

July 6, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Utah Valley University – Master of Accountancy

Issue

Utah Valley University (UVU) requests approval to offer a Master of Accountancy effective Fall Semester, 2017. This proposal was approved by the institutional Board of Trustees March 30, 2016.

Background

The growth of the Utah County economy has direct implications for educational programming to match the talent needs of industry. Because accounting professionals are needed in all industries, demand for people prepared in the accounting profession is great, especially in a growing economy such as exists in UVU's service region. The Utah Department of Workforce Services (DWS) projects Accountants and Auditors (SOC Code 13-2011) in the Provo-Orem metropolitan area will realize a 3.5% average annual growth rate 2012 – 2022. Annual median income is projected at \$60,550. The Accountants and Auditors occupational category received a five-star rating from DWS, its highest rating for growth and income prospects.

While an existing Master of Accountancy (MAcc) program is offered at Brigham Young University (BYU), many of BYU's students come from outside of Utah and are recruited out-of-state. Other Utah System of Higher Education institutions in the state offer a MAcc program. These include the University of Utah, Utah State University, Weber State University, and Southern Utah University. There appears to be sufficient student and labor market demand to accommodate an additional MAcc program in the state at UVU. Other USHE institutions have reviewed the UVU proposal and have offered helpful comments and feedback. The proposal has received support from the Utah Association of Certified Public Accountants.

The proposed MAcc program is designed to prepare students for professional positions in accounting with the potential for career advancement. Building upon an undergraduate education in accounting and business the program will prepare students for positions in public accounting, industry, government, and not-for-profit organizations, all of which are represented in UVU's service region. The MAcc qualifies students to sit for the Uniform Certified Public Accountant (CPA) Examinations in the State of Utah. It also provides a base from which students may pursue related certifications such as Certified Internal Auditor (CIA), Certified Management Accountant (CMA), and Certified Fraud Examiner (CFE). Combined with appropriate experience, the MAcc can lead to a wide variety of significant leadership positions in accounting and business.

Policy Issues

The proposed program has been developed through established institutional procedures and Board of Regents policy. Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input. There are no additional policy issues that need to be addressed relative to approval of the program.

Commissioner's Recommendation

The Commissioner recommends the Board of Regents approve the request from Utah Valley University to offer a Master of Accountancy.

David L. Buhler
Commissioner of Higher Education

DLB/BKC
Attachment

Program Description – Full Template

Utah Valley University
Master of Accountancy

Section I: The Request

The Department of Accounting in the Woodbury School of Business at Utah Valley University (UVU) requests approval to offer a Master of Accountancy effective Fall, 2017. The UVU Board of Trustees approved this program on March 30, 2016.

Section II: Program Description

Complete Program Description

Building upon an undergraduate education in accounting and business the proposed Master of Accountancy (MAcc) program qualifies students for positions in public accounting, industry, government, and not-for-profit organizations. It also qualifies students to sit for the Uniform CPA Examinations in the State of Utah which is a necessary step in becoming a Certified Public Accountant (CPA). It provides a base from which students may pursue other accounting-related certifications such as Certified Internal Auditor (CIA), Certified Management Accountant (CMA), and Certified Fraud Examiner (CFE). Combined with appropriate experience the MAcc can lead to a variety of significant leadership positions in accounting and business including Chief Financial Officer (CFO) and Chief Executive Officer (CEO).

Purpose of Degree

The purpose of the MAcc degree is to prepare students for entry into the profession of accounting and for advancement throughout their careers. It provides access to professional training to residents of UVU's tri-county service area and helps meet the need for professional accountants in Utah County and throughout the State of Utah.

Institutional Readiness

The Department of Accounting has a successful undergraduate program that is well received in the community with over 120 baccalaureate degrees in accounting being awarded each year.

The Department of Accounting currently has a sufficient number of terminally qualified faculty to teach in and provide a quality MAcc program. Two members of the accounting faculty have directed MAcc programs at other universities and six have experience teaching in graduate programs.

All courses included in the MAcc will be offered on the UVU main campus. Many of the courses listed in the MAcc program already are taught in the current MBA program or taught as elective undergraduate courses. Undergraduate courses which will be used in the MAcc program will be revised to include graduate level content and renumbered.

Departmental Faculty

Faculty Category	Faculty Headcount – Prior to Program Implementation	Faculty Additions to Support Program	Faculty Headcount at Full Program Implementation
With Doctoral Degrees (Including MFA and other terminal degrees, as specified by the institution)			

Full-time Tenured	7	1	8
Full-time Non-Tenured	2		2
Part-time Tenured			
Part-time Non-Tenured	15		15
With Master's Degrees			
Full-time Tenured	2		2
Full-time Non-Tenured	1		1
Part-time Tenured			
Part-time Non-Tenured	5		5
With Bachelor's Degrees			
Full-time Tenured			
Full-time Non-Tenured			
Part-time Tenured			
Part-time Non-Tenured			0
Other			
Full-time Tenured			
Full-time Non-Tenured			
Part-time Tenured			
Part-time Non-Tenured			0
Total Headcount Faculty			
Full-time Tenured	9	1	10
Full-time Non-Tenured	3	0	3
Part-time Tenured	0		0
Part-time Non-Tenured	20	0	20
Total Department Faculty FTE (As reported in the most recent A-1/S-11 Institutional Cost Study for "prior to program implementation" and using the A-1/S-11 Cost Study Definition for the projected "at full program implementation.")	15	1.00	16

Staff

A faculty member will be assigned as a director for the program. One staff member will be added to assist in recruiting students, internships, and placement. Additional support will be provided by MAcc students serving as graduate assistants.

Library and Information Resources

The institution currently has the library resources needed for the program. These resources include relevant databases, access to journals, professional pronouncements, and current library holdings that are comparable to other institutions that offer MAcc programs.

Admission Requirements

Applicants are expected to meet the following minimum criteria:

- bachelor's degree from a regionally accredited institution or the equivalent for international students.
- minimum overall undergraduate GPA of 3.0.
- minimum GPA of 3.0 in upper-division accounting courses.

- completion of the GMAT exam with scores acceptable to the admissions committee.
- foreign students must complete the Test Of English as a Foreign Language (TOEFL).

At the discretion of the admission committee the GMAT exam and/or TOEFL requirements may be waived for students supplying sufficient evidence of preparation for the MAcc program. Admission to the MAcc program is competitive. Meeting the minimum requirements above does not guarantee admission.

Student Advisement

Students will be advised by the Director of the Master of Accountancy program.

Justification for Graduation Standards and Number of Credits

The graduate standards for the Master of Accountancy require 30 semester credits of graduate level coursework with a cumulative grade point average of 3.0 or higher.

External Review and Accreditation

The Woodbury School of Business is accredited by AACSB International. This is the same organization that accredits the business programs at University of Utah, Utah State University, Weber State University, and Southern Utah State University. The Master of Accountancy will be included as part of UVU's AACSB International accreditation. The next accreditation visit by AACSB International will be during Fall Semester, 2016.

Projected Program Enrollment and Graduates; Projected Departmental Faculty/Students

Data Category	Current – Prior to New Program Implementation	Projected				
		Year 1 (17-18)	Year 2 (18-19)	Year 3 (19-20)	Year 4 (20-21)	Year 5 (21-22)
Data for Proposed Program						
Number of Graduates in Proposed Program	0	0	30	30	30	30
Total # of Declared Majors in Proposed Program	0	30	30	30	30	30
Departmental Data – For All Programs Within the Department						
Total Department Faculty FTE (as reported in Faculty table above)	15.00	16.00	16.00	16.00	16.00	16.00
Total Department Student FTE (Based on Fall Third Week)	444	480	489	489	489	489
Student FTE per Faculty FTE (ratio of Total Department Faculty FTE and Total Department Student FTE above)	29.60	30.00	30.56	30.56	30.56	30.56
Program accreditation-required ratio of Student FTE/Faculty FTE, if applicable: (Provide ratio here: _____)						

Expansion of Existing Program

The Master of Accountancy degree is not an expansion of an existing program.

Section III: Need

Program Need

Utah Valley University is located in one of the fastest growing counties (both for population and business/industry) in Utah. Current recruiters and some prospective recruiters of UVU accounting students report difficulty recruiting qualified students from the other major universities in the state. A letter from the UACPA stated:

A MAcc program at UVU will help fill the demand for CPAs in the coming years. According to the American Institute of Certified Public Accountants (AICPA), 75% of today's CPAs will be retiring within the next 15 years. As they leave full-time practice, whether it is in a CPA firm or industry, the demand will continue to increase. In Utah, we're already feeling the crunch, as firms and industries are not filling their entry-level hiring needs....Research confirms that even in a tight job market, the demand for CPAs remains healthy.

BYU, a private university in the UVU service area, currently offers a MAcc degree, but its focus is mre on non-local students and employers, leaving a gap in the Utah County area.

Labor Market Demand

A recently compiled Burning Glass report shows 6,109 employment postings within Utah from May 1, 2014 to April 30, 2015 in accounting and related fields with 784 postings in the Provo-Orem metropolitan area. Statewide, 782 postings required a graduate or professional degree. The report notes that 54% of the records were excluded because they did not include a degree so the demand likely is much higher than reported. In addition, many of the 2,282 postings requiring a bachelor's degree will prefer candidates with a MAcc and/or require a MAcc for advancement within the organization. A related report from EMSI, a real time labor market data firm, showed that Accounting and Related Services statewide reported 337 master's degrees awarded in 2013 among all public and private institutions in Utah.

Student Demand

The Institutional Research Office at UVU reported that 46.5% of accounting respondents from 2011-12 (the most recent survey data available) had either begun an educational program since graduation, or planned to continue education sometime in the future. Applying this percentage to all 2011-2012 graduates equates to 57 individuals. Prior survey results are similar with 49.0% in the 2010-11 survey which equates to 65 individuals and 44.2% in the 2009-10 survey which equates to 57 individuals.

Similar Programs

The USHE institutions that currently offer master's level accounting degrees are University of Utah, Utah State University, Weber State University, and Southern Utah University.

Collaboration with and Impact on Other USHE Institutions

Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input. Since the program is focusing on providing education for students in the UVU service area, it is believed the program will have minimal impact on other USHE institutions.

Benefits

The primary benefit of adding a MAcc degree at UVU is to assist the university in fulfilling its mission by:

- Providing access to professional education in accounting to residents of the UVU tri-county service area. Many UVU students are non-traditional students with families, current employment, limited financial resources, and limited ability to relocate to complete their education. The UVU MAcc program is the only viable option for professional accounting education for many of these students.
- Recruiting and retaining undergraduate students at UVU. Many serious accounting students either do not attend UVU or leave prior to obtaining a baccalaureate degree. They prefer to attend a university that can provide the complete accounting education without the need to transfer to another university. Thus, the MAcc program at UVU have the effect of increasing undergraduate enrollments and make it possible to retain a higher percentage of students through graduation. Attracting and retaining serious accounting students also will increase the quality and reputation of the UVU accounting program.
- Increasing employment opportunities for UVU graduates. This degree attracts many prospective employers who require the MAcc for employment. As a side benefit, internship opportunities will increase because the ideal time for an accounting internship is between the senior year and graduate year of accounting education. At this point students have sufficient skills to engage in meaningful work-related projects.

Consistency with Institutional Mission

Consistent with the mission of UVU, the MAcc degree provides access to professional graduate education for students in the UVU service region. The MAcc degree prepares professionally competent people by meeting the minimum education required to become a CPA and promotes student success by qualifying students to seek professional level positions in accounting. This provides UVU students the opportunity for better starting positions and access to greater upward mobility in their careers.

Accountants often rise to positions of leadership within their respective communities. As a profession, accounting is well respected. Many businesses and individuals rely on the advice of accountants to achieve financial success. The combination of accounting skills and experience in a wide variety of organizations put accountants in an excellent position to help promote economic and cultural development.

Section IV: Program and Student Assessment

Program Assessment

See assessments associated with the learning outcomes under Expected Standards of Performance below.

Expected Standards of Performance

Learning Outcome One – Develop a mastery of professional skills.

Reason for Outcome One - Professional accountants must possess the knowledge and skills expected for entry level accounting professionals.

Formative and Summative Assessment Measures – Accounting examination pretest and posttest

Learning Outcome Two - Evaluate solutions to a variety of accounting and business issues.

Reason for Outcome Two - Professional accountants must be able to evaluate, create, and design solutions to add value to organizations.

Formative and Summative Assessment Measures – Problem Solving VALUE Rubric

Learning Outcome Three - Assess self and other's behavior to effectively accomplish organizational goals.

Reason for Outcome Three - Professional accountants must be able to work effectively with others to add value within organizations.

Formative and Summative Assessment Measures – Teamwork VALUE Rubric

Learning Outcome Four - Communicate professionally to a variety of audiences using various contexts and formats.

Reason for Outcome Four - Professional accountants must possess effective communication tools, since accounting is the language of business.

Formative and Summative Assessment Measures – Written Communication VALUE Rubric; Oral Communication VALUE Rubric

Section V: Finance

Three-Year Budget Projection							
Departmental Data	Current Departmental Budget – Prior to New Program Implementation	Departmental Budget					
		Year 1 (2017-18)		Year 2 (2018-19)		Year 3 (2019-20)	
		Addition to Budget	Total Budget	Addition to Budget	Total Budget	Addition to Budget	Total Budget
Personnel Expense							
Salaries and Wages	\$1,427,038	\$232,500	\$1,659,538	\$20,000	\$1,679,538	\$0	\$1,679,538
Benefits	\$543,142	\$88,068	\$631,210	\$8,120	\$639,330	\$0	\$639,330
Total Personnel Expense	\$1,970,180	\$320,568	\$2,290,748	\$28,120	\$2,318,868	\$0	\$2,318,868
Non-Personnel Expense							
Travel	\$2,000	\$0	\$2,000	\$0	\$2,000	\$0	\$2,000
Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Library	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Current Expense	\$23,337	\$30,000	\$53,337	\$0	\$53,337	\$0	\$53,337
Total Non-Personnel Expense	\$25,337	\$30,000	\$55,337	\$0	\$55,337	\$0	\$55,337
Total Expense (Personnel + Current)	\$1,995,517	\$350,568	\$2,346,085	\$28,120	\$2,374,205	\$0	\$2,374,205
Departmental Funding							
Appropriated Fund	\$1,995,517	\$228,888	\$2,224,405	-\$2,300	\$2,222,105	\$0	\$2,222,105
Other:							
Special Legislative Appropriation							
Grants and Contracts							
Special Fees / Differential Tuition	\$0	\$121,680	\$121,680	\$30,420	\$152,100	\$0	\$152,100
Total Revenue	\$1,995,517	\$350,568	\$2,346,085	\$28,120	\$2,374,205	\$0	\$2,374,205

Difference							
Revenue-Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Departmental Instructional Cost / Student Credit Hour* (as reported in institutional Cost Study for "current" and using the same Cost Study Definition for "projected")	\$225		\$244		\$243		\$243

* Projected Instructional Cost/Student Credit Hour data contained in this chart are to be used in the Third-Year Follow-Up Report and Cyclical Reviews required by R411.

Funding Sources

UVU will charge a tuition differential for the MACC program similar to that charged at Weber State University. After the initial year of the program, tuition revenue (appropriated and differential) generated by the program will cover all program costs. During the initial year, the university will allocate some of the remaining Acute Equity appropriated funds earmarked for new master degree programs.

Reallocation

No reallocations will be made to support the program.

Impact on Existing Budgets

The program costs do not impact other program budgets.

Section VI: Program Curriculum

Matriculation Requirements:

Applicants are expected to meet the following minimum criteria:

- bachelor's degree from a regionally accredited institution or the equivalent for international students.
- minimum overall undergraduate GPA of 3.0.
- minimum GPA of 3.0 in upper-division accounting courses.
- completion of the GMAT exam with scores acceptable to the admissions committee.
- foreign students must complete the Test Of English as a Foreign Language (TOEFL).

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All Program Courses (with New Courses in Bold)

Course Prefix and Number	Title	Credit Hours
Required Courses:		

Course Prefix and Number	Title	Credit Hours
MGMT 6215	Managing and Facilitating Professional Teams	3
ACC 6350	Accounting Strategies for Achieving Profit Goals	3
ACC 6430	Advanced Corporate Tax	3
ACC 6510	Financial Auditing	3
ACC 6560	Accounting Theory and Research	3
ACC 6600	Business Regulation	3
ACC 6610	Financial Statement Analysis	3
Sub-Total		21
Elective Courses	Select 9 credit hours from the following courses.	
ACC 6130	Case Studies in Auditing (3.0)	
ACC 6140	Fraud Examination and Forensic Accounting (3.0)	
ACC 6150	Information Systems Auditing (3.0)	
ACC 6410	Tax Research and Procedure (3.0)	
ACC 6440	Partnership Tax (3.0)	
ACC 6460	Estate and Gift Tax (3.0)	
Sub-Total		9
Total Number of Credits		30

Program Schedule

Fall of First Year (Course Prefix and Number)	Course Title	Credit Hours
MGMT 6215	Managing and Facilitating Professional Teams	3
ACC 6350	Accounting Strategies for Achieving Profit Goals	3
ACC 6130, or ACC 6410	Case Studies in Auditing Tax Research and Procedure	3
ACC 6140, or ACC 6440	Fraud Examination and Forensic Accounting Partnership Taxation	3
Semester total:		12
Spring of First Year (Course Prefix and Number)	Course Title	Credit Hours
ACC 6430	Advanced Corporate Tax	3
ACC 6510	Financial Auditing	3
ACC 6150, or ACC 6460	Information Systems Auditing Estate and Gift Tax	3
ACC 6610	Financial Statement Analysis	3
Semester total:		12
Summer of First Year (Course Prefix and Number)	Course Title	Credit Hours
ACC 6560	Accounting Theory and Research	3
ACC 6600	Business Regulation	3

Section VII: Faculty

Jeff Peterson
Ph.D. in Business Administration
University of Washington

Katherine Black
LLM-Taxation-McGeorge School of Law
Juris Doctorate- University of California-Davis

Joshua Cieslewicz
Ph.D. in International Management
University of Hawaii

Kevin Smith
Ph.D. in Accounting
University of Arizona

Aaron Bartholomew
Juris Doctorate
Brigham Young University

James Bailey
Ph.D. in Business Administration (Accountancy)
University of Nebraska-Lincoln

Stanley E. Jenne
Ph.D. in Accountancy
University of Illinois-Urbana

Joel Helquist
Ph.D. in Business Management (Information Systems)
University of Arizona

Xiaoli Ortega
Ph.D. in Business Administration/Accounting
University of Utah

New Hire
Terminal Degree Required