

**New Program Proposal  
Bachelor of Science  
Finance  
College of Charleston**

**Summary**

College of Charleston requests approval to offer a new program leading to the Bachelor of Science degree in Finance, to be implemented in Fall 2013. The proposed program is to be offered through traditional instruction methods on College of Charleston's campus.

The Program Planning Summary was submitted to the Commission on June 14, 2010, and reviewed and voted upon favorably without substantive comment by the Advisory Committee on Academic Programs (ACAP) on October 10, 2010. College of Charleston's Board of Trustees approved the proposal on April 20, 2011. The final proposal was received by the Commission on May 18, 2012.

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 global and diverse field of finance. The proposal states that graduates from the proposed program will be prepared to enter finance-related careers in such areas as corporate finance, banking, government, insurance, and wealth management. The proposal also states that in addition to the direct career paths available, graduates will be prepared for graduate degree programs in related disciplines.

CHE staff has identified Bureau of Labor Statistic Statistics data that projects limited growth (9.0%) for financial managers responsible for the financial health and the long-term strategic planning of organizations. However, employment of financial analysts who provide guidance to businesses and individuals making investment decisions is expected to grow (23%) from 2010 to 2020. The need for in-depth knowledge of geographic regions and the growing range of financial products and are expected to lead to strong employment in certain areas of finance.

Similar programs are found at four public institutions in South Carolina (Clemson University, Francis Marion University, University of South Carolina-Columbia, and Coastal Carolina University) and three private institutions (Bob Jones University, Wofford College, and Charleston Southern University). The proposal notes that there are no similar programs offered by public institutions in the College of Charleston's regional area.

Projected new enrollment for the program will be seven new students (7.0 FTE) in the program's first year, increasing to 13 students (13.0 FTE) in the second year, increasing to 20 students (20.0 FTE) in the third year, and further increasing to 20 students (20.0 FTE) and 20 students (20.0 FTE) in the fourth and fifth years of the program. According to the proposal, projections for the new enrollment are based on the estimated new enrollments to the College as opposed to students enrolled in other programs who change their major. However, total initial enrollment, which includes existing business students and new students, is projected at 77 students and increasing to 122 students within the fifth year of the program. If enrollment and program completion projections are met, the proposed program will meet the Commission's productivity standards.

The proposed program will consist of 122 credit hours of coursework. Implementation of the program will require five new courses to be added to the institution's catalog, including: Financial Management Information Systems, Fixed Income Investment Analysis, Derivative Securities Advanced Business Finance, and Advanced Valuation and Corporate Financial Analysis. All other courses in the program are already included in the University's catalog of approved courses.

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 research papers, use of portfolios, and the development of full written business proposals.

The proposal states that the institution's current finance department staff will be able to handle the program initially. According to the proposal, one administrator (.10 FTE) will be hired to support the program. If the student demand for the Finance program increases, the program may have to hire additional 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 existing facilities have adequate classroom, research, and office space available.

According to the proposal, the institution's Addlestone Library's holdings, including access to print and electronic resources 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, are adequate to support the proposed new program over the first five years of the program implementation.

The proposed Finance program will be housed in the institution's School of Business, which is fully accredited by the Association to Advance Collegiate Schools of Business (AACSB). Students in the program will be encouraged to pursue various certification and licensure opportunities. The proposal states that current articulation agreements in place with South Carolina's two-year institutions will apply.

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

<b>ESTIMATED COSTS BY YEAR</b>						
<b>CATEGORY</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>	<b>5<sup>th</sup></b>	<b>TOTALS</b>
Program Administration(.10 FTE of chair)	\$14,300	\$14,300	\$14,300	\$14,300	\$14,300	\$71,500
Faculty Salaries (\$110,000+ 30% benefits representing average cost for existing and newly hired faculty)	\$328,900	\$386,100	\$443,300	\$471,900	\$514,800	\$2,145,000
Graduate Assistants	0	0	0	0	0	0
Clerical/Support Personnel	\$10,075	\$10,075	\$10,075	\$10,075	\$10,075	\$50,375
Supplies and Materials	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
Library Resources	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Facilities	0	0	0	0	0	0
Other (Operating)	0	0	0	0	0	0
<b>TOTALS</b>	<b>\$355,775</b>	<b>\$412,975</b>	<b>\$470,175</b>	<b>\$498,775</b>	<b>\$541,675</b>	<b>\$2,279,375</b>
<b>SOURCES OF FINANCING BY YEAR</b>						
Estimated FTE Revenue* (Please see comment below)	\$138,257	\$164,465	\$214,175	\$245,725	\$262,975	\$1,025,597
Tuition Funding	0	0	0	0	0	0
Other State Funding	0	0	0	0	0	0
Reallocation of Existing Funds (Program Administration, faculty salaries, clerical support, supplies)**	\$355,775	\$412,975	\$327,175	\$355,775	\$398,675	\$1,850,375
Federal Funding	0	0	0	0	0	0
Other Funding	0	0	0	0	0	0
<b>TOTALS</b>	<b>\$494,032</b>	<b>\$577,440</b>	<b>\$541,350</b>	<b>\$601,500</b>	<b>\$661,650</b>	<b>\$2,875,972</b>

\* Program administration costs consist of .10 of the chair FTE for Years 1-5. Faculty salaries are based on an average salary of \$110,000 + 30% benefits. While this is average based on current Finance salaries, salaries in supporting School of Business disciplines from which required courses will be taken are roughly comparable.

\*\* Calculation of Estimated FTE Revenue (\$401 per credit hour for in-state students is used to calculate revenue from students taking courses in the major, but certain amounts being reallocated are already funded by tuition dollars and thus are subtracted from revenue indicated in this row and appear instead under Reallocation of Existing Funds)

\*\*\* Existing clerical support, faculty and supplies dollars will be reallocated to cover this program. One new faculty hire is anticipated in year 3.

In summary, College of Charleston is proposing a program leading to the Bachelor of Science degree in Finance. Graduates of the program will be prepared to work in various capacities within the finance field in the growing and culturally and economically diverse region. In addition, the proposed program will provide an opportunity for students who wish to expand their skills and knowledge base for personal and career advancement to pursue a graduate degree in a finance-related area.

**Recommendation**

The Committee on Academic Affairs and Licensing commends favorably to the Commission approval of College of Charleston's proposed program leading to a Bachelor of Science degree in Finance, to be implemented in Fall 2013 provided that no "unique cost" or other special state funding be required or requested.