

**BOARD OF HIGHER EDUCATION**  
**REQUEST FOR BOARD ACTION**

**COMMITTEE:** Assessment and Accountability                      **NO.:** AAC 07-22  
**COMMITTEE DATE:** April 12, 2007  
**BOARD DATE:** April 19, 2007

---

**MOVED:**                      The Board of Higher Education hereby approves the application of **Westfield State College** to award the **Master of Science in Accountancy**.

One year after graduating the program's first class, the College shall submit to the Board a status report addressing the College's success in reaching program goals as stated in the application and in this report and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness.

**Authority:**                      Massachusetts General Laws Chapter 15A, Section 9(b)  
**Contact:**                      Aundrea Kelley, Director for Academic Policy



# BOARD OF HIGHER EDUCATION

April 2007

## **Westfield State College**

### Master of Science in Accountancy

#### **INTENT**

Westfield State College (WSC) has submitted an expedited proposal to offer a Master of Science in Accountancy. A letter of intent from the President's office regarding the proposed program was circulated to all public campuses in December 2006.

The proposed program represents the addition of a fifth year to the existing Bachelor of Science in Business Management with a concentration in Accounting. This addition would allow Westfield State College's accounting program to meet the requirements for graduates to become Certified Public Accountants, which the current four-year program does not. An approved 150-hour program, compliant with the Massachusetts State Board of Accountancy, would expand and enhance the recognition of the institution as well as that of the Department of Economics and Management programs. The proposed Master of Science in Accountancy aligns with the College's mission to "assist its students to develop intellectually and to use their knowledge and skills to improve the social and economic conditions in their communities."

#### **NEED AND DEMAND**

The Master in Accountancy program would enable graduates to fulfill a need in the Commonwealth of Massachusetts and its communities for technologically skilled certified public accountants in for-profit enterprises as well as not-for-profit organizations and community groups. It is estimated that approximately 730 job openings will be created each year in Massachusetts through 2010, and "accountants and auditors are expected to have good job prospects. CPAs will enjoy the widest range of job opportunities." As a reflection of these opportunities, twelve jobs in accountancy and/or auditing were posted between February 20 and February 27, 2007, through the Massachusetts Workforce Development service to Commonwealth residents.

An estimated 20 students graduate from Westfield State College with a Bachelor of Science in Business Management with a concentration in accounting each year. It is believed that a majority of those students would attend WSC for a fifth year, if it would allow them to complete the CPA licensing requirements, as well as complete a graduate degree. Because the proposed M.S. in Accountancy program is meant to serve students who are currently receiving an undergraduate degree at Westfield State College, undergraduates were surveyed pertaining to their interest in a fifth-year graduate program. Of 46 sophomores, juniors, and seniors surveyed, 41 (89 percent) indicated interest in staying a fifth year. Currently the only state institution of higher education with an approved 150-hour compliant program is the University of Massachusetts at Amherst.

In response to regional and state workforce needs, WSC states that approximately 730 job openings in the field will be created each year through 2010 and accountants and auditors are expected to have good job prospects. CPAs will enjoy the widest range of job opportunities.

The following statistics represent the predicted national and state job outlook in accountancy and/or auditing:

	2002	2012	Number	Percent
<b>National</b>	1,055,200	1,260,700	205,500	19.5
<b>State (MA)</b>	29,560	32,420	2,860	9.7

Additionally, WSC states that employers have a preference for applicants who have significant skills in computer applications, who communicate well, and have experience and training in interpersonal skills, as well as training in ethics. All of these elements are included in the curriculum for the proposed Master of Science in Accountancy.

### **CURRICULUM** (Attachment A)

The Department of Economics and Management at Westfield State College proposes a 30-credit graduate program in accountancy designed to prepare the student to be a CPA. The curriculum is designed to substantially advance students in their knowledge and skill level beyond the existing baccalaureate program. Class/team participation has been included in each syllabus, and the curriculum demands group work and fosters leadership skills.

Requirements include completion of the core curriculum (15 credits) and elective courses (15 credits). Students may choose an internship experience as one elective. All students must complete a comprehensive examination near the end of their program of study. It is expected that all students will be full-time and complete the program of study in one year. If students have extenuating circumstances that do not allow them to complete the program of study in the designed timeline, WSC policy allows the student up to six years from the date of the first graduate course to complete the degree.

### **ADMISSIONS AND ENROLLMENT PROJECTION**

Minimum entrance requirements for the M.S. in Accountancy program include:

- A Bachelor of Science degree with a major or concentration in Accounting from an accredited institution. Other degrees may be acceptable; however, students would likely need to take additional courses to meet the requirements for the CPA examination and subsequent licensing.
- An undergraduate cumulative grade point average of 3.0 and minimum grades of B in undergraduate accounting classes.
- Three letters of recommendation, including a minimum of one academic reference.
- Submission of GMAT scores.
- A written statement of purpose and intent to complete the Master of Science in Accountancy.

### **PROGRAM ENROLLMENT PROJECTION**

	Number of Students Year 1	Number of Students Year 2	Number of Students Year 3	Number of Students Year 4	Number of Students Year 5	Number of Students Year 6
New Full Time	20	22	24	26	28	30

## **RESOURCES**

*Faculty:* As of January 2007, the Department of Economics and Management included nine full-time tenured faculty members and four full-time tenure-track members. Typically, 10 percent of course offerings from the Department are instructed by adjuncts. In addition to the thirteen full-time faculty members, a search is in process for a tenure-track faculty member credentialed as a CPA who holds a terminal degree. Two full-time faculty members currently hold the CPA credential.

*Facilities:* Classroom space will be needed for the ten courses created with this program. The Westfield State College Foundation recently purchased a building with historical significance to Westfield State College, located in downtown Westfield. Classroom space will be available through existing campus facilities and the addition of this new acquisition. Classroom space includes technological resources, including computer-equipped labs, technologically sophisticated teaching environments, and smaller seminar-style rooms for graduate interaction and training.

*Library:* The Governor Joseph B. Ely Library's collections include 168,502 books, 638 currently received periodicals, 15,797 bound periodicals, 519,788 microfiche, 9,189 microfilm reels, 1,168 videotapes, abstracts, indexes, CD-ROMs, online databases, and online catalogs. The Library has over 50 books and media items cataloged in subject areas covered by the study of accounting. The Library has three journals in print in the fields of accounting. The Library also subscribes to five general-interest business periodicals that would be of interest to students and faculty in the proposed program. Faculty have identified other journals that the Library needs to acquire to serve students and faculty at the graduate level. Library staff are working with the Economics and Management Department to update these areas in preparation for this new program.

The Library has an active instruction program, teaching almost 300 classes a year at all levels and provides reference service to students and faculty, including individual consultations. The library also provides interlibrary loan services to students and faculty and is a member of the Massachusetts Virtual Catalog, as well. Reference, interlibrary loan, information instruction services, and copiers are available.

## **BUDGET (Attachment B)**

The attached budget details the start-up costs associated with the proposed program as well as annual expenses for the first four years. Where applicable, a 3 percent increase in costs per year was added. The program, as indicated by the projection, pays for itself in its first year. The sharp rise in expense for full-time faculty in year two represents a planned increase in departmental faculty who would serve this program.

## **EXTERNAL REVIEW AND INSTITUTIONAL RESPONSE**

The External Review Committee is comprised of Carolyn Callahan, Ph.D., Associate Vice Provost for Academic Affairs, University of Arkansas, Fayetteville; and John Schatzel, DBA, CPA, Professor of Accounting and Information Systems, Stonehill College, Easton, Massachusetts.

The Committee noted several strengths, including a clear rationale, affordability, adequacy of facilities, and the required comprehensive exam. The Committee also made a number of

recommendations concerning the curriculum, student learning outcomes, and better documentation of program requirements and strengths.

In response to the external review committee's recommendations on the curriculum, WSC developed and added a course in Advanced Auditing, Municipal and Fund Accounting, IT Auditing, and E Commerce or E Business were transitioned into electives; and Management Information Systems was added as a required undergraduate course for Business Management majors.

WSC provided more clearly defined program objectives as well as specific learning objectives for each of the proposed courses. In addition, the current undergraduate and proposed graduate curricula were mapped to the American Institute of Certified Public Accountant's Uniform CPA Examination Content Specifications, which serve as the specific learning objectives of the program. Group work and/or class participation were enhanced or added to all courses, as appropriate, for the specific type of course to aid students in acquiring the skills associated with the demands of the profession for graduate-level education. The proposal was edited to more clearly identify and articulate program strengths.

## PROGRAM GOALS AND ASSESSMENT

### PROGRAM GOALS DESCRIPTION

Goal	Measurable Objective	Strategy for Achievement	Timetable
1. Meet the need in western Massachusetts for professionals trained as Certified Public Accountants.	Enroll 20 students per year in the full-time program.	Develop an applicant pool through marketing and outreach to agencies, alumni, and graduating seniors.	Fall 2006 – spring 2007
	Graduate 90 percent of those enrolled each year.	Track program retention, completion rates.	Fall 2007-summer 2008
	Expect that 50 percent of students will find employment in western Massachusetts.	Work with a network of regional employers and firms to assist students in finding job placement. Track job placements.	Fall 2007-summer 2008
2. Make certain that knowledge and applied skills of the program meet the standards of NASBA and the requirements of AICPA.	Maintain a curriculum that addresses the content areas and specific hour delegations delineated by NASBA and AICPA.	Periodically review the standards and recommendations of NASBA and the requirements of AICPA for currency and content, adjusting curriculum accordingly.	Annually
3. Monitor program and faculty effectiveness.	Evaluate faculty as outlined in the <i>Agreement</i> between BHE and MTA/MSCA	Faculty evaluations will be administrated through DGCE.	Each term
	Develop a self-study using the guidelines produced by WSC's Graduate Council that includes NEASC Review Standards for	A sub-committee of the departmental faculty on the Graduate Committee will prepare the self-study two years after the program	Fall 2009

	Graduate Programs	begins. The self-study will be repeated every five years as part of the NEASC accreditation process.	
4. Track the success of graduates.	<p>Collect pass rates on the CPA examination. Pass rates will be at least 75% upon first exam attempt.</p> <p>Collect employment rates from alumni.</p> <p>Gather satisfaction surveys from employing firms; on a scale of 0-10, satisfaction ratings will average 8.</p>	<p>Develop alumni database.</p> <p>Graduate assistant and/or faculty maintain database with follow-up contacts.</p> <p>Develop survey under the direction of the Advisory Board.</p> <p>Graduate Assistant gathers data from the employer</p>	<p>Spring 2008 and beyond</p> <p>2007-2008</p> <p>2008 and beyond</p>

#### **STAFF ANALYSIS AND RECOMMENDATION**

After a thorough review of all documentation submitted, including the proposal, external review, institutional response and supplemental documentation, and following several discussions with College faculty and administrative leadership, Board staff is confident that the College has demonstrated its readiness to offer the proposed Master of Science in Accountancy and recommends approval. One year after graduating the program's first class, the College shall submit to the Board a status report addressing its successes in reaching program goals as stated in the application and in this report and in the areas of enrollment, curriculum, faculty, resources, and program effectiveness.

Attachment A: Curriculum  
**Master of Science in Accountancy Curriculum Outline**

<b>Major Required (Core) Courses (Total courses required = 5)</b>		
<i>Course Number</i>	<i>Course Title</i>	<i>Credit Hours</i>
MGMT 0630	Foundations in Ethics: Applications to Business and the CPA Profession	3
MGMT 0632	Business Law for Accountants	3
MGMT 0633 MGMT 0628	Advanced Auditing, or Fraud Examination	3
MGMT 0635	Contemporary Professional Accounting Problems	3
MGMT 0636	Federal Income Taxation II	3
Subtotal: Number of Core Credits Required		15
<b>Elective Course Choices (Total courses required = 5)</b>		
MGMT 0622 MGMT 0623 MGMT 0624	Elective in area of <u>Research and Analysis in Business</u> Cost-Based Decision Making, or Decision Support Systems, or Advanced Cost Accounting	3
MGMT 0625 MGMT 0626	Elective in area of <u>Communications in Accounting</u> Financial Statement Disclosure and Analysis, or Business Data Communications	3
MGMT 0627 MGMT 0631 MGMT 0634 MGMT 0637 MGMT 0638 MGMT 0640	Elective in <u>Accounting/Business</u> Issues in Accounting for Public Companies, or Municipal and Fund Accounting, or IT Auditing, or E Commerce, or E Business, or Internship in Accounting	3 or 6
PADM 0610 MGMT 0608 MGMT 0620 PSYC 0504 PSYC 0518 PSYC 0554	Elective in <u>Social Sciences</u> Human Resource Management Skills, or Organizational Behavior for Non-Profit & Public Organizations, Operations Management for Non-Profit Organizations, or Social Psychology, or Psychology of Interpersonal Relations and Communication, or Special Topics: Psychology	3 or 6
Subtotal Number Elective Credits Required		15
<b>Curriculum Summary</b>		
Total number of courses required for the degree		10
Total credit hours required for degree		30
<p><b><i>Prerequisite, Concentration or Other Requirements:</i></b>  Entrance requires an undergraduate degree with the appropriate concentration in accounting.</p> <p><b><u>Comprehensive Examination</u></b>  The candidate for the Masters of Science in Accountancy will have to successfully complete a comprehensive examination in their last semester. The comprehensive examination will test the candidate's knowledge in the four subject areas of the Certified Public Accountancy Examination including Financial Accounting and Reporting, Auditing and Attestation, Business Environment and Concepts, and Regulation.</p>		



Attachment B

**NEW ACADEMIC PROGRAM BUDGET**

<b>One Time/ Start Up Costs</b>	<b>Cost Categories</b>	<b>Annual Expenses</b>			
		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
	Full Time Faculty (Salary and Fringe)	38,825	59,390	59,971	60,571
	Part Time/Adjunct Faculty (Salary and Fringe)	16,290	16,789	17,292	17,811
	Staff: Graduate Assistants (.017) staff salaries DGCE	5,150 12,155	5,150 12,520	5,150 12,895	5,150 13,282
	General Administrative Costs	7,216	7,432	7,655	7,885
3,000	Instructional Materials, Library Acquisitions	2,200	2,266	2,334	2,404
	Facilities/Space/Equipment	11,050	11,382	11,723	12,075
	Field and Internship Resources: Supervision	2,400	2,472	2,546	2,623
1,000	Marketing	4,400	4,532	4,668	4,808
	Other (Specify)				
4,000	<b>TOTALS</b>	99,686	121,933	124,234	126,609

<b>One Time/Start- Up Support</b>	<b>Revenue Sources</b>	<b>Annual Income</b>			
		<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
	Grants				
	Tuition	51,000	56,100	61,200	66,300
	Fees	59,400	65,340	71,280	77,220
	Departmental				
	Reallocated Funds				
	Other (specify)				
	<b>TOTALS</b>	110,400	121,440	132,480	143,520