

**New Program Proposal
Master of Accountancy
Coastal Carolina University**

Summary

Coastal Carolina University requests approval to offer a new program leading to the Master of Accountancy (M.Acc.) degree, to be implemented in Fall 2011. The program will be offered on the main campus.

The Program Planning Summary was submitted to the Commission on October 29, 2010, and reviewed and voted upon favorably without substantive comment by the Advisory Committee on Academic Programs (ACAP) on January 20, 2011. Coastal Carolina University's Board of Trustees approved the final proposal on February 17, 2011. The final proposal was received by the Commission on March 2, 2011.

According to the proposal, the purpose of the proposed program is to provide graduates with a strong background and prepare them for a broad range of employment in the diverse field of accounting. The proposal states that graduates from the proposed program will be prepared to enter careers in such areas as public accounting; corporate finance; financial institutions; government at the local, state and national levels; and not-for-profit organizations. The proposal also states that in addition to the direct career paths available, graduates will be prepared for doctoral degree programs in related disciplines. In addition, the proposed program will provide an opportunity for place-bound accounting professionals who wish to expand their skills and knowledge base for personal and career advancement to pursue a Master of Accountancy degree at a local institution.

The program proposal lists continuity of education, cost, and competitive edge as the three main reasons for Coastal Carolina University's development of the M.Acc. program. According to the proposal, the 30-hour program allows a seamless transition from the four year undergraduate accounting program to the M.Acc. in which students can opt to receive certification as a Certified Public Accountants (CPA). The proposed M.Acc. will replace the accounting concentration under the existing M.B.A. at Coastal.

The proposal provides several data sources that substantiate the general and local demand for students with graduate degrees in accounting. According to the Bureau of Labor Statistics (BLS) 2010-2011 *Occupational Outlook Handbook* and the state's sconestop.org website, employment for students with graduate degrees in accounting is expected to increase locally and nationally. The BLS reported that between 2008-2018, employment opportunities will increase by 22%. A survey by The American Institute of Certified Public Accountants (AICPA) of potential employers of accounting graduates found that the Master of Accountancy degree is considered the preferred degree by accounting/auditing firms and that enrollment in M.Acc. programs has increased 115%.

Interest in the M.Acc. program has been determined by a survey conducted in 2010 of Coastal Carolina University students majoring in accounting. Based upon the institutional survey, of the 89 Coastal Carolina juniors and seniors surveyed, 77 responded that they were interested in a Coastal Carolina M.Acc. degree program. The institution also surveyed local accounting firms in Horry and Georgetown counties. The 28 responses received from local accounting firms found that the agencies strongly supported the implementation of a Master of Accountancy degree program at the university.

Similar programs are found at three public institutions in South Carolina (Clemson University, the University of South Carolina, and the College of Charleston). However, commuting to these locations from the Coastal area poses an economic challenge to students by substantially increasing their living, traveling, and tuition expenses, as well as hindering the place-bound accounting professionals working in college's service area.

Projected new enrollment for the program will be 17 new students (12.0 FTE) in the program's first year, increasing to 19 students (14.0 FTE) in the second year, increasing to 23 students (16.0 FTE) in the third year, and further increasing to 24 students (17 FTE) and 25 students (17.8 FTE) in the fourth and fifth years of the program. According to the proposal, projections for the Fall 2010 enrollment are based mainly on the estimated number of students transferring from the M.B.A. accounting track, professionals presently working in accounting firms, and graduates with various major who are returning to college to major in accounting. If enrollment and program completion projections are met, the proposed program will meet the Commission's productivity standards.

The proposal states that admission to the proposed program will require a prospective student to have an undergraduate degree from an accredited college or university with a minimum 3.0 GPA, have completed the Graduate Management Admissions Test (GMAT) with a score of at least 500, provide two letters of reference, and to have completed 18 hours of business courses and at least 18 hours of upper level accounting courses. The proposed program will consist of 30 credit hours of coursework which will include (24 credit hours) of general accounting courses and (6 credit hours) of electives. All of the courses in the curriculum were approved and have been added to the institution's catalog with the M.B.A. concentration in accounting. No new courses will need to be added to Coastal Carolina University's course catalog to support the program.

The proposal states that the assessment of student learning will be tied to the specific goals and objectives of the proposed program. The proposed program assessment will use direct and indirect methods which will include a research papers, use of electronic databases, computer-based simulations, consulting projects, and oral presentations.

The proposal states that the institutions' accounting department presently has eight full-time accounting faculty members. According to the proposal, one faculty member (.167 FTE) will be hired to support the program in its third year. The proposal states that if the student demand for the M.Acc. program increases, the program may have to hire additional full-time faculty in the future to support the program.

The proposal states that no physical plant or significant equipment needs are anticipated to support the proposed program. The program will be housed in the Wall Building at Coastal Carolina University, which has adequate classroom and office space available.

The Kimbel Library provides print and electronic resources, including the statewide PASCAL databases, Interlibrary Loan, Internet access, bibliographic instruction, reference books and a variety of class-specific user education programs, library catalog and on-line resources. According to the proposal, the library holdings will need to be updated. To accomplish this, Coastal Carolina University states that they will need to purchase additional monographic acquisitions and journal subscriptions at a total estimated cost of \$2,539 over the first five years of the program implementation.

The proposed M.Acc. program will be housed in the Wall College of Business, which is fully accredited by the Association to Advance Collegiate Schools of Business (AACSB). Students in the program and seeking licensure as a Certified Public Accountant will be required to complete 150 hours of university credit, demonstrate satisfactory performance on the Uniform CPA Exam, and complete of one year work experience under the supervision of a licensed CPA.

The proposal states that current articulation agreements in place with South Carolina's two-year institutions will apply. Coastal has collaborated with Horry-Georgetown Technical College's to streamline the process for students graduating from Horry-Georgetown Technical College's accounting program to earn an undergraduate accounting degree and a Master of Accountancy degree in a total of three additional years. The institutions will continue to work together to continue a seamless transfer and articulation process for students.

New costs and sources of financing identified by the institution for the proposed program are shown below.

Estimated Costs by Year

Category	1 st	2 nd	3 rd	4 th	5 th	Totals
Program Administration	\$16,515	\$16,846	\$17,182	\$17,526	\$17,877	\$85,946
Faculty Salaries	\$157,279	\$160,425	\$189,285	\$218,721	\$248,747	\$974,457
Graduate Assistants	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Clerical/Support Personnel	\$3,396	\$3,464	\$3,533	\$3,604	\$3,676	\$17,672
Supplies and material	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Library Resources	\$508	\$508	\$508	\$508	\$508	\$2539
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0
Totals	\$188,698	\$192,242	\$221,508	\$251,359	\$281,807	\$1,135,614

Sources of Financing by Year

Tuition Funding	\$340,330	\$452,406	\$555,470	\$597,563	\$641,680	\$2,587,449
Program-Specific Fees						\$0
State Funding						\$0
Federal Funding						\$0
Other Funding (Specify)						\$0
Totals	\$340,330	\$452,406	\$555,470	\$597,563	\$641,680	\$2,587,449
Margin	\$151,632	\$260,164	\$333,962	\$346,204	\$359,873	\$1,451,835

Note 1: Program Administration and Faculty budget has a 2% increase per year.
 Note 2: Tuition is budgeted at a 3% increase annually.

These data demonstrate that if Coastal Carolina University can meet the projected student enrollments and contain costs as they are shown in the proposal, the program will be able to cover new costs with revenues it generates by the first year of its implementation.

In summary, Coastal Carolina University is proposing a program leading to the Master of Accountancy degree. Graduates of the program will be prepared to work in various capacities within the accounting field in the growing and culturally, socially, and economically diverse region. In addition, the proposed program will provide an opportunity for place-bound accounting professionals who wish to expand their skills and knowledge base for personal and career advancement to pursue a Master of Accountancy degree at a local institution.

Recommendation

The Committee on Academic Affairs and Licensing commends favorably to the Commission approval of Coastal Carolina University's proposed program leading to a Master of Accountancy degree, to be implemented in Fall 2011 provided that no "unique cost" or other special state funding be required or requested and provided further that the institution terminate the existing accounting concentration within its Master of Business Administration upon implementation of the proposed program.