



UNIVERSITY OF WASHINGTON

OFFICE OF THE PRESIDENT

November 29, 2007

Mark A. Emmert, President

Vice Chancellor Susan Jeffords
University of Washington, Bothell
Box 358522

Dear Susan:

Based upon the recommendations of the Executive Council on General Faculty Organization, the Faculty Council on Tri-Campus Policy has recommended approval of an option in Accounting within the existing Bachelor of Arts in Business Administration. A copy of the proposal is attached.

I am writing to inform you that the Business Administration program is authorized to offer this option beginning autumn quarter 2008 and thereafter.

The new requirements should be incorporated in printed statements and in individual department websites as soon as possible. The *General Catalog* website will be updated accordingly by the Registrar's Office.

Sincerely yours,

Mark A. Emmert
President

Enclosure

cc: Steve Holland (with enclosure)
Mr. Robert Corbett (with enclosure)
Dr. Deborah H. Wiegand (with enclosure)
Todd Mildon, J.D. (with enclosure BBUS-20070928)



UNIVERSITY OF WASHINGTON
**CREATING AND CHANGING UNDERGRADUATE
 ACADEMIC PROGRAMS**

OFFICE USE ONLY
Control # BBUS - 20070928

After college/school review, send a signed original and 8 copies to FCAS, Box 355850.

For information about when and how to use this form: <http://depts.washington.edu/uwcr/1503instructions.pdf>

College University of Washington Bothell	Department or Unit Business Administration	Date 9/28/07
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New Programs

- Leading to a Bachelor of _____ in _____ degree.
- Leading to a Bachelor of _____ degree with a major in _____
- Leading to a Accounting Option within the existing major in Business Administration
- Leading to a minor in _____

Changes to Existing Programs

- New Admission Requirements for the Major in _____ within the Bachelor of _____
- Revised Admission Requirements for the Major in _____ within the Bachelor of _____
- Revised Program Requirements for the Major in _____ within the Bachelor of _____
- Revised Requirements for the Option in Accounting within the major in Business Administration
- Revised Requirements for the Minor in _____

Other Changes

- Change name of program from _____ to _____
- New or Revised Continuation Policy for _____
- Eliminate program in _____

Proposed Effective Date:

Quarter: Autumn Winter Spring Summer Year: 2008

Contact Person Steve Holland, Program Director	Contact's Phone 425 — 352 — 5232	Contact's Email sholland@uwb.edu
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EXPLANATION OF AND RATIONALE FOR PROPOSED CHANGE

For new programs, please include any relevant supporting documentation such as student learning outcomes, projected enrollments, letters of support and departmental handouts. (Use additional pages if necessary).

- see attached -

- Proposal for Option in Accounting -

CATALOG COPY

Catalogue Copy as currently written. Include only sections/paragraphs that would be changed if you request is approved. Please cross out or otherwise highlight any deletions.

- see attached -

- Catalog Copy -



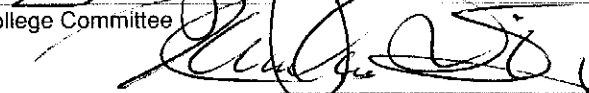

PROPOSED CATALOG COPY

Reflecting requested changes (Include exact wording as you wish it to be shown in the printed catalog. Please underline or otherwise highlight any additions. If needed, attach a separate, expanded version of the changes that might appear in department publications)

- see attached -

- Proposed Catalog Copy -

SIGNATURES (required)

Chair/Program Director 	Date 10/3/07
Dean 	Date 10.4.07
College Committee 	Date 10/3/07
Faculty Council on Academic Standards 690 Chair: Post Tri-Campus approval 	Date 11/13/07



CATALOG COPY

Bachelor of Arts in Business Administration

The Business Administration program's objective is to develop in students the skills and knowledge that are necessary for success in a dynamic, global economic environment. The Bachelor of Arts in Business Administration program curriculum uses a variety of innovative pedagogical approaches to expose students to the problems they will face as managers and leaders and provides frequent opportunities to study important business institutions. Concentrations include: Management; Management Information Systems; Marketing; Technology and Innovation Management; and Finance. The program places a high priority on the integration of theory and practice and complements its emphasis on relevance in teaching with an emphasis on research. The broad diversity and sophistication of the business community in the University of Washington Bothell service area help to make this relevance and interaction sustainable.

Master of Business Administration

The Master of Business Administration program focuses on preparing individuals for management in technology-oriented businesses. The MBA program combines leading-edge management theory with practical tools for analysis and problem solving in a team-based environment. Courses emphasize case studies and projects that challenge students to apply and extend what they learn in class to real-world business situations. Throughout the two-year evening program designed for working professionals, students also learn from their peers who possess rich and diverse backgrounds in business and technology. In addition, guest lecturers from the local business community bring their insights and experience into the classroom as they discuss the challenges and opportunities facing managers.

PROPOSED CATALOG COPY

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Accounting Option

The Accounting option complements the Business Administration core for those interested in careers in public accounting or in private, government, and non-profit accounting. Students learn to understand the recording and reporting of financial data, principles of auditing, consolidated financial statements, tax law and its effect on business decisions, cost data for planning and control decisions, and other elements of generally accepted accounting principles.

After completing the two-year Accounting Option, students are eligible to take the Certified Management Accounting (CMA) exam. A third year of college-level coursework is required to take the Certified Public Accounting (CPA) exam.

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**Proposal for an Option in Accounting
Business Program
University of Washington Bothell**

A new option for Business students at the University of Washington Bothell is proposed to start in Fall 2008. The option in Accounting will join five informal concentrations in the Business major: Management, Marketing, Finance, Technology and Innovation Management, and Management Information Systems. In addition to general graduation requirements for UWB and the core requirements for Business majors, students will complete 35 credits for the Accounting option.

A faculty committee was charged with developing the proposal for the concentration. They worked with faculty from the accounting programs at UW Seattle and UW Tacoma to design the curriculum and to estimate the budget. The proposal was then discussed at a faculty/staff meeting. The vote to approve was 10 in favor, 0 opposed, and 1 abstention.

The total incremental cost per FTE is estimated to be \$8483. Incremental revenue per FTE should be \$11,500 to \$12,000 based on tuition of approximately \$6000 and state subsidy of \$5500-\$6000. The estimate is based on hiring three tenure-track faculty members in accounting at a salary of \$125,000 (salary offered to new accounting hires at UWT for next year) and one lecturer or senior lecturer at a salary of \$85,000 (the median for accounting lecturers and senior lecturers at UWS and UWT is \$82,314).

Rationale

An Accounting option meets unmet demand for well-educated accountants in our region and recognizes the opportunity for accounting education to play a role in protecting business and society from the kinds of corporate scandals (Enron, Worldcom) that we saw in the early part of this decade. Since passage of the Sarbanes-Oxley Act in 2002, demand for accountants has been extraordinarily high as businesses work to prevent the types of accounting practices that led to scandal.

Sarbanes-Oxley is officially the Public Company Accounting Reform and Investor Protection Act of 2002. The act created the Public Company Accounting Oversight Board which oversees auditors to ensure that they enforce laws against theft and fraud by corporate officers. The Act also creates new rules regarding relationships between public companies and their auditors.

Ethics will be a central element of the new Accounting option. This fits well with the overall mission of UW Bothell and with one of the five points of emphasis for the Business Program: to develop excellence in managerial ethics/social responsibility.

A national shortage of accounting talent exists that is well-described in the following quotes from *CFO Magazine*.

Even though enrollment in accounting programs has risen over the past few years, the demand for CPAs currently outstrips supply by as much as 20 percent, and relief appears to be a long way off. "We'll have an incredible shortage of accountants for the

next 10 to 15 years,” predicts Allan D. Koltin, president and CEO of PDI Global Inc., a Chicago-based consultancy for accounting and other professional firms. (CFO Magazine, April 1, 2006)

..... Sarbanes-Oxley ratcheted up the demand for auditors and doubled the workloads of in-house controllers. As a result, accounting firms are competing fiercely for new graduates and CFOs are bemoaning the difficulty of finding capable staff. Accounting is so hot, in fact, that students are now courted in their sophomore years and often entertain juicy offers well before they graduate. Who would have guessed that accounting majors would come to be recruited with an intensity formerly reserved only for basketball stars? (Julia Homer, CFO Magazine, November 1, 2006)

The experience at UW Tacoma may be the best gauge of need in our immediate area. At UWT accounting enrollments have doubled since 2004 and an accounting faculty member reported to us that “More than 40% of our students are accounting majors and we can't keep up with the demand. In terms of job offers, our students get on average 3 job offers (most > \$55K)”. UWT has been placing their students with local CPA firms, business corporations, and governmental agencies, and has been contributing greatly to the economic development of the community they serve.

We think it is reasonable to assume that demand for well-trained accountants in north Puget Sound region is at least as strong as demand in the Tacoma area and is probably much stronger. Explosive business growth along the north I-5 and I-405 corridors has generated need for all types of well-trained business professionals and our Business Program has an accomplished track record of meeting that need. In the field of accounting, though, we have a great gap not only in our portfolio of educational offerings but also in our ability to serve the citizens of the north Puget Sound region and contribute to the economic development of the region we are mandated to serve.

Forecast of Student Enrollment

We made a conservative estimate of enrollment in accounting by examining present business school and accounting enrollments at four nearby institutions: UWS, Western Washington University, Seattle University, and UWT. The table below shows present enrollments at these institutions.

<i>Institution</i>	<i>Number of students in the Business program</i>	<i>Number of students pursuing the Accounting option/major</i>	<i>Percentage of Business students in Accounting</i>
UWS	1729	512	30
UWT	400	160	40
WWU	1100	230	21
Seattle U.	842	149	18

We expect UWB to have an enrollment of about 80 FTE (about 25% of our present enrollment of 325 FTE students) in the accounting option within a year or two of launching the program. By 2010-11, we expect the Business Program to have over 450 FTE with approximately 20% enrolled in the Accounting option. This is a conservative estimate given the proportion of accounting students at comparable universities.

We expect the accounting option to primarily attract new students to our program who currently would choose to go elsewhere for accounting education. We also expect this program would be of interest to two other groups of students: (i) current UWB students who may decide to stay in school for a fifth year, do the accounting courses in addition to their current concentration and position themselves to take the CPA exam and (ii) recent UWB alumni (undergraduates and MBA students) who may want to do accounting courses as part of a post-baccalaureate certificate program and qualify to take the CPA exam.

An obvious concern is the extent to which an accounting program will siphon off students from our present concentrations, particularly the finance concentration. We would like to point out that all of our comparable universities have a full array of successful and highly enrolled business concentrations with finance usually being the second or third most enrolled behind accounting. The UWT accounting faculty were also helpful in addressing this issue by pointing out that students seeking an accounting education and/or CPA preparation want just that – an accounting education. They are not students who pick a second choice such as finance or management simply because accounting is unavailable. They know exactly what they want and seek out an accounting program that meets their needs. It is unlikely, therefore, that a significant number of our present students choose our concentrations as a second choice and will switch to accounting when available.

It is conceivable however, that *some* of our current students may decide to switch to accounting, reducing the demand for some other courses (most likely finance). On the other hand, if accounting students choose to pursue an extra year of undergraduate study at UWB, we may actually increase our FTE's without additional students.

Curriculum

The curriculum is driven in large part by the Washington State Board of Accountancy and their requirements for applicants interested in taking the CPA examination. We have examined those requirements along with the curriculum offered at our four comp universities. Brief summaries of these programs are in Appendix A.

We propose an option within the Business major consisting of 35 required credits in accounting. Specific courses are listed below.

<i>Tentative Course Numbers</i>	<i>Course Title</i>	<i>Prerequisites</i>
BBUS 311	Intermediate Accounting I	BBUS 300, BBUS 310
BBUS 312	Intermediate Accounting II	BBUS 311
BBUS 366	Cost and Managerial Accounting	BBUS 311, BBUS 350
BBUS 335	Accounting Information Systems	BBUS 311

BBUS 411	Advanced Financial Accounting	BBUS 311, BBUS 312
BBUS 456	Principles of Federal Taxation	BBUS 311, BBUS 312
BBUS 467	Auditing Theory and Practice	BBUS 311, BBUS 312

In addition to these seven courses we will periodically offer accounting electives such as ‘Accounting for Not-for-profit Entities’, ‘Advanced Business Law’ and others, depending on demand.

Fifth-Year Students

The curriculum for the Accounting option is designed to be completed in four years. Many students, however, will decide to take the CPA (Certified Public Accountant) exam, which requires five years of college. To appear for the CPA exam, a student needs a *minimum* of:

1. 225 quarter hours or five years of college. (A master’s degree is not required)
2. 36 quarter credits in accounting (with at least 23 credits at the upper division/graduate level)
3. 36 quarter credits in business courses (other than accounting).

Students who take a fifth year will be able to choose among courses from any program on campus, not just the Business Program.

Career Paths

In addition to attracting students interested in public accounting, the Accounting Option will attract and thoroughly train students pursuing careers in private, government, and non-profit accounting. The curriculum is designed to enable graduates to fill a number of corporate positions such as internal auditor, managerial accountant, and tax accountant. Graduates will be prepared to serve in government positions such as tax examiner, budget analyst, and government auditor. Non-profit accounting is an increasingly popular choice for accounting graduates. We expect some of our students to choose a career in the non-profit sector and the curriculum will prepare them to make a valuable contribution in that area. Further, the non-public accounting sector will also desire our accounting graduates to fill all types of non-accounting positions because of their thorough business training and overall knowledge of the financial effects of business decisions.

Resource Requirements

With 80 students, we will have to offer at least two sections of each of the seven courses listed above and perhaps one section each of the electives. In addition to these 16 sections, we will be offering the MBA accounting course and at least 2 sections each of the introduction to financial accounting and introduction to managerial accounting courses at the sophomore level. To staff all these courses, we will need the equivalent of four full-time faculty with three being tenure-track and one being a lecturer.

In addition to faculty resources, we intend to hire a full-time Internship Coordinator/Advisor for the accounting program. Internships are crucial to the successful placement of students and the Coordinator position is a demanding and time consuming effort. Because of the anticipated increase in Business Program enrollment, we will also need more student advising.

In Appendix B we identify resource requirements for the new option and provide cost estimates for such additional items as startup costs, expenses for recruiting internship companies, and library resources. Library resources needed are listed separately in Appendix C.

The total estimated cost of \$8483 per FTE is well less than the expected total of tuition and state support per student.

Appendix A

Credit Requirements of Competing Accounting Programs

Credit Requirements of Competing Accounting Programs

(Extracted from University Websites)

1. **UWS** accounting option requires **27** credits (9 courses) in a 4-yr, 180-cr program.
 - After four years, UWS accounting grads can either enter a one-year Master of Public Accounting degree program or pursue a concentration in non-accounting fields to earn the remaining 45 (fifth year) credits required for the CPA exam.
2. **UWT** accounting option requires **35-40** credits (7-8 courses) in the 4-yr, 180-cr program.
 - After four years, UWT accounting grads can continue to earn other credits at UWT that will count for the 225 credits required for the CPA exam.
 - UWT also offers a non-matriculated, five-quarter post-bac certificate program geared for other business graduates who decide to pursue CPA certification after four years of college.
3. **Seattle University** requires **35** credits (7 courses) for an accounting degree in the 4-yr, 180-cr program.
 - Seattle University offers two post-bac certificate programs that allow all business and accounting grads to earn the remaining 45 (fifth year) credits required for the CPA exam.
4. **Western Washington University** requires **48** credits (12 courses) for an accounting degree in the 4-yr, 180-cr program.
 - WWU accounting students seem to get the most extensive preparation for the CPA exam by far. This is because they are allowed to earn almost 120 credits in business (of the total 180 credits required for the 4-year degree). However, students still need an extra 45 (fifth year) credits to appear for the CPA exam.

Appendix B

Budget

Estimated incremental costs of new accounting option	07-08	08-09	09-10	comments
Tenure-track accounting faculty line 1		125000 29750		nine-month salary benefits
Tenure-track accounting faculty line 2		125,000 29750		nine-month salary benefits
Tenure-track accounting faculty line 3			125,000 29750	nine-month salary benefits
Accounting lecturer	85000 20230			nine-month salary benefits
Internship coordinator/advisor		50000 14150		twelve-month salary benefits
Travel expenses for recruiting internship companies	5000			
Library expenses: library budget	40000			
Total permanent funding by 09-10			678630	
Permanent cost per FTE (based on 80 FTE)			8483	includes library expenses
Program startup costs	20000			temporary funds

Note: salaries based on 07-08 estimates

Appendix C

Recommended Library Resources

I. On-Line Databases

The following databases provide access to the accounting and auditing regulatory environment:

1. The **Financial Accounting Research System** (“FARS”) published by the FASB. The FARS database will give our students access to the complete regulatory environment related to accounting and auditing. The FARS database includes FASB and AICPA Pronouncements, FASB Statements, Interpretations, Technical Bulletins and Concept Statements; APB Opinions and Statements; and AICPA Accounting Interpretations. The database is available on CD from the FASB (www.fasb.org) for an annual subscription of \$620. We will need to investigate obtaining a network version of this software.
2. The **Proquest Accounting & Tax with Standards** database. This is a new product by Proquest which extends the Accounting and Tax database we currently have to include standards published by the FASB, AICPA, GASB, and IASB. The coverage looks comprehensive, including all of the standards and documents referenced under the FARS system above. The library favors this approach because it is consistent with the direction being taken by UWS, and because it is easier to support this database than a standalone product (FARS) which might require an independent workstation. Doreen Harwood and Ron Tilden will work together to determine the cost of this option, as well as confirm that it is an appropriate substitute for FARS.

The corollary to the accounting and auditing databases described above, but instead applicable to Federal Income Tax regulations, is available through either **RIA Checkpoint** or **CCH Tax Reporter**. The Seattle campus has access to RIA Checkpoint, however it is IP restricted and our students cannot currently access this database. We are currently investigating the cost of providing our students with access to this tax database. If this cost is reasonable, doing so likely makes sense. On the other hand, with only one tax elective in our initial curriculum, I think it would be appropriate to view this database as optional, as opposed to a necessity.

We currently have access to the **Lexis-Nexis Academic Universe** and to the **Proquest Accounting and Tax** database. These databases also contain comprehensive coverage of accounting and tax regulations and related publications. They will be very useful to our students

Appendix C (continued)

II. Hard Copy Reference Material

In addition to the online resources described above, we should maintain certain hard copy reference materials in our library. The following is a recommendation for an initial stock of hard copy reference material, organized topically. Where available, the publisher and the current cost (which may increase by the time we subscribe) of this reference material is included.

Accounting:

FASB Statements of Financial Accounting Standards
FASB Statements of Financial Accounting Concepts
FASB Interpretations of Statements of Financial Accounting Standards
FASB Current Text, Accounting Standards (John Wiley & sons)
(Total cost of the 4 FASB publications above is currently \$226.00)
PCAOB Standards (\$118.75)
IASB International Reporting Standards
Accounting Trends and Techniques (AICPA; \$149)
Miller Comprehensive GAAP Guide (Harcourt Brace Jovanovich; 2 Volumes - \$298)

Auditing:

AICPA Professional Standards, Volumes 1&2 (AICPA; \$138)
Miller Comprehensive GAAS Guide (Harcourt Brace Jovanovich; \$149); current sub \$157

Tax:

US Master Tax Guide (CCH)
Federal Tax Handbook (RIA)

SEC Regulations:

SEC Handbook, Volume I 1933 Act (RR Donnely)
SEC Handbook, Volume II 1934 Act (RR Donnely)

Journals:

Journal of Accountancy \$75

Index to Abbreviations:

FASB – Financial Accounting Standards Board
PCAOB – Public Company Accounting Oversight Board
IASB – International Accounting Standards Board
GAAP – Generally Accepted Accounting Principles
GAAS – Generally Accepted Auditing Standards
SEC – Securities and Exchange Commission

Bothell – Options in Accounting within Bachelor of Arts in Business Administration (BBUS-20070928)

Tri-Campus Review Comments

Comment by graykl made 10/11/2007 5:08:08 PM

This will be a very useful option to add at UWB and will serve the students well.

Comment by djparker made 10/17/2007 10:25:41 PM

Student enrollment in the accounting program at UWT doubled from 40 students to 80 students in just a few years. The program is continuing to grow. Demand is driven by qualified students in the South Sound area seeking an accounting degree, as well as by the business community's need for accounting graduates.

UWB will serve the demand for a quality accounting degree program in The North Sound.

UNIVERSITY CAMPUSES UNDERGRADUATE PROGRAM REVIEW PROCEDURES**

CHECKLIST

Title of Proposal: Option in Accounting (BBUS-20070928)

Proposed by (unit name): Business Administration

Originating Campus:

UW, Seattle

UW, Bothell

UW, Tacoma

I. Phase I. Developed Proposal Review (to be completed by Originating Campus' Academic Program Review body)

A. Review Completed by: (list name of program review body)

Chaired by:

10/03/07 Date proposal received by originating campus's review body

10/08/07 Date proposal sent to University Registrar

10/08/07 Date proposal posted & email sent to standard notification list

11/13/07 Date of originating campus's curriculum body approval

(Note: this date must be 15 business days or more following date of posting)

B. 2 Number of comments received. Attach the comments and a summary of the consideration and responses thereof : (1-2 paragraphs)

II. Phase II. Final Proposal Review (to be completed by FCTCP)

A. Review Completed by:

n/a FCTCP subcommittee

11/26/07 FCTCP full council

Chaired by: Janet Primomo

11/16/07 Date request for review received from University Registrar

11/28/07 Date of FCTCP report

B. Review (attached)

YES NO

 x Was notice of proposal posted on UW Website for 15 business days?

 x Was notice of proposal sent to standard mailing list 15 business days in advance of

academic program review?

___ Were comments received by academic program review body?

___ Was response to comments appropriate? (explain, if necessary)

___ Was final proposal reviewed by FCTCP within 14 days of receipt?

___ Was there adherence to the University Campuses Undergraduate Program Review Process? (explain, if necessary)

C. Recommendation

Forward for final approval

___ Forward to Provost because of University issues (Explain)

___ Return to campus council because of insufficient review (Explain).

**Endorsed by Faculty Senate Executive Committee, 1/10/05, modified 1/31/06; These procedures apply to new undergraduate degrees, majors, minors (and certificates) and substantive changes to same

Summary: At its meeting on November 26, 2007, the full FCTCP completed the Phase II review of BBUS-20070928, the proposed (Option in Accounting within the existing Bachelor of Arts in Business Administration at UW Bothell). The Council noted that all procedures were followed; the proposal generated 2 comments that were positive.

The FCTCP is pleased to have the Registrar forward the final proposal to the President for final action and transmit the information to the UWB Chancellor. Thank you.
Janet Primomo, Chair, FCTCP