, and the School of Business had a significant accomplishment this semester that bears mentioning. The national honor society in business, management, and administration—Sigma Beta Delta—recognizes outstanding scholarship. For the first time, Liberty extended membership in this honor society to students in the Liberty University Online program, both undergraduate and graduate students, plus juniors and seniors in the residential program who are in the top 20% of their class. Because of the expanded pool of candidates, the Liberty chapter inducted 194 students this year, a milestone for the university and the honor society.

This marks a special year in the life of the Christian Church. Five hundred years ago this summer, John Calvin was born. Considered with Martin Luther as one of the two most significant leaders of the Protestant Reformation, Calvin wrote the highly influential *Institutes of the Christian Religion*, a work that went through several editions before his death and remains a significant contribution to the theology that shapes our lives. . His doctrines on the sovereignty of God, referred to today as “Calvinism,” are among the most hotly debated in Christianity. He is also the primary person behind the printing of the famous Geneva Bible that predated the King James Version.



We always enjoy hearing from our alumni, and we look forward to receiving e-mails from you or seeing you whenever you and your families return to campus. Please stay in touch with us by sending us updates on your professional, personal, and spiritual lives. Our new School of Business e-mail address is SchoolofBusiness@liberty.edu, and you may always check out our website at <https://www.liberty.edu/index.cfm?PID=149>. Moreover, as you talk with friends who are alumni of our school, we'd love to have you share about this information link we're attempting to establish with you.

In this issue of the School of Business Alumni Newsletter, you'll read about efforts to establish an International Financial Reporting Standards (IFRS) in accounting. These new standards may replace eventually the Generally Accepted Accounting Principles (GAAP), currently used in the United States. Dr. Gene Sullivan,

In this issue of the School of Business Alumni Newsletter, you'll read about efforts to establish an International Financial Reporting Standards (IFRS) in accounting. These new standards may replace eventually the Generally Accepted Accounting Principles (GAAP), currently used in the United States. Dr. Gene Sullivan, chair of our Accounting Department, offers insight into this issue. In addition, you'll enjoy reading the latest Faculty Focus about Dr. James B. Shelton, professor of Accounting. His inspirational life has touched the lives of countless students and fellow faculty alike.

We pray you all have a wonderful summer, and we look forward to continuing these newsletters in the future.

Don't forget to check out the LU Alumni website at: [/www.liberty.edu/development/alumni](http://www.liberty.edu/development/alumni) for more news University-wide.



Will Economic Globalization be the Catalyst to Usher in Worldwide Accounting Standards

by Gene Sullivan, Ph.D.
Chair, Accounting Department

When the International Accounting Standards Committee (IASC) was founded in 1973 for the purpose of developing and promoting the use of International Accounting Standards, most calculated the probability of achieving a single set of worldwide accounting standards as remote at best. Political, social, economic, and cultural differences among nations would have to be resolved, and the obstacles seemed insurmountable. Since the IASC had no official standing and no way to enforce compliance, very little changed relative to harmonization of accounting standards worldwide between 1973 and the replacement of the IASC by the International Accounting Standards Board (IASB) in April, 2001. Accountants in the United States and other major nations considered their own accounting standards to be superior to the accounting standards developed by the IASC.

Nevertheless, the IASB was determined to develop a single set of high quality accounting standards that could be used for financial reporting worldwide. As the move towards economic globalization became more apparent, the need for a single set of worldwide accounting standards to ensure comparability and consistency of financial reporting began to gain support. Then a strategic meeting between the Financial Accounting Standards Board (FASB) and IASB took place in Norwalk, Connecticut in October, 2002. At that meeting, the two standard setting bodies committed themselves to work together to resolve major differences in current accounting standards and to coordinate efforts in developing future accounting standards. FASB and IASB agreed to six key initiatives to further their goal of converging U.S. Generally Accepted Accounting Principles (GAAP) with International Financial Reporting Standards (IFRS). Over the next few years, much progress was made in harmonizing accounting standards, although differences remained.

Adoption of IFRS by the European Union as well as other countries has put pressure on the United States to strongly consider convergence to a single worldwide standard. The economic globalization has resulted in 113 countries adopting IFRS. In addition, Canada, India, and Japan plan to adopt IFRS in 2011 and Mexico will follow in 2012. The decision by the Securities and Exchange Commission (SEC) to allow foreign registrants the option of using IFRS without reconciliation to U.S. GAAP in reporting to the SEC has spurred the current debate over allowing U.S. companies to use IFRS in filings with the SEC. As a result, the SEC has developed a tentative roadmap for conversion from U.S. GAAP to IFRS by U.S. registrants. The conversion is scheduled to take place over time, and a select group of multinational firms will have the option to use IFRS beginning in 2010. Other publicly traded U.S. companies would begin comply with mandatory conversion to IFRS between 2014 and 2016, depending on certain criteria, such as company size. In 2011, the SEC will assess the readiness of academic institutions in the U.S. to provide adequate training and instruction concerning IFRS before finalizing the roadmap to conversion.

As nations around the globe move toward a single set of worldwide accounting standards, it might be wise to consider whether the major historical criticisms of such a system have been overcome. Many accountants feel that the joint efforts of FASB and IASB along with other accounting standard setting bodies have made significant progress in increasing the quality of International Accounting Standards. It appears that the significance of economic globalization has, for the most part, forced social, cultural, and political differences into the background. However, one major hurdle still exists. A major strength of U.S. GAAP lies in its authoritativeness. The SEC enforces compliance with U.S. GAAP. At this point, the IASB has

not been delegated such authority by countries that have adopted IFRS. Countries are free to determine how they will apply IFRS. As a result, comparability and consistency in financial reporting cannot be guaranteed. The current financial crisis is a case in point. Under pressure from Congress and the SEC, FASB modified the mark-to-market rules for U.S. banks. The IASB did not agree with the modifications and as a result did not change its rules concerning mark-to-market accounting. The European Union, a major adopter of IFRS, voiced its displeasure of IASB's decision not to go along with FASB's change in the mark-to-market rule in relation to banks. The EU suggested that it might even decide to develop its own accounting rules if the IASB does not reconsider its position. The lack of authority to enforce compliance is a major hurdle that may prove very hard to overcome in the quest for a single set of worldwide accounting standards. Sovereign nations will not lightly consider giving up regulative authority to an independent worldwide standard setting organization.



FACULTY FOCUS - Dr. James B. Shelton By Dr. Bruce Bell

Dr. James Shelton has been a fixture in the Accounting Department at Liberty University since 1995, serving first as an associate professor and then as full professor since July 2000. Before coming to Liberty, Dr. Shelton taught at Virginia Commonwealth University, Radford University, Bluefield State College, Mary Washington College, and Union University.

Dr. Shelton arrived at Liberty with a lot of relevant experience in the field of accounting, having served as staff accountant for Arthur Andersen & Co., in Washington, D.C.; as a self-employed Certified Public Accountant (CPA) in Salisbury, Maryland; and as supervisor of Accounting Systems of Perdue, Inc., in Salisbury.

Growing up on the Eastern Shore of Maryland, in Salisbury, Md., he earned his Bachelor of Science Degree in Accounting from the University of Maryland in College Park. Eight years later, in 1974, he earned a Masters' in Accountancy at Virginia Tech.

It was then that Dr. Shelton began his teaching career, going on in 1993 to earn a Ph.D. in Accountancy & Taxation, with minors in Finance and Marketing from Virginia Commonwealth University in Richmond.

In August 1974 Dr. Shelton married the former Jane Grayson of Christiansburg, Virginia, but in January 1999 she suffered a massive stroke that confined her to a wheelchair, unable to talk much except for "yes" and "no" and unable to get in or out of the wheelchair on her own. "But Jane would raise her one good arm up high and shout "Yes" at the mention of Jesus' name," he says. For the last ten years of her life, though, "I never once heard her call me Jim." Ever faithful, Dr. Shelton cared for her selflessly and tirelessly.

For those who were present in the Vines Center on October 25, 2000, convocation was held that will never be forgotten. On that date, Dr. Shelton received the first-ever Modern Hero Award, presented to a "low-profile person with a high impact for the kingdom." Dr. Shelton received that award because of the loving attention he showered on his beloved wife Jane. According to Dr. Shelton, "This award means more to me than all my academic awards combined." Joshua Brown, then-dean of men, said that presenting that award to Dr. Shelton "provided Liberty students with a portrait of a true hero."

In December 2007, Dr. Shelton's wife suffered another setback and spent 42 days in Neurological Intensive Care and four days in a regular hospital room before going to a rehabilitation center. Jane went to be with the Lord on February

15, 2008.

Dr. Shelton today is a new man, saying with a sense of joy, "The most amazing thing God has done in my life is to bring me Patricia Ann Johnson as my gift. She is my reward for caring for Jane."

Patricia was enrolled in Liberty University Online classes earning her Master of Science in Accounting degree. After taking Dr. Shelton's class they began corresponding and were married in December 2008 in Alamo, California. "I could not begin to choose anyone even remotely as perfect for me as she is," Dr. Shelton smiles. "God did the choosing."

Dr. Shelton is now happily married with a new family, claiming his awe of God and His love for him. "The Bible teaches to do good and not give up and you will be rewarded at the proper time," he says. "God's Word is faithful and true."



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