

THE UNIVERSITY OF NORTH CAROLINA ASHEVILLE
FACULTY SENATE

Senate Document Number SD3722S
Date of Senate Approval 3/03/2022

Statement of Faculty Senate Action:

APC Document 32 (ACCT): **Change the requirements for the Major in Accounting;
Change the requirements for the Minor in Accounting;
Remove the reference to AACSB accreditation in the
description for the department**

Effective Date: Fall 2022

1. Delete: On page 221, item I under **Major in Accounting:**

I. Required courses for students majoring in Accounting—45 hours: ACCT 215, 216, 301, 302, 340, 415; MGMT 130, 230, 250, 300, 480; and 6 additional hours chosen from 300-400 level ACCT or MGMT 380.

Add: On page 221, in place of deleted entry:

I. Required courses for students majoring in Accounting—50 hours: ACCT 215, 216, 301, 302, 340, 415, 417; MGMT 130, 230, 300, 480; and 8 additional hours chosen from 300-400 level ACCT.

2. Delete: On page 221, the requirements listed under **Minor in Accounting:**

18 hours including: ACCT 215, 216, 301, and at least nine hours chosen from ACCT 302, 317, 342, 417 and MGMT 300.

Add: On page 221, in place of deleted entry:

20 hours including: ACCT 215, 216, 301, and at least eight hours chosen from ACCT 302, 317, 342, 417 and MGMT 300.

Impact Statement: The proposed changes (changing from three-credit hours to four-credit hours for all accounting courses; adding ACCT 417 as required for the major; eliminating MGMT 380 as an option in the major; and eliminating MGMT 250 for the major) will have both positive and negative impacts. The positive impact of increasing the contact hours will provide faculty additional class time to cover an increasingly complex set of regulations and required professional knowledge. The increased contact time is expected to aid in student retention in the accounting major and in graduation rates. Because the total number of courses in the major and minor remains constant at 17 and 5, respectively, there should be no adverse effect on time to graduation. Currently enrolled students who have yet to declare Accounting as a major or minor will be advised to declare prior to Fall 2022 so their required credit hours will remain at 45 or 18, respectively.

The negative impact is the need for annual adjunct support for 12 to 16 credits (three to four courses). The current degree program cannot cover its required existing courses because of the reduction in accounting faculty from four lines to three, see the APC document Petition for Accounting Degree Exemption to SD2015F. The current curriculum requires two to three adjuncts in an academic year depending on preparation load for accounting faculty, course offerings, and course enrollments. The net increase in the need for adjuncts with the proposed curriculum, in the context of reduced accounting faculty lines, is two per academic year depending on preparation load for accounting faculty, course offerings, and course enrollments. With four faculty lines, additional adjuncts would not be needed and there would be a more robust offering of electives within the major, increasing student choice and depth of knowledge of the accounting profession.

The addition of ACCT 417 as a required course for the major is consistent with what is required by 5 out of 6 of the peer schools' major in accounting, see APC document Petition for Accounting Degree Exemption to SD2015F, Table 2. The course will provide students the background they need to be successful in an extremely important area of practice within the accounting profession (i.e. the annual income tax preparation season for CPAs).

The elimination of MGMT 380 as an elective offering in the major will have minimal impact because very few accounting majors take this course to fulfill the current requirement.

There will be reduced enrollments in MGMT 250 but not sufficient to cause sections to be canceled, see table 1. The elimination of MGMT 250 in the major will have little impact on accounting majors because in their career they will be practicing accounting and not marketing.

Table 1 MGMT 250 Enrollments

MGMT 250 Enrollments		Enrollments less Accounting Majors*
S21	17	11
	23	15
S21	25	16
	25	16
F20	26	17
	25	16
S20	25	16
	14	9
F19	20	13
	16	10
S19	22	14
	20	13
	21	14
F18	20	13
	14	9
S18	22	14
	19	12
	20	13
F17	17	11
	23	15

* Fact Book Fall 2021 shows accounting majors constitute 35% of total enrollments in the Department of Management and Accountancy. This enrollment projection is 65% of the total.

Rationale: The proposed change in the major is driven by the need to increase contact hours with students in the major. This stems from two primary sources. First is the increasingly complex nature of the topics that need to be covered in upper-level accounting courses to prepare students to be successful in their professional accounting careers. The accounting degree program has had impressive success in the past given its small size. For example, in 2019 out of 32 accounting degree programs in North Carolina, UNCA has the 3rd highest CPA pass rate, see Appendix B in the document Petition for Accounting Degree Program Exemption to SD2015F. Our accounting graduates are being admitted into high quality in-state graduate accounting programs (e.g. North Carolina State University, Wake Forest) as well as out-of-state (e.g., University Texas at Austin). Our graduates have taken positions in the big four accounting firms (e.g., Deloitte, Ernst & Young, PricewaterhouseCoopers). In order to maintain this record of success in the face of the growing complexity of the accounting profession, more contact hours with our accounting students is needed.

Second, the proposed change to a four-credit-hour model is driven in part by the turnover in accounting faculty over the last six years. The turnover rate for accounting faculty is 113% over this

period of time (i.e. the departures of Reed Roig, Jim Eason, Richard Turpen, Bill Koprowski, and Lucian Zelazny). Students in the accounting major have noticed the high turnover in accounting faculty. Despite this, the accounting major has continued to grow in terms of the numbers of students, see Table 6 in APC Document Petition for Accounting Degree Exemption to SD2015F. More contact hours will assist students in the accounting major and minor in establishing and maintaining relationships with the accounting faculty. These relationships are important in facilitating student success. Furthermore, these relationships are necessary in order for accounting faculty to write effective letters of recommendation for our students.

3. Delete: On page 219, the first paragraph in the departmental description:

The study of organizations is a liberal art and as such our students explore phenomena from multiple disciplines to identify, critically examine, and solve complex problems facing organizational decision makers and the citizenry. The Association to Advance Collegiate Schools of Business (AACSB International) accredits our two undergraduate degree programs in management and accounting. Both are designed to provide students with the basic skills and knowledge necessary to be empathetic and productive citizens prepared for graduate studies and careers in the non-profit, business, and government sectors. Through a combination of courses taught inside and outside of the department, students majoring in management have an opportunity to explore a variety of advanced special areas of study such as entrepreneurship, finance, global business, human resource management, leadership, marketing or business analytics. Beyond their core courses, accounting students may explore advanced topics in non-profit and governmental accounting, income taxation, corporate tax, and accounting theory, among others.

Add: On page 219, in place of deleted entry:

The study of organizations is a liberal art and as such our students explore phenomena from multiple disciplines to identify, critically examine, and solve complex problems facing organizational decision makers and the citizenry. The management and accounting programs are designed to provide students with the basic skills and knowledge necessary to be empathetic and productive citizens prepared for graduate studies and careers in the non-profit, business, and government sectors. Through a combination of courses taught inside and outside of the department, students majoring in management have an opportunity to explore a variety of advanced special areas of study such as entrepreneurship, finance, global business, human resource management, leadership, marketing or business analytics. Beyond their core courses, accounting students may explore advanced topics in non-profit and governmental accounting, income taxation, corporate tax, and accounting theory, among others.

Impact: Discontinuing AACSB accreditation is not likely to have a tremendous impact on students at the undergraduate level; the accreditation is more impactful at the graduate level.

Rationale: Though the fact of the change in AACSB status and the proposed change in the accounting major and minor curriculum are concurrent in time, the change in AACSB accreditation status is unrelated to the change in the accounting curriculum from three credit hours to four credit hours. The department is currently accredited by the AACSB until June of 2022. However, the department has voted not to pursue continued AACSB accreditation, and no data has been filed with the AACSB for consideration beyond the current term.