**ARC New Program Proposal: New Graduate Concentration in Accounting for M.B.A. Program**

**Fall 2016**

**Feasibility Phase:**

*Program Summary & Objectives*

Now in its fifth year, the Anisfield School of Business MBA program provides students with a comprehensive graduate business education that includes three leadership courses, a study abroad experience in China, and a comprehensive capstone learning experience. In order to build on the program’s success, meet market demand, and capitalize on the resources that we are developing for our M.S. in Accounting, the faculty proposes offering a **new concentration in Accounting** as an extension of our MBA program.

Like our existing MBA, the MBA Accounting concentration would be a 42-credit degree. All students in the MBA program would take the same coursework for the first four terms of the program, completing 24 credits. After the fourth term, those students pursuing the Accounting concentration will take 18 graduate credits in Accounting (three graduate-level Accounting courses in the Fall semester, and three in the Spring semester) to total 42 credits.

The objectives of this concentration are (1) to provide working professionals in financial- and/or accounting-related jobs the opportunity to enhance their knowledge and skills in accounting, and thus advance their careers; and (2) to provide individuals whose undergraduate degrees are not in business looking to change careers to a more business-oriented field. The Accounting concentration will provide the student with the courses required to both pursue an accounting career and, with additional optional coursework, successfully complete the requirements for the CPA exam.

*Program Impact on Other College Programs*

This program will have no anticipated impact on undergraduate programs (full-time faculty teaching the graduate-level Accounting courses will be held to their obligation to also teach in the undergraduate program). This concentration will also have no impact on the M.S. in Accounting program that ASB is starting in Fall 2017; the two programs have very different target markets (the M.S. degree is designed for “fifth year senior” Accounting majors to fulfill their 150 credit requirement for C.P.A. prep) and thus we anticipate no “cannibalism” of the M.S. program.

*Program Need*

* The MBA degree is a highly sought-after and respected degree in the business world. A specialization in Accounting will prepare students to lead in a variety of financial roles, including budgeting, financial analysis, reporting and control, all of which are critical functions in any enterprise.
* The MBA degree with a specialization in Accounting will expose the student to research skills that will enable them to gather and analyze data, and recommend solutions--key job requirements for decision-makers.
* Private businesses of all sizes and scopes look for a variety of qualities in prospective hires, including analytical ability and communication skills, which the MBA degree will provide.
* The field of accounting is expected to grow 13% until 2022 in fields that include:
	+ Auditing, Fraud and Forensic Accounting
	+ Financial Reporting and Analysis
	+ Tax and Regulatory Compliance (SEC, IRS, SOX)
	+ Governmental and Not-for- Profit Accounting
* While further optional coursework/certification would be necessary for a student in this program to obtain a CPA (Certified Public Accountant) certification, studies have shown that students who complete a graduate degree have a higher rate of success on the Uniform CPA Examination. CPAs with Master’s degrees receive starting salaries that are 10 to 20 percent higher than CPAs with bachelor’s degrees alone; there is also evidence that promotional opportunities for CPAs (such as firm partnerships and managerial positions) frequently go to CPAs with Master’s degrees.

Potential Students:

* Financial and accounting professionals seeking to advance their careers, but lacking an undergraduate degree in accounting, would be the primary target population.
* Individuals looking to change careers to a more business-oriented field but lacking an undergraduate business degree would also be included in the target population.
* The MBA with a concentration in Accounting will provide the student with the courses required to both pursue an accounting career and, with additional optional coursework, successfully complete the CPA exam.
* MBA graduates with degrees in accounting are the most likely candidates to be in management positions as their career progresses. Students receiving graduate accounting education have developed strong foundational knowledge and exhibit excellent data analytical skills.
* We anticipate students who enroll in the Accounting concentration to be earlier in their careers (1-4 years work experience) than those who currently enroll in the MBA program (who, based on the last five years that we’ve offered that track, generally have 7-9 years of work experience).

Sources for the above two sections:

1. New Jersey Society of CPA's- New Education Requirements
2. Accounting Edu.org-State Accounting Guide
3. American Institute of Certified Public Accountants (AICPA)-Licensure Requirements
4. New Accountant-The Value of An MBA
5. B School Directory- CPA License requirements

*Alignment with Strategic Plan*

This proposed new concentration in the MBA program supports Goal One of the Ramapo College Strategic Plan: Advance Academic Excellence and Engagement:

Objective 1.4: The College will increase enrollment and graduation rates among underrepresented groups, transfer students, international students, **graduate students**, and returning students. The College will identify and make use of currently underutilized capacity within undergraduate academic programs:

Achievement Target 1.4.6: **Graduate enrollment** share of the overall headcount enrollment will increase to 8%.

In addition, this proposed extension of our program fulfills the three criteria for new programs as delineated by the President of the College: a demonstrated societal need (as discussed above); building on a strong undergraduate program (Accounting is one of the largest majors in ASB; eight full-time AACSB–qualified faculty; averaging 308 students enrolled over the past five years); and having no anticipated impact on undergraduate programs (full-time faculty teaching the graduate-level Accounting courses will be held to their obligation to also teach in the undergraduate program).

*Other Programs in Local Area*

Many schools of business in our general market area—indeed, most of our competitors—offer tracks or concentrations in Accounting as part of their MBA offerings. These schools include Rutgers, Monmouth, Seton Hall, Rider, Rowan, William Paterson, Montclair State, Fairleigh Dickinson, Baruch, Pace, Iona, and Fordham. Therefore, adding an Accounting concentration to our graduate program offerings is likely to fortify our position in the marketplace, as we keep pace with the competition.

Any counter-indication—i.e., that there is already too much competition out there—is mitigated by the fact that all of these schools already had MBA programs when we started our five years ago, yet we’ve clearly established a niche in the MBA marketplace. Thus we feel confident that adding the Accounting concentration will serve to build on the established success of our program so far and the corresponding positive word-of-mouth.

*Anticipated Enrollment*

The MBA program currently admits approximately thirty students per year, with a retention rate (over the four years of its existence) of 91%. We anticipate that ten additional students will be admitted into the MBA program in Fall 2018, with the intent to pursue the Accounting concentration. Subsequent enrollment projections: twelve Accounting concentration students in Fall 2019 and 2020; fourteen students in 2021 and 2022. Our financial model (see table at end of this document) uses a more conservative 80% first-year retention rate assumption; 90% in the second year.

*Additional Resources Needed*

One new faculty line will be required to support this new concentration. The financial model demonstrates the financial feasibility of the new offering (see table at end of this document).

**Curricular Phase:**

*Description of New Accounting concentration:*

The current MBA program consists of 42 credits, delivered in seven accelerated ten-week terms. The MBA in Accounting concentration would also be a 42-credit degree. All students in the MBA program (“regular” MBA and MBA w/ Accounting concentration) would take the same coursework for the first four terms of the program, completing 24 credits. After the fourth term, those students pursuing the Accounting concentration will take three graduate-level Accounting courses in the Fall semester, and three in the Spring semester, to total 42 credits.

The comparison of the current MBA program and the MBA w/Accounting is depicted in the table below:

|  |  |  |
| --- | --- | --- |
|  |  MBA Program Schedule | MBA with Accounting Concentration Schedule |
| **1st year** |   |   |   |   |
| Fall | Acctg-601 | Lead 1-610 | Acctg-601 | Lead 1-610 |
| pre-req's | none | none |  none | none |
| Winter | Mktg-640 | Bus. Analytics 615 | Mktg-640 | Bus. Analytics 615 |
| pre-req's | none | none | none | none |
| Spring | Man Econ-602 | Lead 2-612 | Man Econ-602 | Lead 2-612 |
| pre-req's | none | none |  none | none |
| Summer | Ops Mgmt-660 | Fin Mgmt-620 | Ops Mgt-660 | Fin Mgmt-620 |
| pre-req's | 601, 615 | 601, 615 | 601, 615 | 601, 615 |
| **2nd year** |   |   |   |  |
| Fall | Global Business  | Immersion Trip | -Intermediate Accounting (required)-Elective 1-Elective 2 |
| pre-req's |  602 | none |
| Winter | Elective 1 | Elective 2 |   |
| pre-req's | various | various |
| Spring | Capstone | Lead 3-614 | -International Accounting (required) ; -Fundamentals of Accounting Research & Advanced Topics (required); -Elective 3 |
| pre-req's | all | none |

 Total = 42 credits Total = 42 credits

*Timeline*

We anticipate that the first MBA in Accounting concentration students will begin the program in Fall 2018, and graduate in Spring 2020.

*Learning Outcomes & Assessment*

As an extension of our existing MBA program, the Accounting concentration will categorically deliver the same learning outcomes as the current program. The overarching student learning goals for the program are:

Analytical Problem Solving: The quantitative, analytical and technology skills to transform data from various sources into valuable information that informs strategic and operational decision making;

Integrative Foundational Knowledge: An in-depth understanding of all major business functions and the key issues of and interrelationships among them;

Leadership: Well-honed leadership skills that prepare students to adapt and innovate to responsibly and ethically address fundamentally new business problems and opportunities as they materialize;

Communication: The ability to communicate effectively at all levels of the organization, and with its external stakeholders;

Global Perspective: A global perspective and sensitivity that allows students to successfully apply their business acumen anywhere in the world

Assessment Process:

The assessment process will take place over a five year cycle with the accounting faculty conducting the assessment of the program annually, evaluating each outcome twice in five years. The outcomes will be assessed in courses taken in the final semester of the program utilizing both direct and indirect measures. Rubrics will be developed by the accounting faculty in conjunction with the School Assessment Committee. Results will be discussed by the accounting faculty and closing the loop suggestions will be implemented as needed to close identified gaps in achievement of learning outcomes.

|  |  |  |
| --- | --- | --- |
| **Learning Goal and Related Outcomes:** | **Direct Measure(s)** | **Indirect Measure(s)** |
| **Analytical Problem Solving** | Rubric-based evaluation of case study. | Syllabi Review and Student Perception of Learning Survey |
| **Integrative Foundational Knowledge** | Rubric-based evaluation of case study. | Syllabi Review and Student Perception of Learning Survey |
| **Leadership** | Peer assessment of team roles  | Syllabi Review and Student Perception of Learning Survey |
| **Communication** | Rubric-based evaluation of student presentation | Syllabi Review and Student Perception of Learning Survey |
| **Global Perspective** | Rubric-based evaluation of case study. | Syllabi Review and Student Perception of Learning Survey |

The table below shows the alignment of the MBA in Accounting concentration courses with respect to these learning outcomes:

|  |  |  |
| --- | --- | --- |
|  |  | **Student Learning Goals & Outcomes:** |
|  | **Analytical Problem Solving**:  | **Integrative Foundational Knowledge:**  | **Global Perspective:**  | **Leadership:**  | **Communication:** |
|   | **I** | **II** | **III** | **IV** | **V** |
| **Required Courses:** |
|   | Managerial Economics (MBAD 602) | 3 | 2 | 3 |   | 2 |
|   | Accounting for Managerial Decision Making (MBAD 601) | 2 | 3 |   |   |   |
|   | Business Analytics (MBAD 615) | 3 |  |   |   | 1 |
|   | Marketing Management and Strategy (MBAD 640) | 1 | 3 |   | 2 |   |
|   | Financial Management I ((MBAD 620) | 3 | 2 |   |   | 1 |
|   | Becoming a 21st Century Leader (MBAD 610) |   | 1 | 1 | 3 | 1 |
|   | Operations Management (MBAD 660) | 2 | 3 | 1 |   |   |
|   | Leading Change in an Uncertain World (MBAD 612)  |   | 1 | 1 | 3 | 2 |
|   | Intermediate Accounting | 1 | 3 |   |   |   |
|   | International Accounting |   | 3 | 3 |   | 1 |
|   | Fundamentals of Accounting Research & Advanced Topics | 2 | 3 |   |   | 1 |
|   | **Total** | **17** | **24** | **9** | **8** | **9** |
| **Electives:** |
|   | Business Law, Ethics, & Regulatory Pronouncements |   | 3 |   |   | 1 |
|   | Contemporary Issues in Accounting Practice |   | 2 |   |   | 2 |
|   | Advanced Auditing & Information Technology | 3 | 1 |   |   |   |
|   | Forensic Accounting | 2 | 2 |   |   |   |
|   | Advanced Federal Tax Issues | 3 | 2 |   |   |   |
|   | Fraud Examination & Advanced Auditing | 2 | 2 |   |   |   |
|  | Government & Non-Profit Accounting |  | 2 |  |  | 2 |
|   | **Totals** | **10** | **14** | **0** | **0** | **5** |
|  |   | 1 = partial coverage; 2 = moderate coverage; 3 = extensive coverage |

*Program’s Relationship to ASB Mission:*

This proposed concentration is aligned with the school’s mission: The Anisfield School of Business of Ramapo College provides students with a strong educational foundation for a lifetime of learning and for career achievement as responsible contributors and leaders. A student’s intellectual development is of paramount importance and takes place within a supportive learning environment where engaged faculty bridge theory and practice.

*Degree Requirements:*

**Course Descriptions**

**Required Courses:**

**Intermediate Accounting (3 credits):**

Intermediate Accounting is a foundational course designed to expand the students’ understanding of financial reporting practices and principles. The topical coverage includes an in-depth treatment of the elements of the income statement and the asset section of the balance sheet. Attention is given to examples of current reporting practices and to the study of the reporting requirements promulgated by the Financial Accounting Standards Board. In addition, topics include an in-depth analysis of liabilities, stockholder’s equity, earnings per share calculations, investments, the revenue recognition principle and accounting for income taxes.  The importance of the Generally Accepted Accounting Principles will be infused throughout the course. This theoretical background is then applied to the preparation of financial statements and the use of time-value of money concepts to measure financial statement elements.

**International Accounting (3 Credits):**

International Accounting introduces graduate students to the global aspects of accounting. Topics include the development of international accounting standards; the diversity of accounting practices across countries; and accounting issues specific to multinational enterprises, such as translation and consolidation of foreign operations and international transfer pricing and taxes. Issues pertaining to Non-GAAP Compliant international financial statements will be infused throughout the course. The similarities and differences in views on accounting purposes and in accounting solutions between different countries are examined. Special attention is given to different institutional structures and historical traditions between countries, and its effect on accounting development and the implementation of international standards.

**Fundamentals of Accounting Research and Advanced Topics (3 credits)**:

This course is designed to prepare the students to develop applied professional research skills in areas of recent accounting, auditing and tax pronouncements. The student will become proficient in conducting professional research through the incorporation of Generally Accepted Accounting Principles as applied to complex accounting issues. The integration of reasoning capabilities through tools and strategies illustrated throughout the class will provide the student with the ability to recognize authoritative solutions to complex and timely accounting problems.

**Electives (students will choose THREE of the following):**

**Business Law, Ethics and Regulatory Pronouncements (3 Credits):**

The regulatory requirements of the accounting, auditing and tax areas are discussed and illustrated throughout the class. Issues pertaining to business structures, management’s responsibilities, reporting requirements and the impact of regulatory pronouncements will be a primary focus of the course. The impact of Sarbanes-Oxley and the internal control reporting requirements will be integrated throughout the semester. The importance of ethics as an underpinning of the corporate culture will be a focal point of all discussions and case analysis assignments. The relevant topics pertaining to contract law, Uniform Commercial Code and bankruptcy will be included to assist the student in preparing for the relevant part of the CPA Exam.

**Government and Not-for-Profit Accounting (3 Credits):**

The importance of financial reporting requirements for the not-for-profit business entity will be the primary focus of this class. The fundamental tools required for fund accounting applications and reporting will be illustrated throughout the semester. The role of the government and the impact of tax collections and disbursements will be examined through case discussion and analysis. In addition, the reporting requirements of the Not-for-Profit entity will be explored in relation to the regulatory guidelines and tax reporting requirements.

**Advanced Federal Taxation Issues (3 Credits):**

This class is designed to expose the student to current tax issues and pending legislation designed to incorporate the role of taxes into effective decision-making strategies. The goal of increased profitability, through creative strategies designed to reduce the corporate taxes, is examined through the lens on the Internal Revenue Code. Inversion type organizations designed to replace domestic tax rates with more favorable foreign tax rates will be discussed in conjunction with exit tax penalties, accumulation of excess funds issues and the impact of consolidations on tax planning. Tax planning strategy as a critical profit building tool used to enhance corporate profitability by eliminating or reducing corporate tax will be examined through case discussion and analysis.

**Advanced Auditing and Information Technology Systems (3 Credits):**

The Securities and Exchange Commission requirements pertaining to the financial statement auditing and reporting requirements will be examined in conjunction with the Generally Accepted Auditing Standards. The role of the auditor in identifying the impact of technology on the audit process and the importance of understanding the risks associated with operational systems security, networks and systems development will be examined in relation to the auditing process. The significance of “Computer Assisted Audit Tools and Techniques” will be infused throughout the class through case discussion and analysis projects.

**Forensic Accounting (3 Credits):**

The role of civil litigation in the accounting profession and the impact of fraud on the financial reporting requirements will be discussed throughout the class. The integration of ethics and managerial responsibility in the creation of an effective internal control system will be discussed through case analysis and discussions. Emphasis on the role of forensic accountants in the legal process including the impact of insurance fraud and misstatement in financial reporting will be a recurring topic throughout the semester. Students will be provided an opportunity to prepare and present a fraud case for either a civil proceeding or a fraud trial. Actual litigation and fraud cases will be discussed to highlight the evolving roles of forensic accountants.

**Contemporary Issues in Accounting Practice (3 Credits):**

The importance of incorporating relevant accounting data into the financial statements is examined through the lens of the external user. The complexity of financial statement forecasting, profitability issues and risk analysis is examined through current issues impacting the accounting profession and the financial reporting mandates required by the industry. The impact of new FASB policies on the accounting and auditing process will be discussed through timely inclusion of current and pending guidelines.

 **Fraud Examination and Advanced Auditing (3 Credits):**

This class is designed to explore the principles and techniques required to prevent and detect fraud in the financial reporting system. Students will be introduced to tools that will enable them to understand the risks associated with ineffective internal control, industry issues, and remoteness of information factors and complexity of business transactions that would create a greater risk of fraud. Students will examine different fraud prevention and detection procedures and the impact on both the reporting and auditing process.

Note: other graduate business electives may be substituted by permission of the program director.

*Course Sequencing (including required and elective courses):*

|  |  |  |
| --- | --- | --- |
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| pre-req's | none | none | none | none |
| Spring | Man Econ-602 | Lead 2-612 | Man Econ-602 | Lead 2-612 |
| pre-req's | none | none |  none | none |
| Summer | Ops Mgmt-660 | Fin Mgmt-620 | Ops Mgt-660 | Fin Mgmt-620 |
| pre-req's | 601, 615 | 601, 615 | 601, 615 | 601, 615 |
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| pre-req's |  602 | none |
| Winter | Elective 1 | Elective 2 |   |
| pre-req's | various | various |
| Spring | Capstone | Lead 3-614 | -International Accounting (required) ; -Fundamentals of Accounting Research & Advanced Topics (required); -Elective 3 |
| pre-req's | all | none |

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