

Coastal Carolina University

Conway, South Carolina

**Proposal to the
South Carolina Commission on Higher Education
to establish a
Master of Accountancy degree**

February 15, 2011

**David A. DeCenzo
President**

This page may not be reproduced or put on-line.

CLASSIFICATION

| | |
|--|---|
| Name of Proposed Program: | Master of Accountancy |
| Academic Unit: | Wall College of Business Department of Accounting, Finance and Economics |
| Designation of Degree: | Master of Accountancy |
| Proposed Date of Implementation: | Fall 2011 |
| CIP Code: | 52.0301 |
| Identification of Program as New or Modification: | New |
| Qualifies Palmetto Fellows and LIFE Scholarship Awards: | No |
| Site | Coastal Carolina University |
| Delivery Mode: | Traditional |

JUSTIFICATION

Purposes and objectives of the program

Coastal Carolina University (CCU), through its Wall College of Business, proposes the Master of Accountancy (MAcc) degree program to provide students in the Grand Strand region of South Carolina with the opportunity to prepare for significant accounting careers. Combined with the four-year undergraduate accounting program, the proposed 30-hour MAcc will offer students a five-year program leading to certification as Certified Public Accountants (CPA) and to jobs across a broad spectrum of enterprises: public accounting, corporate finance, financial institutions, government at the local, state and national levels, and not-for-profit organizations. It will also prepare graduates, especially those who earn the CPA designation, to establish and build their own accounting and consulting firms.

The new program will replace the accounting concentration currently being offered as an M.B.A. degree. It will thus continue to offer existing courses even as it provides a stronger accounting focus in a 30-hour program format. CCU introduced the Master of Business Administration degree in fall 2006. The MBA degree currently offers two tracks: a general business track with roughly 73% of MBA enrollments and an accounting track with about 27% of MBA enrollments. Building on the experience of the last few years and in response to demand from students and the professional community, the accounting department now proposes the 30-hour Masters of Accountancy (MAcc) degree as the preferred way to prepare students for entrance into the accounting profession.

The mission of the Master of Accountancy degree program is to prepare students to enter the accounting profession at a time when employment opportunities are constrained and potential employers are in a position to select only the most qualified of applicants. In response the MAcc degree is designed to dovetail with the competencies that employers want in entry-level accountants. Entry-level competencies, program goals and objectives, and student learning outcomes are presented in the following table:

| MASTER OF ACCOUNTANCY GOALS AND OBJECTIVES | | |
|---|---|---|
| Employment Competencies* | Goals and Objectives of the MAcc | Related Student Learning Outcomes |
| <i>Employers want new hires to:</i> | <i>We want this program to:</i> | <i>Our students should be able to:</i> |
| Demonstrate technical skills and entry-level professional knowledge. | Provide strong preparation in multiple aspects of accounting, taxation and auditing. | Demonstrate broad understanding of significant topics in financial and cost accounting, taxation, auditing and other related content areas. |
| Achieve relevant certifications (CPA, CMA). | Provide strong preparation for professional licensing examinations such as the Uniform CPA Exam and the CMA exam. | Prepare for professional certification. |
| Think critically, carry out analyses, and use technology to solve problems. | Foster the ability to think critically and use technology, databases and other sources to find answers to problems; exercise good professional judgment. | Carry out research in accounting databases in order to find answers to questions that arise in the practice of accounting. |
| Communicate effectively orally and in writing. | Provide multiple opportunities for students to effectively communicate orally and in writing to support decision-making. | Demonstrate the ability to communicate effectively both orally and in writing to support decision-making. |
| Possess personal and professional integrity and soft skills such as the ability to adapt to change, work in teams, manage time, see projects through, and maintain a strong work ethic. | Foster the ability to adapt to new developments in accounting, develop leadership skills, and interact with others in class, student organizations and internships. | Develop business skills in leadership, working with others and technology. |
| Take responsibility for their own career development. | Guide students as they plan their professional careers; provide internship opportunities and career counseling through the Wall Center for Excellence. | Develop a multi-tiered job search plan that leads to employment upon graduation and to long-term career development. |

* Ernst & Young, www.ey.com; National Association of Colleges and Employers, www.jobweb.org; Monster, "Finance and Accounting: What do Employers Want?," <http://career-advice.monster/job-hunt-strategy/>; Manpower, "The Top 10 Skills Employers Want," www.manpower.com.

The Wall College of Business Administration is fully accredited by AACSB International The Association to Advance Collegiate Schools of Business. The proposed MAcc will comply with AACSB standards that seek to ensure quality and promote excellence and continuous improvement in business education.

Need for the program in the state

The proposed MAcc degree will prepare students, many of whom are from the Grand Strand area, for careers in public accounting, industry, financial institutions, government, and not-for-profit organizations. It will also prepare graduates, especially those who hold the CPA designation, to establish and build their own accounting and consulting firms.

The primary reasons for developing the MAcc program at CCU are (1) continuity of education, (2) cost, and (3) competitive advantage. Each is discussed in the following paragraphs.

(1) **Continuity of education.** In South Carolina, as in most states, the skill set for aspiring CPAs is 150 hours of university education, one of several licensing requirements established by the South Carolina Board of Accountancy. The study of accounting has become a **five-year program**, and CCU accounting majors need the opportunity to complete their studies at their home institution. Currently, students seeking the MAcc degree must leave the area and enroll at one of the few in-state programs (see below) or move out of state altogether. With a CCU MAcc degree students will benefit from a seamless transition from undergraduate to graduate studies and, once accepted into the MAcc, will be able to earn the 150 hours in five years without leaving CCU and South Carolina. The new degree will appeal to students who are considering pursuing the CPA designation as early as high school; it is expected to appeal as well to accounting majors who are already enrolled in college and place-bound accounting professionals who see it as an effective way to prepare for their profession.

(2) **Cost** is a second important factor in the development of the MAcc. Most of the costs of the MAcc are already incurred given the existence of the undergraduate accounting program and the MBA with a concentration in accounting. Additionally, CCU has been successful in controlling the per-credit-hour cost of graduate studies compared to many other institutions of higher education. By limiting the MAcc to 30 hours, students will pay only for the hours they need to comply with professional requirements established by the SC Board of Accountancy while at the same time concentrating on accounting courses that will add value and enhance their professional preparation.

(3) **Competitive advantage.** The MAcc is the preferred graduate degree among accounting firms and other employers since it prepares students for entrance into the accounting profession by offering a strong curriculum that focuses on accounting. Employers in CPA firms, tax preparation firms, government, and industry recognize that the additional classes taught in the MAcc program prepare students to enter the increasingly competitive job market.

In the following paragraphs, we first examine Bureau of Labor Statistics and South Carolina One Stop to gauge the general demand for accountants in the nation and state. We then look at the supply and demand for graduates of MAcc programs as reported in the American Institute of CPAs' *2009 Trends*. Finally we report the results of surveys of CCU accounting majors and regional accounting firms to measure local demand for the proposed program.

Although the job market is currently depressed, the Bureau of Labor Statistics' *Occupational Outlook Handbook*, 2010-11 edition, states that jobs in accounting and auditing will enjoy "much faster than average employment growth due to an increase in the number of businesses, changing

financial laws and regulations, and greater scrutiny of company finances.” It specifically addresses the issue of certification, particularly the CPA designation, and finds that it is likely to “enjoy the best prospects.” Further, the BLS predicts that accounting jobs will increase nationwide by 22 percent between 2008 and 2018, projecting that a “very large number of new jobs” will be created over the decade.¹

In South Carolina, the state’s *sconestop.org* website lists the employment prospects for accountants and auditors as offering a “bright outlook” and projects a 50% higher annual increase in accounting jobs than the overall average for all occupations in South Carolina. These sources indicate that there is growing demand in South Carolina and the nation as a whole for graduates of programs like the proposed MAcc graduate degree.²

The American Institute of Certified Public Accountants examines questions of accounting supply and demand in its *2009 Trends* report. Based on a large survey of potential employers of accounting graduates, the AICPA finds that CPA firms’ hiring of graduates with masters degrees is trending upward and that these firms are far more likely—by a 6:1 ratio—to hire graduates holding the MAcc degree than those holding the MBA with a concentration in accounting. The firms responding to the AICPA survey of employers are among the largest national and international accounting firms.³ According to Universum Global, an employer branding firm, accounting/auditing firms account for four of the top five most desirable firms to work for, from the perspective of recent graduates. All four of these firms—Deloitte, Ernst & Young, KPMG, and PricewaterhouseCoopers LLP—have offices in South Carolina.⁴

The AICPA study also examines the supply of accounting graduates nationwide. Over the period 2000-2008 accounting enrollments at the master’s level increased from 11% of all accounting enrollments, including undergraduates and Ph.D. students, to 14% of all enrollments. A more detailed analysis of enrollments at the master’s level shows that enrollments in MAcc programs increased 115%. Over the same period Master of Tax programs increased 56% while enrollments in MBA with a concentration in accounting actually decreased slightly. It appears that the supply of accounting graduates is increasing to meet demand for the preferred degree.⁵

¹ U.S. Bureau of Labor Statistics, *Occupational Outlook Handbook, 2010-11 Edition*, www.bls.gov/oco/ocos001.htm.

² South Carolina Department of Commerce, *South Carolina’s Virtual OneStop – Occupation Details*, <https://www.sconestop.org/>

³ American Institute of Certified Public Accountants, *2009 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits*, http://www.aicpa.org/InterestAreas/AccountingEducation/NewsAndPublications/DownloadableDocuments/2009_TrendsReport.pdf

⁴ Universum Global, “Ideal Employer Rankings,” <http://www.universumglobal.com/IDEAL-Employer-Rankings/Global-Top-50>

⁵ AICPA, *2009 Trends*, page 17.

Surveys of CCU accounting majors and accounting firms in Horry and Georgetown counties were conducted in September and November 2010 to measure support for the proposed MAcc program. The Department of Accounting, Finance and Economics conducted a paper survey of declared accounting majors at CCU to determine levels of student interest in the MAcc degree. There were 319 declared accounting majors in fall 2010 (a 75% increase over the last six years); roughly 66% (212 students) of all accounting majors responded to the survey. Among freshmen and sophomores, 83.3% reported that they plan to attend graduate school to earn the extra 30 hours they will need to be licensed as CPAs; 47.6% (50 students) are interested in the MAcc degree at CCU. Among juniors and seniors, 86.5% (77 students) plan to pursue a master's degree in accounting; 77.6% (66 students) are interested in a CCU MAcc degree. Thus a total of 116 students expressed interest in enrolling in the new program. Based on this finding, the accounting faculty conservatively projects enrollments of 20-22 of our recent graduates in each of the first two years of the new program.

CCU's Institutional Research office conducted a needs assessment survey of potential accounting employers in November 2010. The South Carolina Board of Accountancy website listing was used to identify all licensed accounting firms in Horry and Georgetown Counties. The firms were contacted electronically through the Grand Strand Chapter of SCACPA. Institutional Research also contacted the firms by mail. Of the 95 accounting firms identified, 28 firms sent in usable responses. The findings strongly support the proposed MAcc degree program as summarized in the following table:

| NEEDS ASSESSMENT SURVEY OF ACCOUNTING FIRMS IN HORRY AND GEORGETOWN COUNTIES | |
|--|--|
| Which degree program do you feel best prepares students to enter the accounting profession? | MAcc 79.3% |
| Which degree program do you feel best prepares students to earn the CPA designation? | MAcc 86.2% |
| How likely would your firm be to hire students with MAcc degree? | 85.7% very/more likely |
| How likely would your firm be to hire students with MBA degree? | 35.7% very/more likely |
| How many job openings do you expect to offer to graduates of a CCU MAcc program from 2011-2015? (Results are reported as a range from lowest to highest estimate.) | 2011: 5 to 15 jobs 2012: 11 to 26 jobs 2013: 13 to 28 jobs 2014: 16 to 30 jobs 2015: 23 to 48 jobs |
| Would you be interested in hiring students in the MAcc program as interns over the next 5 years? | Yes 85.0% |

Source: CCU Institutional Research survey of accounting firms, November 2010.

Several firms indicated that they plan to increase their professional staffs significantly by hiring from 4 to 10 accountants each from the proposed MAcc program over the next five years; this increased hiring is expected to begin after 2012. When asked if they currently employ staff accountants who hold the MAcc degree, only 35.7% of firms reported that they do so. This indicates that many staff accountants who are already working in this area may be interested in earning the MAcc degree at CCU.

In summary, we find that the demand for accountants, especially those holding the MAcc degree, is expected to grow at both the national and state levels. We also find very high levels of interest in the MAcc degree program on the part of students who are already majoring in accounting at CCU and among accounting firms in Horry and Georgetown counties. As one accounting firm respondent wrote: “It would be a great benefit to our firm to be able to hire well qualified local candidates rather than reaching to out of state college/universities and others outside of this region.”

Centrality of the program to the mission of the institution

Coastal Carolina University pledges in its CHE-approved Mission Statement to build “selective master’s programs of national and/or regional significance in the arts and sciences, business, humanities, education, and health and human services.” Accounting students and firms, both in this region and nationally, consider the Master of Accountancy to be the premier graduate degree for students who plan to enter the accounting profession. Thus the proposed MAcc is clearly a selective master’s program that serves students’ needs. The proposed MAcc not only dovetails with this part of CCU’s mission but also fulfills the promise “to serve the educational needs of the immediate area” by offering a five-year accounting program that will prepare area students and accountants for professional certifications such as the CPA and CMA and for entry into the accounting profession.

The proposed MAcc degree further conforms to CCU’s mission to embrace “its leadership role as a regional center of economic and intellectual resources” by offering area accountants the opportunity to pursue the most desirable graduate degree in their field. Accounting firms in Horry and Georgetown counties strongly support the proposed degree and look to CCU to prepare students “who are well prepared for professional careers . . . and who continue to be connected to Coastal Carolina.” The proposed MAcc is precisely the kind of graduate program that CCU should and must offer to its students and service area in conformity with its mission.

Relationship of the proposed program to other related programs within the institution

The proposed MAcc degree program will build on CCU’s strong undergraduate accounting program by offering qualified students a seamless transition from the B.S.B.A. degree to the master’s degree. The number of accounting majors enrolled at CCU has grown in recent years, a 75% increase in enrollment between 2004 and 2010. Over this period, students have been anxious to earn the 150 hours required by the South Carolina State Board of Accountancy. Although the MBA concentration in accounting allowed students to earn the 150 hours, 21 of the 36 hours required by the MBA program were in business disciplines other than accounting. However, the proposed MAcc program does not cut accounting students off from other business disciplines entirely. It will in fact allow students to take two approved courses (6 credit hours) drawn from current MBA courses such as CBAD 700 Corporate Responsibility, CBAD 760 Financial Management, and CBAD 725 Database Management and E-commerce. This will produce a number of efficiencies in resource deployment, particularly classroom usage, faculty scheduling and workload.

Should the MAcc degree win approval, the MBA with a concentration in accounting will be phased out by December 2011.

Housed in the Wall College of Business, the Wall Center for Excellence offers training in a broad range of skills that business students will need as they plan for careers after graduation. Among these are resume writing, internships, time management, business communications and etiquette, and entrepreneurship. The proposed MAcc degree program will require students to attend seminars and workshops under the aegis of the Wall Center and to develop short-term and long-term career plans in concert with their faculty advisors. This will accomplish two of the goals of the program: to help students acquire soft skills such as time management and teamwork and to take responsibility for their own career development. We also expect MAcc students to take leadership roles in student organizations such as the Accounting Club, Beta Alpha Psi (national honorary accounting society), and VITA (Volunteer Income Tax Assistance) program.

Similarities and differences between the proposed program and those with similar objectives offered at other institutions

According to the CHE website, three South Carolina universities offer the Master of Accountancy degree. The University of South Carolina offers a 30-hour Master of Accountancy degree; Clemson University offers the Master of Professional Accountancy degree, also a 30-hour program; and the College of Charleston offers a 30-hour Master of Science in Accountancy degree. None of these programs offer their degrees online. Based on the survey of CCU accounting majors mentioned above, we found that the ratio of in-state to out-of-state upper level students is roughly 2:1; of the 66 in-state students, over 70% live within a 25-mile radius of CCU. It would be difficult for many of these students to leave our immediate service area to attend graduate school in Charleston, Clemson, or Columbia, South Carolina, and historically very few of our students have done so. The proposed MAcc opens up a new opportunity to CCU students and place-bound accounting professionals who may not otherwise be able to earn critical professional training.

The CCU MAcc degree program proposed here and the programs at other universities in the state differ in that CCU proposes a general accounting degree that contains content related to all sub-disciplines in accounting. In contrast, the MAcc offered by USC allows students to select one of two tracks: the Business Measurement and Assurance Track and the Taxation Track. Clemson also offers two tracks, Assurance Services and Taxation. The MS in Accountancy program at the College of Charleston has three tracks, Accounting Information Systems, Financial Reporting/Auditing and Taxation.

The proposed MAcc degree also offers avenues of cooperation with other South Carolina colleges and universities. The MAcc degree is the preferred degree for accounting students who plan to continue their graduate studies at the doctoral level. These students will be well prepared to enter Ph.D. programs in business administration offered at the University of South Carolina and Clemson University. Other MAcc graduates, especially those with CPAs, will be qualified to teach in the technical college system and as instructors/lecturers at four-year colleges in the state.

ENROLLMENT

Admissions Criteria

Regular admission to the Master of Accountancy is met by satisfying the following criteria:

1. Evidence of having received a baccalaureate degree with an overall 3.0 grade point average from a regionally accredited institution in this country or its equivalent at a foreign institution based on a four-year degree.
2. Completion of the Graduate Management Admissions Test [GMAT] within the last five years with a score of at least 500.
3. International students whose native language is not English must submit Test of English as a Second Language [TOEFL] scores of at least 575.
4. Submission of two letters of recommendation from individuals familiar with the academic ability, level of responsibility, and work ethic of the candidate.
5. Completion of 18 hours of business courses with a grade of B or better in each, to include economics, business law, statistics, finance, marketing, and management.
6. Completion of at least 18 hours of upper level accounting courses with a grade of B or better in each, to include financial/intermediate accounting, cost accounting, income taxation, auditing, and commercial law.

Admissions decisions are made when all evidence of the candidate's ability to succeed in graduate studies has been submitted. The decision is based on the following formula establishing the minimum standard for consideration: $(\text{GPA} * 200) + \text{GMAT score} = 1100$.

Projected Student Enrollment

The estimated student enrollments presented below are based on a 30-hour program that can be completed in three semesters or two semesters plus summer school. In fall semester of the first year of the program, at least three students will transfer from the MBA accounting track. We expect enrollments to come from three sources. The first is CCU accounting majors who elect to earn the MAcc degree upon graduation. We estimate that 20-22 of these students will enroll every year. The second source is professional accountants who are already working in CPA firms in Horry and Georgetown counties. These students, estimated at two to three per year, will typically enroll as part-timers. The third category comprises graduates who majored in areas other than accounting but who have returned to college to become accountants. Over the last several years roughly five such students enrolled in accounting prerequisites in order to earn the masters degree. Thus initial enrollment estimates total approximately 30 students. A reasonable expectation is that these enrollments will increase about 5% per year.

We have made the following additional assumptions in estimating projected enrollments: (1) enrollments over the first five years of the program will be about 30-40 students; (2) based on our experience with MBA enrollments, we expect 60% of all new students to begin classes in the fall, while 40% begin in the spring or summer; (3) most students (80%) will study full-time (12 hours per semester) in order to complete the degree in one year, while another 20% will enroll part-time (6 credit hours per semester); (4) most students will attend summer school, including part-time students, and will enroll in a total of 6 credit hours.

| PROJECTED TOTAL ENROLLMENT | | | | | | |
|-----------------------------------|-------------|--------------|---------------|--------------|---------------|--------------|
| YEAR | FALL | | SPRING | | SUMMER | |
| | Headcount | Credit Hours | Headcount | Credit Hours | Headcount | Credit Hours |
| 2011 – 12 | 20 | 222 | 28 | 312 | 28 | 168 |
| 2012 – 13 | 32 | 336 | 36 | 372 | 33 | 198 |
| 2013 – 14 | 40 | 420 | 42 | 432 | 38 | 228 |
| 2014 – 15 | 41 | 432 | 44 | 456 | 40 | 240 |
| 2015 – 16 | 43 | 456 | 45 | 468 | 42 | 252 |

| ESTIMATED NEW ENROLLMENT | | | | | | |
|---------------------------------|-------------|--------------|---------------|--------------|---------------|--------------|
| YEAR | FALL | | SPRING | | SUMMER | |
| | Headcount | Credit Hours | Headcount | Credit Hours | Headcount | Credit Hours |
| 2011 – 12 | 17 | 186 | 8 | 90 | 2 | 12 |
| 2012 – 13 | 19 | 204 | 11 | 120 | 2 | 12 |
| 2013 – 14 | 23 | 252 | 11 | 120 | 2 | 12 |
| 2014 – 15 | 24 | 264 | 12 | 132 | 2 | 12 |
| 2015 – 16 | 25 | 276 | 12 | 132 | 3 | 18 |

CURRICULUM

Proposed Curriculum for the Master of Accountancy

The proposed Master of Accountancy degree at Coastal Carolina University will require 30 graduate credit hours. All courses included in the curriculum were introduced when the MBA concentration in accounting was approved and, as such, are listed in the CCU catalog. Two of the courses—CBAD 632 *Advanced Cost Accounting* and CBAD 636 *Advanced Information*

Systems—have not yet been taught. Therefore, at this time no new courses are expected to be introduced over the next five years.

GENERAL ACCOUNTING COURSES (24 credit hours)

| | |
|--|----------|
| CBAD 533 Governmental/Not-For-Profit Acct | 3 |
| CBAD 535 Advanced Accounting | 3 |
| CBAD 631 Fraud Examination | 3 |
| CBAD 632 Advanced Cost Acct | 3 |
| CBAD 636 Advanced Acct Information Systems | 3 |
| CBAD 637 Advanced Auditing | 3 |
| CBAD 639 Advanced Topics in Taxation | 3 |
| CBAD 665 Financial Statement Analysis | <u>3</u> |
| Total accounting credit hours | 24 |

ELECTIVES (6 credit hours)

| | |
|--|----------|
| Electives (2 approved courses at 600 or 700 level) | |
| Total elective credit hours | <u>6</u> |

TOTAL HOURS 30

Course Descriptions

The following courses were approved when the MBA concentration in accounting was first implemented in 2006. The proposed MAcc will continue to offer these courses and will expand offerings to include CBAD 632 and 636, which are listed in the university catalog but have not yet been taught. Although **none of the courses listed below are new courses**, the following course descriptions are included for information purposes. All courses are delivered using traditional classroom methodologies. Within that framework, these courses require students to engage actively in learning and demonstrate higher level competencies such as problem-solving and analysis, application of knowledge to new and developing circumstances in the discipline, and ability to identify options and use good judgment in reaching solutions. Special projects designed to achieve these goals are presented in italics following each course description.

CBAD 533 Governmental Accounting. (3; fall)

Accounting techniques for governmental and not-for-profit entities, topics include accounting standards and procedures for governmental units, colleges and universities, health care, and voluntary health and welfare organizations.
Semester-long governmental accounting computer-based simulation; research paper; CPA review.

CBAD 535 Advanced Accounting. (3; spring)

Financial accounting for investments in stock and consolidations, foreign currency operations, and partnerships.

Research briefs requiring access to Accounting Research Manager online; research paper and in-class presentations; CPA review.

CBAD 631 Fraud Examination. (3; spring)

Study of the principles and methodology of fraud detection and deterrence.

The course includes such topics as asset misappropriation schemes (e.g., skimming, cash larceny, check tampering, etc.), corruption, fraudulent financial reporting, internal control, and deterrence.

Group consulting project and presentation to community organizations, government and/or other clients.

CBAD 632 Advanced Managerial Accounting. (3; summer)

The process of using accounting information for long-and short-term decision making is addressed. The course presents advanced concepts helpful for understanding internal accounting as a tool to generate information for strategic managerial planning and control. It surveys fundamental managerial accounting, develops an operational understanding of elementary cost systems, capital and operating budgeting concepts, incremental analysis, transfer pricing, performance evaluation, and quantitative techniques for assisting managers in the planning and control functions.

CMA review.

CBAD 636 Advanced Accounting Information Systems. (3; summer)

Study of database design theory and principles unique to accounting information systems.

Students create and design accounting information systems using sound database design theory and mid-level accounting software.

Database management and research project.

CBAD 637 Advanced Auditing. (3; fall)

A risk-based introduction to the assurance profession. Focus on corporate governance, risk assessment, and assurance and auditing services; planning and conduct of external and internal audits; and study of current issues and challenges facing auditors.

Group consulting project and presentation to community organization, government and/or other clients; CPA review.

CBAD 639 Advanced Topics in Taxation. (3; spring)

Tax planning in the business environment. Students prepare cases and research briefs using an online tax service and other sources. Topics include planning for business organization and sale or liquidation, distributions, mergers and acquisitions, employee compensation and retirement plans, and the gift and estate tax. Alternatives to the income tax are considered.

Preparation of tax returns and research briefs using CCH Tax Service online; class presentations of research findings; CPA review.

CBAD 665 Financial Statement Analysis. (3; fall)

An advanced case course which includes an in-depth study into the analysis of the profitability and viability of a commercial enterprise. Primary focus is given to the analysis of a firm's accounting practices and financial statements from the framework of overall business analysis.

Extensive case studies requiring written reports.

Assessment of Student Learning Objectives

Each of the required accounting courses integrates appropriate technology and student-active learning into course requirements. Students learn to access electronic databases such as CCH Tax Service and Accounting Research Manager (ARMs) to research questions that can arise in accounting practice. Term papers are assigned in several courses to allow students to research special topics in some depth. Online homework, sustained use of electronic spreadsheets and CPA/CMA review guidance are integrated into many courses. Other student activities include case studies, tax return preparation, semester-long computer-based simulations, and consulting projects involving community organizations, government and/or business clients. Students present research and consulting work in written reports and oral presentations using appropriate presentation technologies.

Assessment methodologies will allow us to evaluate the degree to which students achieve the learning objectives of the MAcc program, as outlined in the following table.

| ASSESSMENT OF STUDENT LEARNING OUTCOMES | | |
|---|--|--|
| <i>Our students should be able to:</i> | <i>Our curriculum offers:</i> | <i>Assessment</i> |
| Demonstrate broad understanding of significant topics in financial and cost accounting, taxation, auditing and other related content areas. | Coverage of U.S. and international financial accounting standards; cost accounting; income taxation; auditing; governmental and not-for-profit accounting; accounting systems and database management; fraud examination; and financial statement analysis. | Satisfactory completion of the MAcc curriculum with a B average. |
| Prepare for professional certification. | Integration of CPA and CMA review in required courses, specifically CBAD 533, 535, 632, 637 and 639. | Satisfactory completion of CPA and CMA review assignments within the framework of listed courses. Follow-up surveys of graduates to assess pass rates on professional exams. |
| Carry out research in accounting databases in order to find answers to questions that arise in the practice of accounting. | Assignments across the curriculum that include, but are not limited to, research in Accounting Research Manager, CCH Tax Service, and other online research databases; special consulting projects serving community organizations, government and/or businesses; semester-long computer projects, simulations and case studies. | Satisfactory completion of all special research assignments with a B or better in CBAD 533 <i>Governmental Accounting</i> , CBAD 535 <i>Advanced Accounting</i> , CBAD 631 <i>Fraud Examination</i> , CBAD 637 <i>Advanced Auditing</i> , and CBAD 639 <i>Advanced Topics in Income Taxation</i> . |

| ASSESSMENT OF STUDENT LEARNING OUTCOMES | | |
|--|--|---|
| <i>Our students should be able to:</i> | <i>Our curriculum offers:</i> | <i>Assessment</i> |
| Demonstrate the ability to communicate effectively both orally and in writing to support decision-making | Requirement that students present their research and special projects in writing and orally using the latest presentation technology. | Satisfactory oral and written presentations (B or better) in all courses. |
| Develop business skills in leadership, working with others and technology | Use of technology to identify new developments in all courses; opportunity to develop leadership and other soft skills through participation in student organizations and internships in accounting. | Satisfactory use of technology in all coursework. Evaluation of students' performance in internships; evidence of satisfactory participation in Wall Center for Excellence workshops and student organizations. |
| Develop a multi-tiered job search plan that leads to employment upon graduation and to long-term career development. | Faculty take an active role in student advisement and refer students to the Wall Center for Excellence to develop individual strategies leading to employment and long-term career development. | Evaluation of students' plans for immediate employment and long-term career development. Follow-up data collection leading to evaluation of job placement and career-long tracking of MAcc graduates. |

FACULTY

Rank and qualifications of each staff member who will be involved in the program

All accounting courses will be taught by accounting faculty; a faculty member in finance typically teaches CBAD 665 Financial Statement Analysis course. Since students may select two courses at the 600 or 700 level, faculty members drawn from the MBA faculty will also teach in the MAcc program.

| Staff by Rank | Highest Degree Earned | Field of Study | Teaching in Field |
|------------------------|------------------------------|---------------------------------------|--------------------------|
| Professor #1 | Ph.D. | Accounting | Yes |
| Professor #2 | Ph.D. | Accounting | Yes |
| Professor #3 | D.B.A. | Accounting | Yes |
| Associate Professor #1 | D.B.A. | Accounting | Yes |
| Associate Professor #2 | Ph.D. | Accounting | Yes |
| Associate Professor #3 | Ph.D. | Finance | Yes |
| Associate Professor #4 | Ph.D. | Business or Computer Science Elective | Yes |

| Staff by Rank | Highest Degree Earned | Field of Study | Teaching in Field |
|------------------------|-----------------------|---------------------------------------|-------------------|
| Assistant Professor #1 | Ph.D. | Accounting | Yes |
| Assistant Professor #2 | LL.M., CPA | Accounting | Yes |
| Assistant Professor #3 | Ph.D. | Business or Computer Science Elective | Yes |

Enumeration and discussion of the necessary qualifications of new faculty and staff that will be added in support of the proposed program

The Department of Accounting, Finance and Economics includes seven full-time, tenured and tenure-track accounting faculty. One faculty member serves as department chair and teaches a reduced load. A full-time faculty member in finance teaches CBAD 665 Financial Statement Analysis. We are currently searching for an academically qualified, tenure-track assistant professor of accounting to replace a retiring faculty member. All faculty are required to be academically or professionally qualified under AACSB standards.

Based on expected enrollments, one new accounting faculty member will be hired effective 2013-2014. The new faculty member will be expected to possess at least 18 graduate hours in accounting, a commitment to teaching excellence, the demonstrated capacity to produce quality research in the discipline, a commitment to service to the university and the profession, and excellent communication skills. The successful candidate for this position will be terminally qualified with a Ph.D. or D.B.A. in accounting and have a primary teaching interest in financial accounting, cost/managerial accounting, auditing, taxation, accounting information systems or fraud examination. Professional certification, while not typically required, is a plus.

Enrollment growth in excess of projections may require us to hire additional full-time faculty in the future in order to maintain quality instruction and relatively small classes. In that case, future hires will be triggered by student demand and justified by increased tuition revenues.

Explanation of proposed changes in assignment and of the extent to which each new assignment may require the addition of new positions to fulfill the former assignment

All but two of the courses listed in the MAcc curriculum and in the university catalog have been taught since the inception of the MBA degree. No change is expected in the work load and course assignments of instructors of those courses since enrollments are not expected to exceed 25-30 students per class section. Faculty members assigned to teach CBAD 632 *Advanced Managerial Accounting* and CBAD 636 *Advanced Accounting Information Systems* plan to offer these courses in the summer. However, should student enrollments justify offering these courses during the regular academic year, each instructor will drop one undergraduate course in introductory accounting. This will require the department to hire a part-time, qualified instructor to teach the 6 hours of introductory accounting. Additional hiring of this nature has been taken into consideration in the budget for this program.

Should the proposed program meet enrollment projections, it may be necessary to hire additional full-time faculty to provide quality instruction in a relatively small class environment and to promote a viable program.

Institutional plan for faculty development as it relates specifically to the proposed program

All faculty in CCU's Wall College of Business are required to maintain their academic qualifications in accord with standards established by AACSB International. These standards address intellectual contributions, teaching and service. The university supports faculty development through on-campus faculty development opportunities, including teaching and technology seminars, small grant programs and scholarly reassignment. The Wall College of Business supports faculty who are engaged in research by funding travel to academic conferences and journal publication.

At the present time there is no differentiation between faculty who teach at the graduate and undergraduate levels. However, the College is exploring the possibility of designating graduate and non-graduate faculty and workloads.

Institution's definition of full-time equivalents

Every 21 credit hours taught during the academic year are equivalent to one Full-Time Equivalent (FTE).

Table on the following page showing for at least the first five years the number (headcount) and the full-time equivalent (FTE) of faculty, administrators, and/or staff to be used in the program, listing new and currently-employed faculty separately

| UNIT ADMINISTRATION/FACULTY/STAFF SUPPORT | | | | | | |
|--|------------|------|-----------------|------|--------------|------|
| YEAR | NEW | | EXISTING | | TOTAL | |
| | Headcount | FTE | Headcount | FTE | Headcount | FTE |
| Administration | | | | | | |
| 2011-12 | | | 1 | .25 | 1 | .25 |
| 2012-13 | | | 1 | .25 | 1 | .25 |
| 2013-14 | | | 1 | .25 | 1 | .25 |
| 2014-15 | | | 1 | .25 | 1 | .25 |
| 2015-16 | | | 1 | .25 | 1 | .25 |
| Faculty | | | | | | |
| 2011-12 | | | 8 | 1.67 | 8 | 1.67 |
| 2012-13 | | | 8 | 1.67 | 8 | 1.67 |
| 2013-14 | 1 | .167 | 8 | 1.67 | 9 | 1.84 |
| 2014-15 | | | 9 | 1.84 | 9 | 1.84 |
| 2015-16 | | | 9 | 1.84 | 9 | 1.84 |
| Staff | | | | | | |
| 2011-12 | | | 1 | .125 | 1 | .125 |
| 2012-13 | | | 1 | .125 | 1 | .125 |
| 2013-14 | | | 1 | .125 | 1 | .125 |
| 2014-15 | | | 1 | .125 | 1 | .125 |
| 2015-16 | | | 1 | .125 | 1 | .125 |

Note: The normal teaching load for Wall College faculty is 9 hours per semester. Each graduate course would constitute 1/6 (16.7%) of the teaching load per year.

PHYSICAL PLANT

Whether, or to what extent, the existing physical plant will be adequate to provide space for the program for the first five years

Classroom and office space in the Wall Building at Coastal Carolina University is sufficient.

Additional physical plant requirements during the foreseeable future, including any modifications to existing facilities and an explanation of how these are to be financed

No additional physical plant needs or modifications are expected over the next five years.

EQUIPMENT

No major equipment will be needed to support the Master of Accountancy over the next five years.

LIBRARY RESOURCES

Kimbel Library is a small academic library with holdings of over 250,000 items in all formats. We currently subscribe to over 20,000 periodicals: magazines, newspapers, scholarly journals, and proceedings in print and online formats. The Library provides access to its holdings and to over 80 online citation, abstracting, full-text and reference resources via the Library's [web page](http://www.coastal.edu/library/) at <http://www.coastal.edu/library/>. Library instruction sessions are available to all academic departments covering general library usage as well as project or course-specific sessions for upper-level research oriented courses.

Quantitative Analysis of Library Holdings

Monographs. A quantitative comparison of Kimbel Library's holdings in accountancy was conducted using *Bowker's Book Analysis System*. This collection tool compares individual library holdings against a core list of titles recommended for academic libraries by subject bibliographers. Comparison with such a list controls for age of collection held by peer libraries and offers a standard by which any library's holdings may be measured.

Subject areas and corresponding LC class ranges were identified for general areas of accounting. Kimbel Library's monograph holdings in these ranges were compared with the recommended list of core titles in the same LC class ranges in *Resources for College Libraries*. Kimbel Library owns **342** titles in accounting monographs and subscribes to an ebook collection with approximately **170 additional titles**. This analysis will use the 342 titles available in the library's catalog. The table below shows that the monograph collection in support of this program is strongest in accounting and taxation in terms of quantity and percentage of core titles. Weaker areas of the collection are the legal aspects of accounting.

M.Acc - Library Holdings by Subject and Core Content

| Subject | LCCN Range | | Titles Held | Core Held | Core not held | % Core Held | Cost of Core not held |
|---|-------------------|---------|--------------------|------------------|----------------------|--------------------|------------------------------|
| Accounting, Auditing | HF 5601 | HF 5689 | 242 | 10 | 20 | 33% | \$1,364.13 |
| Finance, Public -- Accounting | HJ 9701 | HJ 9995 | 6 | 0 | 0 | 0% | \$0.00 |
| Nonprofit Organizations -- Accounting -- LL -- US | KF 1388 .Z9 | | 3 | 0 | 0 | 0% | \$0.00 |
| Taxation | HJ 2240 | HJ 5908 | 74 | 3 | 18 | 17% | \$819.30 |
| Forensic Accounting | K 2290. A23 | | 0 | 0 | 0 | | \$0.00 |
| Forensic Accounting -- United States | KF 8968.15 | | 1 | 0 | | | \$0.00 |
| Forensic Accounting - Congresses | HV 8073.5 | | 0 | 0 | 3 | | \$285.10 |
| Fraud Investigation | HV 8079 .F7 | | 0 | 0 | 0 | | |
| Fraud | HV 6691 | HV 6699 | 14 | 1 | 1 | 50% | \$70.00 |
| Accounting -- Law and Legislation -- US -- Examinations | KF 390 .A3 | | 0 | 0 | 0 | | \$0.00 |
| Corporate Governance -- Law and Leg | K 1327 | | 1 | 0 | 0 | | \$0.00 |
| Corporate Governance -- Law and Leg -- US | KF 1422 | | 1 | 0 | 0 | | |
| Accounting -- Law and Leg | K 1018 | | 0 | 0 | 0 | | \$0.00 |
| Accounting -- Law and Leg -- US | KF 1357 | | 0 | 0 | 0 | | |
| Total | | | 342 | 14 | 42 | | \$2,538.53 |

Periodicals. Kimbel Library currently provides access to 119 journals on accounting or roughly 13% of recognized accounting journals. Of these, 65 (55%) are considered core accounting journals, and represent 23% of all core accounting journals. Online access is provided for most journals via aggregator databases, publisher packages, open access titles, and direct online subscriptions. Current access points for online journals are listed below.

Aggregators. Business Source Premier, Business and Company Resource Center, Academic Search Premier, Access World News, National Newspapers, EconLit Full Text, Business OneFile, Lexis-Nexis, Small Business Resource Center

Publisher Packages. Accounting Research Manager, Science Direct, Wiley Online Library, IEEE Explore, Oxford Journals Online, Sage Journals, Wiley Online Library, Springerlink, Project Muse. Related business sources: Mergent Online, Mergent Horizon, S&P Net Advantage, CCH Internet Tax Research Network

Direct subscriptions and open access titles are linked for access via LinkSource. The Library will work with faculty to evaluate the availability of academic journals to support this program.

Qualitative Analysis

Accountancy monographs include 128 ebooks, 189 print titles and one DVD. Of these, 137 were published after 2000, so roughly half (43%) of the collection is recent. Most of these newer titles (117, or 85%) are ebooks added through purchase of ebook packages. Forty-three titles were published from 1990 – 1999 (13%), and 79 (25%) between 1980 – 1989. Sixty titles (19%) were published between 1946 – 1979.

Circulation statistics, available since 1997 (date of implementation of Kimbel Library's automated library system), show that of the 189 *print* titles (no circulation data for ebooks) 118 titles have had no circulation incidents. Fifty-five titles circulated at least twice in the last twelve years, and there were up to 9 or more circulation incidents for one title.

Quantitative estimate of acquisitions needed

Kimbel Library owns 342 monographs in all areas of accounting; of these, 13 (4%) are considered core titles for a collection. Purchase of 41 recommended titles would increase the percentage of core holdings to 17% of the relevant collection, a figure consistent with other subject areas of the collection that support undergraduate programs. Our major book vendor reports that the average cost of a book in the HF class is \$80.44 and \$102.40 in the K/KF (Law, General and Law, North America) for an anticipated outlay of \$3,731.00. Actual cost of the core titles not owned by Kimbel Library is \$2,538.53, but this does not include the cost of materials to support those areas with no identified core titles (forensic accounting, public finance and non-profit accounting, legal aspects of accounting and accounting examination). The accounting department faculty may use these figures to compute the costs for library materials **over the first five years of the program.**

The Library realizes that these acquisition projections are based on an ideal collection of core titles; the numbers reported above are to be considered benchmarks to guide our acquisition activities. The faculty may wish to adjust these figures based on curricular needs.

Kimbel Library anticipates an allocation of \$5460.00 (based on the average cost of 60 new or core titles over five years) or \$1,092 per year for five years of monographic acquisitions. The allocation is based on the resources currently available and may change accordingly.

Journal subscriptions are an ongoing cost. The average cost of business/economics journals in 2009 was \$862.00, with an average annual increase of 7%. The Library's budget would need to be increased to cover the continuation of any new journal titles added. Selection of journal titles should closely conform to titles indexed in sources available to CCU students.

ACCREDITATION AND CERTIFICATION

The Wall College of Business is fully accredited by AACSB International, The Association to Advance Collegiate Schools of Business (AACSB). The proposed MAcc program will be housed in the Wall College of Business and will come under the AACSB accreditation umbrella. The degree program will, therefore, comply with AACSB standards that seek to assure quality and promote excellence and continuous improvement in business education.

The faculty and administration of the Wall College are committed to and actively engaged in the maintenance of accreditation process as a means to ensure quality and continuous improvement of its programs. The college achieved full reaccreditation in 2007-2008.

Graduates of the MAcc program who wish to become licensed as Certified Public Accountants will be subject to state requirements. These requirements include 150 hours of university credit, satisfactory performance on the Uniform CPA Exam, and one year of work experience under the supervision of a licensed CPA. Students who pursue the Certified Management Accountant designation will be subject to requirements of the IMA Association for Accountants and Financial Professionals in Business.

ARTICULATION

Coastal Carolina University has worked diligently in recent years to communicate, cooperate and coordinate with Horry-Georgetown Technical College (HGTC) in order to serve all students in our service area. CCU has taken several measures to streamline the process whereby students at our neighboring institution enroll at CCU in order to continue their studies and earn the B.S.B.A. degree. For qualifying accounting majors who begin college at HGTC and earn an associates degree, the proposed program offers them the opportunity to earn an undergraduate accounting major and continue their studies at the graduate level, earning a Master of Accountancy near home in a total of three additional years. We expect this to be a very attractive option for these students.

The degree also offers avenues of cooperation with other South Carolina colleges and universities. The MAcc degree is the preferred degree for accounting students who plan to continue their graduate studies at the doctoral level. These students will be well prepared to enter Ph.D. programs in business administration offered at the Darla Moore School of Business of the University of South Carolina and Clemson University's College of Business and Behavioral Science. Other MAcc graduates, especially those with CPAs, will be qualified to teach in the technical college system and as instructors/lecturers at four-year colleges in the state.

The accounting faculty has a long history of collaboration and communication with colleagues at public and private institutions across the state through the South Carolina Association of Accounting Educators (SCAAE). This organization gives accounting educators a formal means of communication and a forum for the exchange of ideas and information about programs and professional issues. The faculty also maintains open lines of communication with the South Carolina Board of Accountancy, the licensing agency of state government, and the South Carolina Association of CPAs, a professional organization that advocates for the CPA profession and supports the educational endeavor.

ESTIMATED BUDGET

Administration of the proposed MAcc degree will be the responsibility of the director of the MBA program in the Wall College of Business. We estimate that this will require 25% of his/her time. A relatively small percentage—12.5%--of the administrative assistant’s time will be allocated to the new program. The proposed MAcc degree program is projected to require no new faculty for the first five years. However, faculty salaries are assigned to courses that will be taught in the program, as presented in the table below. Library resources totaling \$2,539 will be acquired over the first five years of the program.

Funding this program will be generated by tuition, and no new or special state appropriations will be required or requested.

Estimated new expenditures and sources of funds for the first five years

| ESTIMATED COSTS BY YEAR | | | | | | |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| CATEGORY | 1st | 2nd | 3rd | 4th | 5th | 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 Materials | \$ 1000 | \$ 1000 | \$ 1000 | \$ 1000 | \$ 1000 | \$ 5000 |
| Library Resources | \$ 508 | \$ 508 | \$ 508 | \$ 508 | \$ 508 | \$ 2,539 |
| Equipment | | | | | | \$ 0 |
| Facilities | | | | | | \$ 0 |
| Other (Identify) | | | | | | \$ 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 |
| Reallocation of Existing Funds* | | | | | | \$ 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.

INSTITUTIONAL APPROVALS

List of all internal institutional bodies of which approval was required and the dates on which each such body approved the program

| Internal Institutional Body | Date of Required Approval |
|------------------------------------|----------------------------------|
| MBA Advisory Committee | December 8, 2010 |
| Accounting Advisory Board | December 10, 2010 |
| Faculty, Wall College of Business | December 10, 2010 |
| Graduate Council | January 19, 2011 |
| Faculty Senate | February 2, 2011 |
| Provost | February 4, 2011 |
| President | February 4, 2011 |
| Board of Trustees | February 17, 2011 |