

# Accounting Self Study

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## **I. ACADEMIC ASSESSMENT**

### **A. Highlights/Initiatives**

#### **Overview**

The Bachelor of Business Administration (BBA) and Master in Professional Accountancy (MPA) accounting curriculums are designed to be totally inclusive programs providing our students with the background necessary to pursue a career in any aspect in accounting including public accounting (e.g., taxation, auditing, and consulting services), management accounting (aka industrial, corporate, or private accounting, internal auditing, and governmental/not-for-profit accounting). While most of our students either pursue a career in public accounting or continue on to one of our graduate programs, our BBA program is intentionally designed to provide a strong undergraduate experience for those wishing to pursue a career in one of the non-public accounting fields.

The undergraduate (BBA) program is also specifically designed to provide a seamless transition to either the Master of Business Administration (MBA) or Master of Professional Accountancy (MPA) graduate programs; i.e., the undergraduate program is designed to provide students with a single, integrated experience as they progress through their graduate programs. Note, current requirements of the American Institute of Certified Public Accountants (AICPA) require CPA candidates to have completed 150-units in order to sit for the Uniform CPA Examination. While we encourage our students to pursue either the MPA or MBA options, the additional coursework can be either at the undergraduate (e.g., double-major) or graduate level.

There are no options available in the BBA accounting curriculum; i.e., there are no areas of *special* emphasis. There are a number of options available to MPA students, although each student takes the same 700-level accounting courses. In other words, the options exist at the course-level, not at the program-level (i.e., areas of specialization are not available). Except for the Independent Studies (ACCOUNT 498) and Individual Studies (ACCOUNT 798) courses, there are no electives in either accounting program—all students take the same courses and complete the same degree requirements in both the BBA and MPA programs.

#### **Academic Assessment Initiatives**

While the Accounting Department is satisfied with the depth and breadth, and results of our current approach to assessment, several initiatives for the upcoming review period include the following:

- Identify more efficient methods of collecting, analyzing, and maintaining assessment data over an extended period of time.
- Develop and implement an exit survey instrument for BBA and MPA graduates that clearly align its questions with our curriculum, assessment, and program goals.
- Incorporate curriculum and program input from the Accounting Advisory Board, a newly created group with representatives from public accounting, corporate accounting, and governmental accounting.
- Continue to solicit input from external agencies, particularly alumni, professional organizations, and firms that utilize our internship program and hire our graduates.

### **B. Educational Objectives and Assessment Techniques**

## Educational Objectives

The assessment plan of the Accounting Department (as of 1997/1998) included twenty undergraduate educational objectives. Six related to subject matter, six related to cognitive development, and seven related to skill objectives. A general description of these objectives from the *1997/1998 Audit & Review* report is provided below.

- Subject Matter (SM): Accounting majors should attain knowledge of (a) accounting pronouncements (i.e., GAAP: Generally Accepted Accounting Principles), auditing standards (i.e., GAAS: Generally Accepted Auditing Standards), organizational systems concepts, related business and taxation laws, and appropriate concepts of ethical behavior.
- Cognitive Development (CD): Accounting majors should attain analytical abilities with regard to specific situations arising in business, such as financial statement analysis, information system analysis, cost planning and control, short-term and long-term decision analysis, and individual and corporate taxation analysis and research.
- Skills (SK): Accounting majors should attain abilities in formatting and presenting data so as to create useful information, such as transaction analysis, financial statement presentation, various special reports, and related computer skills. Accounting majors should also attain abilities required for the transmittal of information, including oral and written communication skills, and basic computer skills.

As students progress through the accounting curriculum, they are expected to apply their knowledge, skills, and abilities, including the use of technology, to solving problems, thinking critically, and communicating effectively within the specific confines of each content area. However, we have not systematically documented learner outcomes across the curriculum, categorized according to subject matter, cognitive development, and skill acquisitions. Ideally, data would be collected and analyzed using multiple measures on an on-going basis and the results would be systematically provided to students, faculty/staff, and the department's advisory board.

The following educational objectives represent our focus for the upcoming review period:

Subject Matter: Accounting students should be presented information about and develop an understanding of the following:

- SM1**: Generally Accepted Accounting Principles (GAAP) as they apply to business enterprises and governmental/not-for-profit organizations.
- SM2**: Generally Accepted Auditing Standards (GAAS) and procedures as they apply to the assurance function including the design and analysis of accounting information systems.
- SM3**: Taxation principles and research procedures at both the federal and state levels (e.g., income, estate, gift, etc.).
- SM4**: Uniform Commercial Code (UCC) and Security & Exchange Commission (SEC) laws and regulations dealing specifically with business activities.
- SM5**: Cost management procedures and reports including both financial and nonfinancial information that assist managers make decisions.

**Cognitive Development:** Accounting students should possess the ability to apply an analytical approach to unstructured situations, questions, and/or problems. This is especially important as they progress through the accounting curriculum and encounter progressively more difficult business and accounting transactions and situations. Additionally, accounting students must understand the importance of research, the necessity of continued professional development, and the value of life-long learning with respect to:

1. Transaction (and event) analysis.
2. Financial statement preparation and analysis.
3. System design and analysis, including internal control assessment.
4. Cost planning and control.
5. Tax planning and reporting.
6. Scarce resource allocations.
7. Interpersonal relationships.
8. Cooperation between functions.
9. Attest function(s).

**Skills:** Accounting students should develop skills and abilities to formulate and present financial and nonfinancial data in a meaningful, logical, and rational manner, making and supporting reasonable assumptions wherever appropriate, including:

- SK1:** Communicate (oral and written) clearly and concisely in a professional manner.
- SK2:** Make use of computer-based applications software including integrated accounting packages.
- SK3:** Apply appropriate quantitative analysis (i.e., models, paradigms, etc.) in major and degree courses.
- SK4:** Apply appropriate qualitative analysis in major and degree courses including evaluation, formation, and synthesis.
- SK5:** Develop personal and interpersonal skills required for functioning effectively in group settings.
- SK6:** Make appropriate decisions and/or recommendations in structured and unstructured settings.
- SK7:** Analyze complex transactional data and determine proper reporting treatment.

**Assessment Methods.**

The Accounting Department uses several assessment methods including: (1) student evaluations of teaching, (2) peer evaluations of teaching and instructional materials, (3) internship student and company feedback, (4) professional certification results (i.e., Uniform CPA Examination), and (5) alumni surveys. In addition, the Accounting Advisory Board was formed during the review period and met for the first time in the fall semester of 2002. This body will undoubtedly provide additional (external) assessment data during the upcoming review period.

2002 was the first year that a significant number of MPA students took the department's comprehensive examination as part of their program requirements. This standardized exam will produce substantial assessment information for both of the Accounting Department's programs, including the retention and integration of material from the BBA program. As mentioned earlier, the Accounting Department is planning to develop and implement an exit survey or interview for both its BBA and MPA graduates during the upcoming review period.

(1) Student Evaluations of Teaching

The Accounting Department requires that each faculty and academic staff member administers student evaluations each semester (fall and spring) for each course taught. In addition, the department's student evaluation instrument is comprised of the *same* fifteen questions for each instructor. This enhances comparisons between instructors, across time for the same instructor, and amongst different sections of the same course. Results are tabulated and communicated on an individual and a department basis each semester.

(2) Peer Evaluations of Teaching

The Accounting Department used peer evaluations during the review period to support (a) the teaching portfolios (i.e., Purple Books) of first-year and second-year faculty/staff and (b) instructors with less than an *excellent* rating on their student evaluations.

In addition, the department relies heavily on course work achievement to collect data that can be used to determine if the program has been successful in achieving its desired outcomes. Most of the courses in the Accounting Department use an exam format that is significantly standardized and consistent from semester to semester. This provides both the department and the instructor with an objective basis (comparability) for long-term assessment and a benchmark (consistency) to evaluate an individual student's progress towards meeting course and program objectives.

(3) Internship Student and Company Feedback

The Accounting Department offers an internship program to interested students each year. However, a 6-unit internship is required of all MPA students. The department's Director of Internship Programs works closely with companies to develop a flexible format including hours, salary, length of service, and depth and breadth of the intern's responsibilities. In addition, the Director of Internship Programs collects student perceptions of their internship experiences and conducts exit phone interviews with the company's representatives. Please see Appendix J.

(4) Professional Certification Results

Most accounting students take the Uniform CPA Examination, either during their final semester at UW-Whitewater or shortly after graduation, usually within one-year. This exam is comprehensive in nature and includes most of the accounting curriculum includ-

ing business law (i.e., UCC--Uniform Commercial Code). This exam is written and administered by the American Institute of Certified Public Accountants.

(5) Alumni Survey Results

The Accounting Department surveys its recent alumni and asks them to rate the Accounting Department's performance relative to their preparation for their first jobs and the professional certification exams (e.g., CPA, CMA). Additional questions focus on advising, course content, the quality of the accounting program, and individual instructors. Information is tabulated and communicated on an individual basis and on a department basis. Please see Appendix H.

**C. Assessment Data**

As mentioned earlier, one of the Accounting Department's explicit objectives for the upcoming review period involves a more systematic collection, analysis, and reporting of assessment data. Correspondingly, the use of the assessment data to improve the entire accounting curriculum must be made both purposeful and salient to all of the constituencies involved in the accounting program.

The following discussion presents the assessment data gathered during the review period and the primary focus of our assessment efforts in the upcoming period.

(1) Student Evaluations of Teaching

Student evaluations of the department's teaching continue to be high. The median ratings for the "best course" question on the department's student evaluations were 3.33 and 3.27 for the two most recent semesters (i.e., fall 2001 and spring 2002). The median ratings for the "best instructor" question for the department on the student evaluations were 3.41 and 3.45 for the same two semesters. More importantly, the median ratings of the "core" questions for the department on the student evaluations were 3.88 and 3.84. We feel these are very positive indicators of the quality of the department's instructional efforts.

The department chair reads and reviews all comments made by students on the department's Purdue evaluation instruments. His perception is that the positive comments continue to outnumber negative comments by approximately a 2:1 margin. Additionally, our instructors intentionally address student comments and incorporate legitimate concerns into their teaching. Numerous consultations have occurred during the review period between the department chair and the individual instructor regarding methods that could be used to address comments expressed by students. In addition, the department chair refers to student evaluations during the face-to-face conversations that occur each fall.

(2) Peer Evaluations of Teaching

Several accounting instructors requested peer evaluations of their classroom performance during the review period. All were very positive about the feedback received and made serious attempts to incorporate their peers' suggestions into their lectures and discussions. In addition, two instructors substantially altered their testing strategies based upon peer comments and, as a result, significantly improved both their assessments of student performance and their student evaluations. The department will continue to use peer evaluations, especially for new faculty, during the upcoming review period.

### (3) Internship Student and Company Feedback

The following from two students and one firm are representative of the feedback we receive about our internship program. A complete listing of all comments is available upon request. A more detailed and formal survey is being developed by the department's Director of Internships and will be implemented during the upcoming review period. We're sure that the assessment data we collect from this survey will help us identify areas in our curriculum that need improvement and assist in better matching students (interns) with appropriate firms. Please see Appendix J.

#### **From a Student:**

"When I first learned that an internship would be required, to say the least, I wasn't pleased. It seemed to me that the students had so much work already and I didn't see how we could possibly fit it all in. However, after experiencing the internship, I understand why it is required and so important. So much knowledge can be gained from doing the actual work than can ever be taught in the classroom. Some of the knowledge I gained includes learning how important communication is, learning how to deal with difficult people, understanding how the information flows, and understanding exactly what you are actually doing as an accountant. I also learned that professional people are only human and that they really aren't that intimidating."

#### **From another student:**

"From January 7 to March 29, 2002, I was an intern in the audit department of the Deloitte & Touche Milwaukee office. Over those few months, I had one of the most rewarding and enriching experiences of my life. During that short period of time, I learned more than I ever thought possible before and came to realize what lies ahead of me in my professional career. I was fortunate to work for numerous clients in a wide range of industries. My clients also ranged in size from some of the smallest clients of our office to publicly traded companies on the New York Stock Exchange. The diverse nature of my experiences helped me to gain an understanding of the business environment in the "real world" and the differences in corporate cultures. Personally, I believe that the work I did over my internship has helped me to become better organized and a more efficient manager of time. As I genuinely enjoyed the work I did and the types of people I worked with, my internship at Deloitte & Touche has given me a solid direction as to the type of work I will pursue upon graduation."

#### **From a firm:**

"We would like to share with you our experience regarding our Whitewater interns this past busy season. This year MS, CH, and PF did a terrific job for us. They demonstrated a great work ethic, the ability to catch on to new things quickly, and paid attention to detail.

Their accounting classes at Whitewater provided a strong background for their internship. We appreciate all of the faculty's hard work to prepare the students for an accounting career.

We have offered all of them full-time positions upon graduation."

### (4) Professional Certification Results

Our students' performance on the Uniform CPA Examination has been very strong during the review period. In recent reports (e.g., *Candidate Performance on the Uniform CPA Examination* published by the National Association of State Boards of Accountancy), UW-Whitewater has been ranked first in the nation for the past two years for "Colleges and Universities with the Highest Percentage of Undergraduate Candidates Passing All Subjects Taken." This ranking is based on the number of times a school has

appeared in the “top ten” listing of passing percentages. What makes this accomplishment particularly impressive is the other schools in the top ten (but beneath UW-Whitewater!) include the University of Wisconsin-Madison, University of Illinois-Urbana, University of Pennsylvania, University of Michigan-Ann Arbor, and University of Northern Iowa.

Additionally, our students had the highest passing rate in the nation on the May 1998, May 1999, and May 2001 Uniform CPA Examinations, and the second highest passing rate in the nation on the May 1996, November 1998, and May 2000.

It is important to note our mission is to not to teach the CPA exam but rather to teach beyond the CPA exam, so that our students understand the underlying concepts and principles, not just the rules and regulations. We believe our students have a deeper cognitive understanding of the topics tested on the CPA exam, and thus, are able to successfully pass the examination on the first attempt.

#### (5) Alumni Survey Results

In spring 2001, the Accounting Department mailed a survey to the 1999 accounting graduates requesting feedback regarding the department’s performance in preparing them for their first jobs in the profession and for their respective professional examinations. The spring 2003 survey will be expanded to include the 2000 and 2001 graduates, and will include questions concerning both the BBA and MPA programs.

Overall, the department was rated 7.75 in 2001 vs. 7.32 in 1999 (10 = excellent; 1 = lowest) with a range of 9.21 to 6.00 (9.06 to 4.24 in the 1999 survey). Unfortunately, the 1999 graduates made 159 negative comments vs. 284 positive comments. These results were formally shared and discussed with each individual faculty and staff member. Plans are being made to include this feedback in setting performance objectives in the upcoming review period. A summary of the comments is included in Appendix I.

### **D. Program Improvement Resulting from Assessment Efforts**

#### **Curriculum Evaluation**

Each course in the accounting program has been systematically reviewed, evaluated, and analyzed during the review period. The motivation for this review was the implementation of the MPA program and the need to fully integrate the BBA and MPA programs. (Note: The revisions for the MPA accounting courses was not completed in time to be included in this report but will be presented to the Graduate Council this spring so as to be implemented by fall 2003.)

Feedback from the Accounting Advisory Board indicated an additional need for course descriptions and titles which clearly reflected course content. Thus, another review of the BBA accounting courses will be made by that body in spring 2003. The result of the current curriculum review was (a) six course title changes, (b) twelve course description revisions (12), and (c) five prerequisite clarifications. More importantly, the relevancy of one course and several topics within other courses were identified for further analysis. A more in-depth review of each sub-content area (e.g., financial, cost/managerial, taxation, audit/systems, and independent studies/internship) within the program will be conducted during the upcoming review period with the direct assistance of the Accounting Advisory Board.

In addition, the faculty and staff in the Accounting Department and the Accounting Advisory Board will review the entire program in 2003/2004 to determine if additional topical areas should be added. Potential topics, currently not being covered in our program, include international accounting, internal/operational auditing, and financial statement analysis.

### **Internship Exit Survey**

The formal, written survey used during the review period provided valuable information about the internship experience. Changes were made during the review period to improve the matching process (i.e., how firms and students are matched together) and the communication links with students during their internships. These changes were the direct results of feedback received from the interns and the firms involved in the internship experience.

Efforts will be made in the next review period to improve the survey used by the interns and formalize the collection of data from the firms. In addition, we will improve communications with the firms during each stage of the internship experience: (1) prior to conducting the interviews, (2) during the matching process, (3) after the matching process but before the internship, (4) during the internship, and (5) after the internship. Please see Appendix J.

### **General**

The Accounting Department has worked hard to maintain the quality and efficiency noted in the last Audit & Review Evaluation Report (1997/1998). Specifically, as a faculty and as a department, we have continued to:

- Perform *very* effectively on the Uniform CPA Examination and encourage our students to participate in the Certificate in Management Accounting (CMA) exam.
- Graduate our BBA accounting majors *significantly* under the university average of 143 units. Graduate our graduate students in a timely and efficient manner.
- Maintain our *excellent* placement rate of over 96%.
- Develop and maintain our excellent, efficient and effective network of alumni.
- Continue our department's reputation as teacher/scholars, consistent with the model developed and espoused by UW-Whitewater.
- Remain very active in professional societies and organizations.
- Use up-to-date technology for both professional (e.g., research and scholarly activities) and pedagogical purposes.
- Attract majors to the BBA and MPA programs and explain the available options for meeting the AICPA's 150-unit requirement for taking the Uniform CPA Examination.
- Provide quality instruction to non-majors in the College via ACCOUNT 244 (Introduction to Financial Accounting) and ACCOUNT 249 (Introduction to Managerial Accounting) at the undergraduate level, and ACCOUNT 701 (Accounting Foundations) and ACCOUNT 725 (Profit Planning and Control) at the graduate level.
- Encourage all faculty and staff to obtain and maintain professional accounting-related certification (e.g., CPA, CMA, etc.)—note, most of the faculty/staff are already CPAs and several had multiple professional certifications. (See Appendix D.)

In addition, the Accounting Department has strived to address the program weaknesses noted in the last Audit & Review Evaluation Report (1997/1998). Specifically, as a faculty and a department, we are aware of the need to improve our efforts in the following areas:

- Sharing assessment results with our students. [Our results have been informally and sporadically communicated to randomly selected groups of students within the accounting program (e.g., members of Beta’s leadership team). The department must strive to systematically and formally share our assessment results with our students and garner appropriate feedback from them.]
- Hiring more female and minority faculty members. [Our department is aware of this weakness from the 1997/1998 Report and is proud of its accomplishments in this area during the review period. Presently, we have 13 faculty/staff members (5-female, 8-male). Our three most recent hires have been 1-male and 2-females. More importantly, our recent hires are first and foremost, highly professional educators that have/will enhance and extend the quality of our programs.]
- Obtaining external funding continues to be a soft spot in our programs. However, we are working closely with the Accounting Advisory Board to address this concern. [Note the Accounting Department was able to raise approximately \$29,000 for scholarships to accounting majors in 2001 and continues to raise funds from the Becker CPA Review course for the College of Business & Economics and the Accounting Department.]
- Form and utilize an external Accounting Advisory Board. [We are very proud of our new advisory board, formed and fully implemented during the review period. Membership is representative of the firms involved in our internship program and in hiring our students. Most members are alumni, but several are from external constituencies important to the overall quality of our program. See Appendix I for a complete listing of the Board members, minutes and agenda for the organizational meeting, and a copy of the Board’s By-Laws.]
- Increase the research productivity of all members of the department. [In the past, one or two faculty members have done most of the research in the department. Sincere attempts have been made to “even out” the research workload within the department, but the fact remains, some faculty are better than others in this area. However, our three recent hires appear to have well-developed research agendas and have already increased the overall productivity of the department.]

## **E. Information Shared with Constituencies**

The Accounting Department surveys its recent alumni and asks them to rate the Accounting Department’s performance relative to their preparation for their first jobs and the professional certification exams (e.g., CPA, CMA). Additional questions focus on advising, course content, the quality of the accounting program, and individual instructors. Information is tabulated and communicated on an individual basis to each faculty/staff member and on a department basis via the Annual Report to the Dean of the College of Business & Economics. The department recognizes that the survey will have to be revised to incorporate questions regarding the MPA program.

Assessment data is presented in the department’s Annual Report and is distributed to the faculty and staff at the end of the spring semester. This data will be discussed as an agenda item at the first faculty meeting in the fall. In addition, assessment data from all sources will be formally presented to the Accounting Advisory Board at its spring meeting. (Please see Appendix I.) Board feedback will be evaluated during the summer and presented to the faculty and staff at its first department meeting in the fall. Finally, the department has not formally shared its assessment data with its students; plans will be developed during the upcoming review period to systematically share this information with all constituency groups.

## **II. STRATEGIC PURPOSES and PERFORMANCES**

### **A. Centrality**

The accounting programs are a specific part of and, in every way, consistent with the mission and strategic plan of the University of Wisconsin-Whitewater. For example, we are included in the university's mission to "offer an extensive range of undergraduate programs and degrees, including interdisciplinary programs in letters, sciences, and the arts, as well as programs and degrees leading to professional specializations." In addition, we meet those expectations through the education of our students as they prepare for careers in business/accounting and their post-undergraduate learning experiences.

While the MPA is designed to seamlessly follow the BBA program, the BBA program itself is a stand-alone, independent major within the College of Business & Economics. The accounting curriculum is commonly referred to as a "building-block" curriculum; i.e., successive courses rely heavily and build directly on course prerequisites. Of course, as part of the university community, the accounting program depends on other departments and programs to provide its students with the "common general education program which provides the body of knowledge which undergrids all degree programs."

### **B. Goals and Objectives**

The mission of the University of Wisconsin-Whitewater's Accounting Department is to (a) provide high quality accounting education, (b) make intellectual contributions, and (c) perform service for the University and the community.

Our mission is to also prepare its students to be responsible, competent, and ethical leaders in their accounting/business careers. Specifically, our undergraduate degree (BBA) in accounting builds upon UW-Whitewater's common general education program, emphasizing technical accounting knowledge and basic computer competency, oral and written communication skills, analytical reasoning and critical thinking, and a desire for life-long learning. The MPA program focuses on expanding the knowledge presented in the BBA program, preparing students for professional examinations (e.g., CPA, CMA), and providing leadership and service opportunities (e.g., internship program).

The Accounting Department has the following objectives:

- Provide university-level undergraduate and graduate accounting education to students who wish to pursue careers in public, corporate (private or managerial), governmental/not-for-profit, or other accounting fields.
- Prepare students to meet the educational requirements for taking and successfully completing the various accounting-related professional examinations.
- Provide positive, meaningful instruction for non-accounting majors (or minors) in the College of Business & Economics (i.e., Introduction to Financial Accounting and Introduction to Managerial Accounting).

- Provide a level of instruction that will prepare students for their professional careers, including a successful internship experience and the opportunity to interview with a variety of firms.
- Support the activities of the accounting student organizations (i.e., Beta Alpha Psi and the Student Chapter of the Institute of Management Accountants), so that students better understand the accounting profession and options it provides to graduates.
- Encourage faculty and staff growth through professional meetings, conferences, and seminars/workshops, and to engage them to pursue intellectual contributions that improve and/or expand the existing body of accounting knowledge, including improvements to accounting instruction.
- Serve a broad-based student population, including full-time and part-time, traditional and non-traditional, major/minor and non-accounting major/minor, on-campus or off-campus, and degree-seeking or other life-long learning students.

Other specific objectives for the Accounting Department during the upcoming review period include the following:

- Revise the MPA comprehensive examination to include explicit assessment data for both the BBA and MPA programs (e.g., course-level feedback, program-level feedback, etc.).
- Continue to develop internship feedback instruments to incorporate appropriate assessment data, particularly from the internship firms.
- Develop and implement a formal exit interview and/or exit survey procedure for both BBA and MPA students.
- Develop a recruiting/promotional campaign for high school students enrolled in business courses.
- Prepare and distribute the first annual Accounting Department Newsletter to alumni, firms, and other interested parties.
- Recruit and hire an additional faculty member (PhD) to teach upper-level and/or graduate courses, particularly in the Auditing and Cost/Managerial fields.
- Receive Superior Chapter status for Beta Alpha Psi and a Gold Member certificate (or national banner) for UW-Whitewater's student chapter of the Institute of Management Accountants.
- Increase the number of peer teaching evaluations conducted in the Accounting Department and continue to develop individual instructor's teaching portfolios.

We believe that we are continuing to address our goals and objectives as stated in this and our previous Audit and Review Evaluation Report (1997/1998). As stated above, not all objectives have been met during the review period. Additionally, not all objectives have been met with the same degree of constancy. However, we are aware of state and societal needs

and believe we contribute towards those needs in a manner consistent with the mission statements of the University of Wisconsin-Whitewater, College of Business & Economics, and Accounting Department.

### **C. Trend Data**

The number of students majoring in accounting has declined 29.1% during the review period (265 in 1997/1998 to 188 in 2001/2002). Unfortunately, this decrease in majors is substantially greater than the decrease in the number of majors in the College of Business & Economics' or at UW-Whitewater; 0.0% and 2.0%, respectively. The Accounting Department dropped from the 10<sup>th</sup> largest major on campus to the 17<sup>th</sup> largest. However, our decline is consistent with an overall decrease in the number of accounting majors nationally between 1997 and 2000 (2001 showed a slight 2% increase).

However, we were the 7<sup>th</sup> highest 'degree-awarding' major at UW-Whitewater in 2002, indicating perhaps that accounting students are less likely to change their majors, once declared. Also, the completed units at graduation are lower for accounting majors (129) than the university average (134). It is also interesting to note that the 'undergraduate headcount by major' indicates only an 8.7% decrease in accounting majors from 1995/1996 to 1999/2000 (vs. the 29.1% decrease in the number of majors).

### **D. Demand for Graduates**

The majority of our BBA graduates enter either the MBA or MPA graduate programs, most likely to complete the AICPA's 150-unit requirement for taking the Uniform CPA Examination. It is difficult to estimate exactly how many BBA graduates will continue on to graduate school, but we believe it is between 70% and 75%. Those who don't pursue a graduate degree fulfill the AICPA's 150-unit requirement with additional undergraduate units, which distorts the department's 'completed units at graduation' statistic.

On the national level, almost 38,000 students were awarded Bachelor's degrees in accounting in 2000/2001, an increase from 1999/2000 of almost 2%. During the same period, 9,000 Master's degrees were awarded (9% increase from 1999/2000). Females received 56% of the Bachelor's degrees and 53% of the Master's degrees in accounting during 2000/2001. Unlike our graduates at UW-Whitewater, 35% of the Bachelor degree graduates went into public accounting and 23% started their careers in corporate/industrial accounting. The remainder (42%) went to either to graduate school or entered another field of accounting.

Unfortunately, in 2001, there was a significant decline in the hiring of new accountants (22% and 17% declines for Bachelor's and Master's degree graduates, respectively). However, firms expect this trend to reverse itself and project a 5% annual growth rate over the next five years. Turnover for accounting firms average between 12% and 16% per year. Please note these statistics don't appear to reflect the hiring practices in the Midwest, particularly in the geographical regions in which our graduates are hired (i.e., Fox Valley, Milwaukee, Madison, and Chicago).

Both our BBA and MPA graduates have a wide selection of potential employers to interview with. The following list is typical (and non-exhaustive) of the firms that have hired our graduates during the review period.

- National/international accounting firms: Arthur Andersen; PricewaterhouseCoopers; Deloitte & Touche; KPMG Peat Marwick; Grant Thornton; and Ernest & Young.
- Large regional accounting firms: BDO Seidman; Clifton, Gunderson & Co.; Conley, McDonald & Co.; McGladrey & Pullen; Schenck & Associates; Smith & Gesteland; Virchow, Krause & Co.; Vrakas, Blum & Co.; Williams, Young & Associates; and Wipfli, Ullrich & Co.
- Medium regional accounting firms: Baillies, Denson, Erickson & Smith; Hensue & Hall; Kiesling & Associates; Meier, Clancy & George; Morton, Nehls & Tierney; Reilly, Penner & Benton; Suby, Von Haden & Associates; and Winter, Kloman, Moter & Repp.
- Service companies: Firststar (First Wisconsin National Bank); The Marine Corporation; Marshall & Ilsley Bank; Northwestern Mutual Life Insurance Co.; Strong Financial Corporation; Wisconsin Physicians Service; City of Janesville; Wisconsin Department of Revenue; Wisconsin Legislative Audit Bureau; and Wisconsin Department of Administration.
- Manufacturing companies: Kohler; Ray-O-Vac Corporation; Kerry Ingredients; Beatrice Foods; Cargill, Inc.; General Motors; Generac; Lands' End; Modine Manufacturing; and A. O. Smith Corporation.

## **E. Accreditation**

The Accounting Department strongly believes that accreditation by the AACSB (The International Association for Management Education) of the College of Business & Economics' is essential for our accounting programs. Not only does accreditation develop and strengthen the efficiency and effectiveness of the management/accounting education process, but it also is necessary for our professional fraternity (i.e., Beta Alpha Psi) to exist. This is especially important for our students because of the experience and the contacts that they develop with the accounting firms and businesses in the surrounding area.

The mission of AACSB accreditation is to promote excellence and continuous improvement in undergraduate (and graduate) education for business administration and accounting. Since the review process is linked to each school's stated mission and objectives, self-evaluation and peer review help to assure acceptable levels of performance by relating them to each school's individual mission. The process endorses diverse paths to achieving high quality education and provides guidance for continuous improvement in educational programs.

## **F. Location Advantage**

The University of Wisconsin-Whitewater, founded in 1868, is known for academic, arts, and athletic excellence in a setting of high quality, career-oriented undergraduate and graduate programs. Courses offer a unique blend of personal enrichment and professional experience. The campus is located on 400 rolling acres with 46 buildings, a nature preserve, and an arboretum. UW-Whitewater is also within convenient driving distance to the metropolitan, populous cities of Milwaukee, Madison, and Chicago. These features provide a *major* university experience for our students within a *small-town* atmosphere; i.e., we are close enough to provide the advantages of an urban campus without sacrificing the advantages of a rural setting. This is very important to our students for internship experiences and job opportunities after graduating. It is also important because 90% of our students come from the five counties surrounding Whitewater, which includes the cities listed above.

## **G. Comparative Advantage**

Our accounting programs (i.e., BBA integrated with the MPA) offer one of the most inclusive accounting curriculums in the state, and possibly, the nation. We have purposely designed both degrees into a single, cohesive professional program with the flexibility to transfer into the MPA program from another university or take the Uniform CPA Examination with our BBA degree and 150-units completed. Our programs are also designed to take advantage of the nation reputation of the College of Business & Economics' faculty, particularly the outstanding instruction our students receive in business law and corporate finance.

Another advantage of our program is our dedicated, highly qualified faculty and staff. Most have their CPA certificates and several have multiple professional certifications. Also, most have extensive practical experience in various accounting fields, serve on significant committees in professional organizations, and have taught for many years-we have a very experienced group of instructors compared to most other accounting programs. Finally, our students are some of the hardest working students on campus and in the state. Combine all these features with our strong (and required) internship program and two very active student organizations, and it's easy to understand why our students are so prepared to enter the accounting/business world.

## **H. Community Impact**

Most of our students come from the southeastern part of Wisconsin, mirroring the UW-Whitewater student population. This pattern has existed for several review periods and shows no signs of changing soon. Our involvement with the community has already been documented (internships in the area) but, in addition, Beta Alpha Psi assists in the VITA program each tax season, and both Beta and the IMA Chapter are involved in community service. Finally, many of faculty and academic staff are involved in community affairs (e.g., Mukwonago School Board, City of Whitewater Common Council) and services (e.g., consulting, tax preparation).

## **I. Strategic Planning**

Given that the 150-unit programs has only been in place since 2000, it may be too early to develop and implement significant changes until more assessment data is collected and analyzed. In general, we are very pleased with the results achieved so far and don't plan any major revisions to our curriculum at this time.

However, several minor modifications seem to be in order based on feedback from several of our constituency groups. For example, our Accounting Advisory Board would like the Accounting Department to consider offering increased topical coverage of international accounting, internal/operational auditing, and financial statement analysis. They also want to review and evaluate individual course content in terms of relevancy to the profession.

## **III. RESOURCE AVAILABILITY and DEVELOPMENT**

### **A. Faculty and Staff Characteristics**

Our faculty and staff are all specifically trained and prepared as to professional expertise in their respective fields of accounting. Most are professionally certified, which requires them to meet the professional organization's continuing education requirements to maintain their certifications. Also, the department was very fortunate to enhance the diversity of our faculty through the hiring of Assistant Professors Linda Holmes, Richard Cummings, and Carol Normand during the review period. They bring with them, not only the credentials we need in terms of business and accounting (i.e., PhDs, CMA, CPA), but also perspectives which we feel are important for our students (e.g., minority issues, liberal arts background, and active research agenda, respectively).

## **B. Teaching and Learning Enhancement**

The Accounting Department is proud of its teaching reputation but strives to improve its course management skills whenever possible. These activities range from specialized course preparation in the taxation and auditing fields to general, pedagogical workshops (e.g., UW-Whitewater's LEARN CENTER seminars and workshops). Student evaluations of the department's teaching remain strong and comments are generally positive and appreciative.

All faculty and staff are assigned regular advisees and participate in new student/freshman advising programs (e.g., Previews sessions in the summer). In addition, one of our faculty members is a campus Master Advisor.

We do not see the immediate need for new course development during the upcoming review period. Rather, our curricular efforts will focus on refining current courses and aligning them with the needs of the profession. Interestingly, we have observed a substantial increase in the use of our Independent Study courses (i.e., ACCOUNT 498 and ACCOUNT 798) by students to address areas of specialized and individualized interest.

Please see Appendix F for a complete listing of teaching and learning enhancement activities by the Accounting Department's faculty and staff.

## **C. Research and Other Scholarly Activities**

This is an area of significant improvement during review period. Several faculty members have continued their substantial productivity (e.g., taxation) and new members are advanced their research agenda to the point of obtaining tenure and promotion to Associate Professor. In addition, two recent hires have already made two professional presentations and had two articles published in leading accounting-related journals. Please see Appendix F for a complete list of research and other scholarly activity during the review period.

## **D. External Funding**

This is one area where the Accounting Department needs to improve. We have not been actively involved as a department in writing grant proposals. However, we have been successful at soliciting gifts from accounting firms to support student scholarships, professional development, and selected research activities. We have been able to supplement and support faculty travel to professional and scholarly conferences and assist them in remaining current within their respective disciplines.

## **E. Professional and Public Service**

The faculty and staff in the Accounting Department are exemplar at participating and supporting professional and public service activities. They serve numerous professional organizations at the state and regional levels (e.g., Wisconsin Institute of Certified Public Accountants, Institute of Management Accountants). They edit and review for professional publications in the discipline (e.g., Journal of the Academy of Business Education), serve in leadership roles for several community governing bodies (e.g., City of Whitewater, Mukwonago School Board), and are very active in university, college, and departmental committees. Please refer to Appendix F for a complete listing of the department's service activities.

#### **F. Resources for Student in the Program**

There are nine faculty members and 3.5 academic staff members in the Accounting Department. Due to recent budget constraints, the number of staff positions has decreased to 3.0. The department's student credit hours (SCH) per full-time equivalent (FTE) have increased from 312.00 in 1997 to 324.15 in 2001. This is significantly because of the MPA program and the effect graduate courses have on both the SCH and FTE statistics.

#### **G. Facilities, Equipment, and Library Holdings**

All accounting classes are held in Carlson Hall except those that are offered as web-based courses. Two rooms (C2011 and C2015) are fully equipped with computer projection equipment. While room size and availability do not present serious problems, we would like to see a horseshoe-shaped, tiered audience seating (i.e., wider than deep). This would greatly enhance and improve presentation capabilities and student participation.

All faculty and staff in the Accounting Department have personal computers which are updated on a regular and reasonable basis (i.e., every three years or so). Laser printers are available for all faculty and staff in the department office. Finally, our campus library budget for department acquisitions is adequate to maintain holdings related to the accounting profession.

**UNIVERSITY of WISCONSIN-WHITEWATER**

**AUDIT & REVIEW REPORT**

**2002-2003**

**Department of Accounting  
College of Business & Economics**

**Undergraduate (BBA)  
and  
Graduate (MPA)  
Programs**

Prepared and Submitted  
by  
Robert Gruber, Chair/Professor