

GRADUATE COUNCIL MEETING
FEBRUARY 11, 2016
York Room

Attendees: Kathy Burke, Lew Chakrin, Brian Chinni (Chairman), Connie Crawford, Eric Daffron, Anthony Dovi, Michele Dunn, Julie Good, Tim Landers (Secretary), Aaron Lorenz, Rexton Lynn, Ann Marie Moreno, Karen Norton, Steven Perry, Emma Rainforth, Thierry Rakotobe-Joel, Peter Rice, Steve Rice, Rich Russo, Eddie Saiff, and Liz Siecke,

Chairman Chinni opened the meeting at 11:00 a.m. and introduced the following agenda:

- Review and approval of 2/11/16 meeting minutes (T. Landers)
- Presentation of BS/MS in Accounting (Dean Chakrin)

1. Approval of the Minutes

After a review of the minutes from the November 12, 2015 meeting, B. Chinni's motion to approve the minutes as presented was seconded by E. Rainforth and unanimously approved.

2. Dean Chakrin introduced the motivation behind the MS in Accounting and discussed the roadmap for the launch of the BS/MS in Accounting, standalone MS in Accounting and the subsequent MBA Accounting track. The BS/MS is designed primarily to capture Ramapo accounting majors who need 150 credits in order to meet the CPA exam requirements. Undergraduate students can elect the 5-year BS/MS option at anytime but must complete two graduate level courses in the spring of their senior year. Non-Ramapo students complete the same two courses during the summer. The 30-credit program includes CPA test preparation and can be completed in one year.

Between 2103-2015, 54% of ASB's accounting majors graduated with 150 credits or more. The BS/MS option provides them with additional choices and a much richer academic experience. Surveys show that starting salaries are higher for MS vs BS graduates.

Professor Crawford, ASB Convener of Accounting, discussed the MS Mission Statement along with the four learning goals and eight required courses, including two electives. Business Law and Government and Not-for-Profit Accounting are now required to qualify for the CPA exam and are currently taught at the undergraduate level. Crawford noted that nine of the ten largest accounting fraud cases have occurred since 2000.

Dean Chakrin turned the Council's attention to the enrollment and financial model. The two variables critical to the program's success are the assumptions behind enrollment and the tuition rate. The model calls for enrolling only Ramapo graduates in AY2017 & AY2018, beginning with 22 in year one and rising to a full class of 33 students in year two. The program is to be led by a Faculty Program Director with two reassigned course loads per academic year. Advertising and promotion, career services, two full-time faculty lines, and development costs are built into the financial model. Chakrin reminded the Council of AACSB's requirement that 70% of course be taught by full-time faculty.

The average tuition rate for similar MS programs across NJ's public and private, accredited and non-accredited, schools is \$1000, with AACSB public schools averaging \$854 per credit. Chakrin noted that the financial model is profitable assuming the standard RCNJ tuition rates & fees. The model produces meaningful net revenues in the second full year of operation and more than \$400k in the fourth year.

In response to K. Burke's question regarding the loss of undergraduate revenue, i.e., accounting students that are already completing 150 credits, Chakrin explained that the total revenues per graduate student are five times greater than the loss of undergraduate tuition and fees and generate significantly higher margins.

E. Daffron raised the issue of double counting of credits and reminded the Council that C. Romano had presented his research findings on this topic to the council last year. NJ only requires 120 credits for a degree so it's possible that two courses could rotate between the two degrees. E. Rainforth pointed out that undergraduate and graduate full-time loads are different, creating a potential shortfall. M. Dunn questioned the feasibility of the spring 2017 launch given that we are already past key submission deadlines.

E. Saif moved that the proposal be approved and advanced to ARC. The motion was seconded by A. Lorenz and unanimously approved.

The next meeting is scheduled for March 3rd at 10:00 am. The meeting adjourned at 12:05 pm.

Minutes submitted by Tim Landers