

March 23, 2010

Dean James Jiambalvo
Foster School of Business
Box 353200


Dear Jim:

Based on the recommendation of its Subcommittee on Admissions and Programs, the Faculty Council on Academic Standards has recommended approval of the revised program requirements for the option in Accounting within the Bachelor of Arts in Business Administration degree. A copy of the change is attached.

I am writing to inform you that the Foster School of Business is authorized to specify these requirements beginning autumn quarter 2010.

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: Ms. Vikki Haag Day (with enclosure)
Mr. Robert Corbett (with enclosure)
Dr. Deborah H. Wiegand (with enclosure)
Todd Mildon, J.D. (with enclosure BA-20100114)



UNIVERSITY OF WASHINGTON

**CREATING AND CHANGING UNDERGRADUATE
ACADEMIC PROGRAMS**

FORM 2-8 2008
OFFICE USE ONLY
Control # BUS-20100114

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

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

College/Campus Foster School of Business	Department/Unit Department of Accounting	Date 01/14/2010
New Programs <input type="checkbox"/> Leading to a Bachelor of _____ in _____ degree. <input type="checkbox"/> Leading to a Bachelor of _____ degree with a major in _____ <input type="checkbox"/> Leading to a _____ Option within the existing major in _____ <input type="checkbox"/> Leading to a minor in _____		
Changes to Existing Programs <input type="checkbox"/> New Admission Requirements for the Major in _____ within the Bachelor of _____ <input type="checkbox"/> Revised Admission Requirements for the Major in _____ within the Bachelor of _____ <input type="checkbox"/> Revised Program Requirements for the Major in _____ within the Bachelor of _____ <input checked="" type="checkbox"/> Revised Requirements for the Option in <u>Accounting</u> within the major in <u>Bachelor of Arts in Bus. Admin.</u> <input type="checkbox"/> Revised Requirements for the Minor in _____		
Other Changes <input type="checkbox"/> Change name of program from _____ to _____ <input type="checkbox"/> New or Revised Continuation Policy for _____ <input type="checkbox"/> Eliminate program in _____		
Proposed Effective Date: Quarter: <input checked="" type="checkbox"/> Autumn <input type="checkbox"/> Winter <input type="checkbox"/> Spring <input type="checkbox"/> Summer Year: 20 <u>10</u>		

Contact Person: Terry Shevlin, Chair	Phone: 543-7223	Email: shevlin@u.washington.edu	Box: 353200
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EXPLANATION OF AND RATIONALE FOR PROPOSED CHANGE For new program, please include any relevant supporting documentation such as student learning outcomes, projected enrollments, letters of support and departmental handouts. (Use additional pages if necessary).
Please see attached memo: Accounting Program and Course Change Requests.

OTHER DEPARTMENTS AFFECTED List all departments/units/ or co-accredited programs affected by your new program or changes to your existing program and acquire the signature of the chair/director of each department/unit listed. Attach additional page(s) if necessary. *See online instructions.		
Department/Unit:	Chair/Program Director:	Date:
Department/Unit:	Chair/Program Director	Date:

CATALOG COPY

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

Accounting

foster.washington.edu/departments/acctg

Accounting involves development and communication of financial and operational information for business and nonprofit economic entities. The curriculum includes understanding accounting information systems, using accounting information in managerial decision making, preparing and auditing financial statements under generally accepted accounting and auditing standards, and understanding the fundamental aspects of personal and corporate taxation. Elective courses provide in-depth instruction in managerial and financial accounting, not-for-profit accounting, and taxation. Courses provide a foundation for careers in accounting (public, industrial, private, or governmental), for a general business career, or for other professions such as law.

For more information, see the Department of Accounting Web site. See also the Course Catalog for course descriptions.

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).
Please note: all copy will be edited to reflect uniform style in the General Catalog.

Accounting


foster.washington.edu/departments/acctg

Accounting involves development and communication of financial and operational information for business and nonprofit economic entities. The curriculum includes understanding accounting information systems, using accounting information in managerial decision making, preparing and auditing financial statements under generally accepted accounting and auditing standards, and understanding the fundamental aspects of personal and corporate taxation. Elective courses provide in-depth instruction in managerial and financial accounting, not-for-profit accounting, and taxation. Courses provide a foundation for careers in accounting (public, industrial, private, or governmental), for a general business career, or for other professions such as law. The accounting option requires 186 credits for graduation.

For more information, see the Department of Accounting Web site. See also the Course Catalog for course descriptions.

APPROVALS

Chair/Program Director:



Date:

1/19/2010

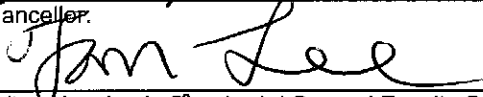
College/School/Campus Curriculum Committee:



Date:

2/11/2010

Dean/Vice Chancellor:



Date:

2-11-10

Faculty Council on Academic Standards/ General Faculty Organization/Faculty Assembly Chair:

Date:

3/5/10

POST TRI-CAMPUS APPROVAL (when needed)

Faculty Council on Academic Standards/ General Faculty Organization/Faculty Assembly Chair:

Date:

Notes on Course Change Requests: Jan 22, 2010.

Memo from Terry Shevlin, Chair, Department of Accounting, Foster School of Business

The purpose of this memo is to provide an overview of why the Accounting Department is proposing to change the prerequisites for several accounting courses, and change all of its courses to 4 credits from 3 credits.

Last year, Associate Dean for Undergraduate Programs Steve Sefcik instituted a review of all undergraduate electives. The Accounting Department decided this would be a good time to institute a thorough review of our entire program. As chair of the department I formed a subcommittee, which carried out the review and provided a set of recommendations with justifications. After discussing the report, the Accounting Department faculty voted to approve its recommendations. I outline these recommendations below.

PREREQUISITE CHANGES

The subcommittee reviewed and recommended some changes to the prerequisite for several classes. Each faculty member teaching the classes with the listed prerequisites agreed with the changes. The changes better reflect the knowledge we expect students to have entering each of the upper level classes. The department voted unanimously to update the prerequisites.

CHANGING TO 4 CREDITS FROM 3 CREDITS

The subcommittee also raised the issue of changing all the accounting undergraduate classes to 4 credits from 3 credits. All other 300 and 400 level classes at the Foster School are 4 credits. Over 25 years ago, the Accounting Department designated our classes as 3 credits so that we could adequately cover the topics required for accreditation while adhering to the University's credit guidelines at that time. The University's guidelines have subsequently changed, allowing for a higher number of credits. This, in conjunction with the Associate Dean's request to review our undergraduate electives, motivated us to once again take a serious look at the 3 versus 4 credit issue. The Accounting Department voted unanimously to increase the number of credits to 4 at a meeting in December 2009. With this change, a degree with an Accounting option would require 186 credit hours for graduation.

The increase in credits is necessary and will benefit our undergraduate students in the following ways:

1. Class meetings will increase from approximately 3 hours (2 meetings of 80 minutes each per week) to approximately 4 hours (2 meetings of 110 minutes each per week), which will allow more in-depth discussion of existing topics. All accounting instructors noted that with the existing 3 credit format it was difficult to hold in-depth discussion of key topics and hence classes focused too much on lectures (so as to cover material) without enough student

interaction to facilitate their learning. The additional class time will also enable increased use of cases to facilitate student learning.

2. Over the past 5-15 years, each of the main areas of accounting has seen an increase (some might say an explosion) in the material to be covered. It has become more and more difficult to incorporate this new material, while adequately covering the core foundations of accounting, given the contact hours associated with 3-credit classes. Since most of the new materials is directly related to the topics we currently cover in our classes, we propose to increase the contact hours in our existing classes rather than add additional classes. I describe the benefits of doing so below:
 - a. In our financial accounting classes , (Acctg 301, 302, 303, 440, and 485) we seek to facilitate our students' (1) fluency in accounting terminology, (2) familiarity with business transactions, (3) understanding of the logical structure that maps transactions into financial statements, (4) understanding of the process that generates accounting standards, and (5) appreciation of the discretion allowed and strategies involved in choosing accounting methods, generating accounting estimates, and disclosing information in financial statements. As business transactions increase in complexity, with a consequent increase in accounting standards promulgated by the Financial Accounting Standards Board, the material to be covered expands. In addition, International Financial Accounting Standards (IFRS) are playing an increasing role in the US and worldwide, and it is imperative that our students are exposed to IFRS as well as U.S. accounting standards. Increased contact allows instructors not only to cover this expanded set of material but also to utilize pedagogy (e.g. case-based discussion) that enhances the development of our students' intellectual, interpersonal, and communication skills, which are necessary for success in the accounting profession.
 - b. In auditing, (Acctg 411) after a series of significant accounting scandals (e.g., Enron and Worldcom), Congress passed the Sarbanes-Oxley Act (SOX) which significantly changed the auditing profession. SOX established the Public Company Accounting Oversight Board (PCAOB) which is charged with overseeing audit practice as well as establishing all auditing and ethics standards. The PCAOB has issued several new auditing standards and will continue to do so in the future. Additionally, SOX Section 404 requires auditors to issue an opinion on the effectiveness of an entity's internal control over financial reporting. These changes have increased dramatically the amount of information to be covered in auditing courses. More importantly, these changes (and the audit failures and related events preceding them) provide a vast amount of material that can be used for in-class cases and student discussions. The exercise of sound professional judgment is essential in auditing practice, and increased class time will facilitate our ability to develop students' professional judgment skills via increased examination and discussion of important issues in contemporary auditing practice.
 - c. In tax, (Acctg 401, 421, 450, 451) as business transactions increase in complexity so do the corresponding tax laws. The tax laws are continuously changing as Congress uses them to raise revenue, to encourage/discourage certain economic activities, and as a tool of macroeconomic policy. Each of these changes typically increases the material to be covered. In addition to the statutory changes mentioned above, an increasing amount of judicial case law and administrative announcements add to the complexity of the material to be covered.

- d. In managerial, (Acctg 311, 460) the increased class time will allow for less lecturing and more in-depth discussion of the current material. In addition (for required core Acctg 311), the increased time will make it possible to cover topics that we have either not been able to cover or have covered lightly in the past (e.g., Balanced Score Card, performance & compensation measures/issues, and target costing). Also, additional class time will be devoted to more real-life applications. The majority of accounting programs in the country currently require 45-48 class hours of managerial accounting. The proposed change will increase our required managerial accounting class time to 40 hours from the current 30 hours. This will enable us to be more “in-line” with current academic practice. In the elective Advanced Managerial course (460), the extra time will be devoted to more in-class case analyses.
- e. In accounting information systems (Acctg 320, 420) the increased class time will be used (in Acctg 320) to cover the basics of database design and database management. Currently there is no coverage of database systems in the required Acctg 320 course. In accounting 420, the additional time will be used to enhance coverage of database design and security of computers/networks.
- f. In the not-for-profit (Acctg 480) the increased class time will be used to reflect the fact that the US economy has seen a significant growth in the governmental and not-for-profit sectors of our economy. In 2007 government expenditures accounted for 35% of US GDP and not-for-profit expenditures accounted for an additional 11%. With nearly half of the US economy in the balance it is essential that our students have the opportunity to become acquainted with the peculiarities of managing and monitoring these organizations. To date, time constraints have limited the course to a focus on preparation of accounting information by governments and NFPO's with little time to address evaluation of the entities. Given their significant place in our economy leaders of our communities need the ability to monitor, evaluate, and improve these organizations. Additional class time will allow us to condense the current material and change the content of 5 class sessions. Three of the five sessions will be used for class discussion of case studies. The three case studies will focus on governance issues and evaluation of governmental organization effectiveness. The last two additional class sessions will be used to expand on the accounting for health care organizations. This industry has grown to over \$2 trillion annually and spans government, not-for-profit and for-profit organizations but has received little attention in our curriculum. This sector is also undergoing dramatic changes and promises to provide many future challenges. One session will add material on required reporting, reimbursement and the economic effects of the various reimbursement models. A second session will introduce a case discussion that focuses on cost control in health care organizations.

Obviously with the increase in credits, the required outside class time will also be increased, resulting in more assignments and cases being assigned. The increased workload outside class will also enhance coverage of more topics.

Finally, it is important to note that we considered reducing the number of courses required for the Accounting option in conjunction with increasing the number of credits to 4 from 3. After much discussion, we concluded that for accreditation purposes and to remain competitive with our peers (the subcommittee conducted a peer review), it was not feasible to reduce the number of required classes by either dropping a class or combining classes.

With these changes, the required number of credits to graduate with an accounting major increases from 180 to 186 (and not 189 as one might expect with an increase of 1 credit in the 8 required classes and 1 elective). In the current 180 credits, Accounting 301 is double counted: 3 credits for the accounting major and 3 credits towards the required 7 credits of writing. Thus effectively students currently require 177 separate credits to graduate. We are adding 9 credits to this 177 to arrive at 186. Please note there is no change or effect in the 90 NonBusiness class credits, 19 Lower Division Business School Core (200 level classes), and in the 37 Other Business Classes credits.