

Accounting Legends & Luminaries...Where Are They Now?

by Nicole Karp
October 2012



Lynn Turner

Lynn Turner was the SEC Chief Accountant from 1998 to 2001. During his controversial tenure, Turner strongly advocated for enhanced oversight rules, auditor independence, and higher quality financial reporting on a global basis. One of today's main revenue recognition rules – SAB 101, which later became SAB 104 – was issued during his term.

After leaving the SEC, Turner worked as a Professor of Accounting at Colorado State University. He then reentered the private sector, first as Managing Director of Research at Glass Lewis & Co. Today, Turner holds a Managing Director position at LitiNomics, a firm that provides research, analyses, valuations and testimony in complex commercial litigations.



Arthur Levitt

Arthur Levitt was SEC Chairman from 1993 to 2001. During his term, Levitt gained a reputation as a champion for individual investors. He gave numerous speeches about corporate earning management, and was credited with calling attention to the wide use of "cookie jar reserves". Levitt's term ended shortly before the Enron scandal.

Levitt's reputation as Chairman isn't without its blemishes, however. Levitt himself indicated that his opposition to a rule requiring companies to record stock option expense on the income statement was his biggest mistake as Chairman. Moreover, the SEC under Levitt's leadership failed to uncover Bernie Madoff's Ponzi scheme and approved the exemption of some Enron partnerships from the Investment Company Act of 1940.

After leaving the SEC, Levitt continued to champion individual investors, authoring "Take on the Street: What Wall Street and Corporate America Don't Want You to Know". The book describes ways investors can protect their financial future.

Currently, the ex-Chairman interviews business and political leaders in a series of Bloomberg Podcasts entitled "A Closer Look with Arthur Levitt".

Levitt also holds advisory or board positions for the Carlyle Group, Promontory Financial Group, and Bloomberg LLP.



Harvey Pitt

Harvey Pitt was SEC Chairman for 15 months before resigning in 2002. The Enron scandal and other instances of corporate wrongdoing unfolded during his tenure as Chairman. It was alleged that this former Wall Street attorney subverted efforts to tighten regulation. Pitt was criticized for keeping close ties to the accounting industry and for meeting with the heads of companies under active SEC investigation.

After leaving the SEC, Pitt became the Chief Executive Officer of the strategic consulting firm Kalorama Partners. Some of his responsibilities include advising public companies on how to stay out of trouble with regulators. Ironically, Pitt himself can't seem to fully shake his past troubles and tarnished reputation. For instance, after Pitt criticized Dodd-Frank, blogger Barry Ritholtz wrote "listening to Harvey Pitt discuss securities regulations is like taking trading advice from Nicholas Leeson..."



Christopher Cox

Chris Cox was appointed SEC Chairman in 2005 and held the position until he resigned in 2009. Serving as Chairman during the start of the financial crisis, Cox was chastised for failing to detect signs that major Wall Street banks were in trouble. Cox was also criticized for failing to detect Bernie Madoff's Ponzi scheme. Cox, however, made some positive impacts on the Commission; he launched a plain English initiative in investor communications and required companies to disclose executive compensation in a standard format. Cox also focused on international integration and technological modernization of the SEC.

Today Chris Cox is living large in a \$5.4 million home in Orange County, CA, working as a partner in the law firm of Bingham McCutchen. He also became a principal in Bingham Consulting Group, the firm's affiliated consulting business. Bingham also employs other well-known politicians including ex-California Governor Pete Wilson and former Los Angeles Mayor Richard Riordan.



James Leisenring

James (Jim) Leisenring was a member of both the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB). At the FASB, Jim was director of research and director of international activities, as well as the first chairman of FASB's Emerging Issues Task Force (EITF). He joined the FASB in 1982 and the IASB in 2001. Jim left the IASB in 2010 at the end of his second term.

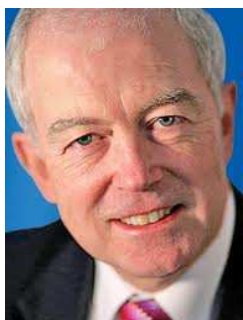
Jim Leisenring can't seem to stop being involved with accounting boards. He is currently a senior advisor to the FASB, and was asked to help with the convergence process in light of his familiarity with both the IASB and FASB. As an advisor, Leisenring has been working on technical issues and speaking on behalf of the FASB.



Robert (Bob) Herz

Bob Herz was chairman of the FASB from 2002 to 2010. Under his leadership, the FASB worked towards international convergence of accounting standards and introduced the codification of U.S. GAAP literature. During Herz's tenure, several meaningful pronouncements were issued including new standards on fair value measurement and consolidation of variable interest entities. Herz appeared before Congress on multiple occasions to debate accounting for stock options and the financial crisis. Prior to joining the FASB, Herz was a member of the IASB.

Today Herz serves on the boards of Fannie Mae and Morgan Stanley, and is a Senior Advisor to WebFilings. Herz is also an Executive-in-Residence at Columbia University and a member of the PCAOB Standing Advisory Group.



David Tweedie

Sir David Tweedie served as Chairman of the IASB from 2001 until 2011. He was the first chair of the IASB and has been credited as the "architect of International Financial Reporting Standards."

In his post-IASB career, Tweedie continues to campaign for global accounting standards. David Tweedie was recently appointed chairman of the Board of Trustees of the International Valuation Standards Council (IVSC). The IVSC is a private-sector body that works for international consistency in the valuation of derivatives and other financial instruments. Sir David Tweedie is also president of the Institute of Chartered Accountants of Scotland (ICAS).