

THE MACKLIN BUSINESS INSTITUTE AND CENTER FOR ENTREPRENEURSHIP AT MONTGOMERY COLLEGE



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Sarbanes on... 'Sarbanes-Oxley'

Md. Senator and Lead Sponsor of Post-Enron Reform Legislation Headlines 2nd Business Ethics Symposium



Photo by Lisa Frick

Senator Sarbanes makes his point with audience at symposium.

Montgomery College's Macklin Business Institute and the Rockville Chamber of Commerce co-hosted their second annual Business Ethics Symposium, a community outreach event for business education, Nov. 5 at the College's Rockville Campus. Students, professionals, and other community members came to familiarize themselves with the post-Enron laws—their effects and implications.

Keynote speaker Sen. Paul S. Sarbanes (D—Md) wrote the book on ethical reforms—as chair of the Senate Banking, Housing, and Urban Affairs Committee, he headed the research and hearings that resulted in “the most far-reaching reforms of American business practices since the time of Franklin Delano Roosevelt,” now known as the Sarbanes-Oxley Act.

Sarbanes was joined by panelists: W. Neil Eggleston, head of the White Collar Crime Practice Group at Howrey Simon Arnold & White; Michael S. Emen, senior vice president listing qualifications, Nasdaq; Mary M. Sjoquist, special counsel to the Public Company Accounting Oversight Board (“PCOAB”); and Nile Webb, University of Maryland business ethics professor and retired partner of Deloitte & Touche, an international firm of certified public accountants.

A full telecast of the symposium will air on Montgomery College Television, cable channel 10, on Wednesday, Nov. 19 at 9 a.m.; and Thursday, Nov. 20 at 7 p.m.

What the Students Thought...

Macklin Business Institute honors program students research topics, attend, and work to support the institute-sponsored events. Professor Jeff Schwartz, the institute director, canvassed the students for reactions to Senator Sarbanes' presentation and the expert panel's follow-up discussion. The following comments were shared:

“Senator Sarbanes made an interesting point about the effectiveness of any legislation—that it can't ultimately change the way people think; only the way they act. He hopes that in time the Sarbanes-Oxley Act will adjust current thinking about business accounting, just as past civil rights legislation helped change the way Americans think about race.”

— Adam Charles Lotinsky

“Being a student, it was interesting to listen to the perspectives of business executives on how businesses should deal with issues that question their ethical behavior. I was particularly intrigued that after one year, the issue of Enron's unethical behavior still has a strong impact on the way other businesses deal their own issues of ethical behavior.”

— Lisa Persaud

“It was inspiring to hear business leaders from different professional sectors speak of the importance of leadership, integrity, and ethics education. I strongly agree with Senator Sarbanes's statement that priority should be placed upon prevention, not punishment, of white-collar crime.”

— Michelle Kung

“It gives a rare look at how passionate Senators are about the issues, and not worried about just politics.”

— Nicholas Lovese

“I gained a lot of new knowledge about what problems accounting firms are facing, and what kind of pressures they are under. I learned how important it is for accounting firms to understand the responsibilities they have. In addition, audit committees need to understand their duties. The board of directors has to be involved and not allow management to have total control.”

— Anvar Zhunagali

“It was an honor to meet with many Macklin board members and hear about their experiences and ask them questions about their careers. To hear Senator Sarbanes speak, as someone who has directly influenced ethics in business, was a unique opportunity. He gave us direct insight of the hard task that Congress and businesses have ahead of them.”

— Lisa Ku

“I gained new useful knowledge about ethics in the business world today. This was a very unique experience. I am definitely looking forward to next year's business ethics symposium.”

— Blanca Elena Belloso

“The Sarbanes-Oxley Act is an ambitious attempt to protect investors against corporate fraud. However, I came to realize that the issue is not so much a matter of imposing new regulations and penalties, rather than enforcing the policies that are already in place. Establishing tight inspections and controlling mechanisms to back up these policies are the next steps needed to bring about real changes in the world of corporate business and how it is conducted.”

— Julia Katharina Seebacher

“The ethics symposium was a very good collaboration for the Montgomery College, Macklin Business Institute, and the Rockville Chamber of Commerce, as it brought together the actual professionals, namely CPA, lawyers, etc., who are being affected by the law, and students and others interested in going into these professions to talk about the Sarbanes-Oxley Act. The symposium simplified the new act and the various ways it is changing the accounting and auditing professions and the roles of the CEOs and CFOs.”

— Natalie Shabisha Taylor

“Paul Sarbanes is an inspiring speaker. Coming from a European background, I was pleasantly surprised that he was the son of Greek immigrants. I believe that the Sarbanes-Oxley Act will help businesses deal more effectively with unethical behaviors.”

— Silvia B Dontcheva

“After attending last night's event I realized how important the Sarbanes-Oxley Act really is. Without having created the SEC, nobody would supervise such acts. I also realized how many people are affected by this law. I hope that with this act accounting managers will think twice before signing the financial statements, and that it prevents investors from fraud.”

— Manuela Ginsburg

“The act is timely and adequate enough to ensure that the interests of the public are taken care of, so that those who abuse trust answer for it. Corporate governance is relatively new, and the act will help maintain integrity in the business world.”

— Tete J Bropleh

“I was glad to hear the Senator giving a clear and almost scholastic illustration of the Sarbanes-Oxley law. He outlined the main points of the law, such as the separation of the auditing and consulting services; described the current aspirations and challenges of its implementation, offering options for those who expected some adjustments; and finally, he effectively expressed the central idea, the ethic-spirit of the law and the legislators' desire of seeing an ethical behavior becoming the natural leader of today businesses.”

— Natalia Barriomevo

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MACKLIN BUSINESS INSTITUTE
Montgomery College
Humanities Building, Suite 208
51 Mannakee St.
Rockville, Md. 20850
Phone: 301-738-1707
www.macklin.org
e-mail: mbi@montgomerycollege.edu