

**Florida Atlantic University  
School of Accounting  
Academic Program Review  
March 29 -31, 2021**

**Review Team**

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**OVERVIEW**

This report provides the findings of the review team Dr. Anne Magro, Dr. Patricia Kollander, and Dr. Gary Peters on FAU's School of Accounting (the School), including its undergraduate, master, doctoral, and executive education programs. The findings are based on a review of the Department's self-study document, web materials, and a virtual site visit on March 29-31 2021. The team met with:

- Dr. Russell Ivy, Senior Associate Provost for Academic Affairs
- Dr. Paul Hart, Associate Dean of College of Business
- Dr. George Young, Director School of Accounting
- Dr. Ed Pratt, Dean – Undergraduate Studies
- Dr. Bob Stackman, Dean - Graduate Studies
- Dr. Karin Scarpinato, Executive Associate Vice President
- Dr. Dan Gropper, Dean, College of Business
- Dr. Ken Johnson, Associate Dean
- Dr. Siri Terjesen, Associate Dean
- Mr. Vegar Wiik, Asst Dean of Academic Programs
- Ms. Sybil Alfred, Director Executive Programs
- Ms. Kimberly Paulus, Ex. Dr. Student Academic Srvc.
- Dr. Marc Rhorer, Assistant Dean
- Ms. Sylwia Dzadziak, Associate Director
- Mr. Don DeAquino, Assistant Dean
- Faculty, Staff, and Students- School of Accounting, School of Accounting Executive Education Programs

Due to the COVID Pandemic, the review was conducted virtually via Zoom. All of the individual meetings were well-organized and extremely participatory. The team met with a wide spectrum of constituents and students from the School of Accounting and College of Business, as well as related institutional offices within the University.

The School of Accounting provided an extremely thorough self-study report to the review team in advance of the visit. In addition, any material or information requested by the review team was readily provided. The virtual meetings provided in-depth and transparent discourse.

Overall, the team found that the School provides robust and relevant accounting education programs to a diverse student body at both the undergraduate and graduate levels. The School houses a team of active scholars who are recognized in the profession and actively contribute to the body of scholarly knowledge. Likewise, the School holds strong ties to the practice community, a hallmark of robust accounting programs. The review team also observed a culture of active self-improvement by the

School, as evidenced by the response to prior review recommendations, strength of the faculty, and strong adherence to the School's stated mission and purpose. Most notable was the School's commitment to its diverse student body, transfer student population, and multi-campus contributions.

## **Strengths**

Overall, the team was impressed by the overall strength of the School of Accounting. The self-study report provided an accurate picture of those strengths. Several elements stood out during the visit.

- The Review Team observed a strong culture of collegial interactions among the faculty across all ranks and types (Tenure and Non-tenure). As a result, the Team observed a strong sense of collaboration among the faculty, an appreciation for importance and roles of both research and teaching pursuits, and sincere willingness to engage in curriculum innovation and student success.
- The Director of the School of Accounting is highly respected and responsive to faculty, students, and professional constituents.
- The curriculum is responsive to the profession's technical knowledge requirements and faculty are taking steps to incorporate the pursuit of accounting analytics and technology.
- The diversity of the student population positions the School of Accounting to make a unique contribution to accounting profession's workforce.
- The School has a successful and applaudable Honors Program. This puts the School in a distinctive position within the University and its constituents.
- The University is particularly sensitive to efforts to grow its graduate programs.
- The School maintains a strong pipeline and reputation among the University's transfer schools.
- Students are career minded and hold the faculty in high regard.  
Research faculty engage in robust scholarly activities.

## **Challenges**

1. Accounting programs nationally have experienced declines in student enrollment at both the graduate and undergraduate levels. This is partially a function of cyclical economies and currently lagging starting salaries in the public accounting profession. Although the School has experienced some recent enrollment declines, they are well-positioned to provide sustained education programs. Continued regulatory forces and ongoing demand for specialized accounting knowledge suggest that the demand for accounting professions will be sustained and the School is well-positioned to weather economic cycles in student demand. The School's master's programs and Executive Education programs are well-positioned to engage both the upcoming CPA Evolution Model and employment sectors outside of public accounting. Nonetheless, the School should remain vigilant in its pursuit of educational innovations and student recruitment.
2. Like all accounting programs, the SOA is subject to rapidly evolving technology and changes to the Accounting profession skillset. At the same time, the curriculum faces certain constraints given existing educational requirements for CPA licensure. Although the School should be applauded for their efforts to implement analytics and technology coverage within their curriculum, they should remain vigilant on these fronts. The School should weigh the costs of replacing technical accounting knowledge with technology/analytics knowledge given the technical knowledge requisite in the profession versus using technology/analytics tools as a mechanism to deliver technical accounting knowledge.

3. The Team observed indications of potentially restrictive centralization of administrative functions at the College level. The centralization appeared to be more than what is typical for a School of Accounting housed within a College of Business. The Team observed several examples of centralization which could limit the School's ability to enhance faculty retention, curriculum innovation, and revenue generating programs. Maintaining control of scheduling at the College levels removes an important lever the Director of a School of Accounting would normally control to achieve the School's research, teaching, and service missions. The adherence to strict teaching loads when there is uncertainty about course demand (or an inability on the School's part to schedule strategically balanced course sections) creates lost opportunities to provide flexible course releases for researched focused faculty.
4. Related to the above point, the School seems to be subject to an unusually low degree of financial autonomy compared to other Schools/Departments of Accounting within their peer group. The heavy centralization of expenditure approvals in the dean's office for faculty activities such as travel, data acquisition, and other scholarly activities limits the School's ability to strategically plan and respond to faculty needs, which in turn could also negatively affect faculty recruitment, retention and productivity.
5. The Review Team applauds the growth of the College's Executive Programs. Such growth can benefit all programs/units. Efficient resource deployment lends itself to a merged or centralized management of executive programs. However, the College should remain sensitive to the progress made by programs with historical patterns of innovation and responsiveness to online environments. Incentives and support should remain for program innovation.
6. The School's Director needs support from College and University for engaging in development and advancement pursuits to expand endowments, scholarships, and other philanthropic support. Due to the long history and structure of the accounting profession, accounting alumni represent a common and economically significant source of philanthropic support within academic environments. These sources of support are crucial given the diminishing levels of state support among public institutions and concerns over rising costs of higher education which hinder the ability to increase tuition and fees. However, maximizing philanthropic support requires direct relationships and interactions between the School and its alumni base. Restrictions to alumni information, relationship cultivation, and ability to receive / generate gifts hinder these pursuits. Likewise, the ability to foster and cultivate relationships with major accounting firms is equally important. The Review Team observed indications of institutional constraints on those types of activities. For the School to remain competitive, it must not only be given the freedom to build these relationships, it should be encouraged and supported in those efforts.
7. Given the School's scholarly research success, doctoral program achievement, and faculty reputation, faculty salaries fall significantly short of market norms compared to similar Schools of Accounting. This salary gap may lead to faculty attrition and difficulty hiring in the future.

### **Response to Self-Study Questions**

- **Absent support from the alumni association, what could we do to create a system to stay in touch with alumni?** Expand your student communication efforts to also encompass alumni audiences. In

other words, when posting communications to students, recognize that this is also an opportunity to keep alumni connected to the School's needs. Continue to partner with the College of Business to pursue alumni data through publicly-available data, but the School should not have to go on this mission alone. The School could join with the College and even other colleges on campus to push for a change in policy. This is University-level issue that needs to be addressed. One simple pragmatic suggestion would be to use student workers to develop LinkedIn databases of FAU Accounting alumni.

- **How does your school plan on responding to the CPA Evolution requirements? For example, do you plan to offer specialty classes at the undergraduate level?** We expect that the greatest benefits from CPA Evolution requirements will be felt by Master's programs. Your master's program tracks seem well-positioned to take advantage of such trends. Your Tax Track and Analytics/Technology Track appears to be well-positioned. Given that the 3<sup>rd</sup> CPA Evolution appears to be geared to corporate topics, there might be a unique way to engage your "Internal Audit" focused proposals.
- **What percentage of your undergraduate students seek a CPA license without earning a Master's degree?** This varies greatly across academia and depends on the history of the Schools' response to historical 150-hour requirements, institution-specific norms for graduate programs, and local employment factors. It is not uncommon to have a relatively sizeable population of non-CPA degree pursuers. The nature of your student group and local employer base lends itself to serving both populations.
- **Considering our current UG curriculum, do you have recommendations about how we can serve our students better?** Continue to expand the Honors program. Consider a 3+2 model (an accelerated bachelors-master's program) that bridges the undergraduate and graduate programs. Continue efforts to integrate technology and analytics throughout the curriculum.
- **Is the support and resources we provide to doctoral students adequate, given our program?** Support seems adequate although pressure on stipends always exists. Although costly, it is also commendable that your program and faculty expertise allows for both archival and experimental pursuits. It is not obvious that clear reputational gains would be achieved by focusing on one area. Continue to allow for streamlined progression for students on track for a 4-year completion when achievable but strive to provide a fifth year of support for those who take 5 years as five years in a very common completion time..
- **What software do you use in your data analytics courses? Does your program teach Python? Excel? ACL? IDEA? Power BI? Tableau? Alteryx? How much of data analytics is taught in the department relative to the college?**  
The evolutionary path that your program is pursuing is very similar to other programs your size. Python, Tableau, Power BI and Alteryx coverage is increasingly common. Colleges of Business are increasingly adding business analytics to the business core allowing accounting programs to then focus on accounting specific skills and tools.
- **How does your program integrate research skills into accounting classes?** Accounting research skills are commonly built into advanced undergraduate electives like taxation, auditing, and advanced financial accounting. These skills are important for both the CPA exam and professional practice. Students who show a specific interest in pre-PhD research skills are advised on a case by case basis with flexibility to include advanced courses related to economics and statistics, with possible inclusion of a doctoral seminar.
- **Do you think separate accounting accreditation is worth the cost and time? What benefits do you perceive it brings?** The greatest costs are related to ongoing self-study and improvement efforts. However, your School is already required to engage in very similar activity. Thus, the incremental cost would probably be minimal. Your mission-focused programs, curriculum strength, and research achievements would seem to lend themselves to successful accreditation. AACSB Faculty Qualification ratios would need to be explicitly evaluated prior to an affirmative decision to pursue accreditation. The Benefits would likely depend on your University environment and constituency

bases. Benefits are often indirect, although institutional structures may also create direct benefits. **If pursuing AACSB accounting accreditation, giving control of scheduling to the Director of the School might be particularly beneficial to ensure scheduling supports the School's mission.**

- **How does your school approach the teaching of accounting-related ethics? If your state Board of Accountancy were to adopt the 3-hour course requirement (or equivalent) for ethics, how would you implement this – by integration or by creating a new course?** University of Arkansas offers a 3 credit hour accounting graduate course related to Ethics. The course is a direct response to Texas Board of Accountancy requirements (which is one of our major placement locations). We place the course within our Masters core, which also allows for us to cover not only ethics subject matter and rules, but also Professionalism and Leadership topics. In the past, the course was also a bridge between our Honors Program and master's program. George Mason University integrates ethics into a number of courses but also has a significant module of its Professional Accounting Colloquium devoted to ethics and professional responsibilities.
- **Is there anything you would suggest we do to increase the diversity of our student body such as creating scholarships targeted specifically at minorities?** Your diversity is quite impressive. In fact, it is our opinion that it represents a strength of your program and an indication of a mission-focused program. Your efforts could focus on how to engage your diverse student group with major employers and accounting firms – efforts that would serve both your students and the profession well. To the extent you wish to increase representation in groups that may still be underrepresented relative to your local community, engagement with local high schools through offering accounting classes for high school students or running summer bootcamps could be helpful.
- **Is there anything you would suggest that we do to attract and retain a diverse group of faculty and staff?** Outside of compensation, common strategies include PhD project involvement, leveraging geographic appeal, and highlighting a strong commitment (and success) to diverse student populations. As faculty from underrepresented minorities sometimes have research interests around diversity and inclusion questions in the accounting profession, ensuring you communicate that such research is valued will be important. That may include explicitly advertising an interest or openness to such research and ensuring your journal list includes opportunities for publishing such research.
- **Due to COVID-19, we converted all sections to online format during the Spring 2020 semester; employed a remote, synchronous mode of delivery during the Fall 2020 semester; and plan to modulate to a combination of hybrid (sections that are a mixture of remote synchronous/in-person sessions) and remote, synchronous sections during the Spring 2021 semester. Given our metropolitan setting and the seeming popularity of remote learning, what do you recommend we use as a mode of instruction for the non-COVID-19 future?** At Arkansas, our traditional undergraduate student populations struggled the most with hybrid formats. We do not plan to rely on those formats in our undergraduate programs in the future. Our “online” degree programs (undergraduate) rely primarily on asynchronous designs with relative success. We believe this is due to the intentionality of that student group and their part-time status. Increasingly we are limiting access to our fully online courses to students who are online degree seekers. At Mason, we anticipate offering courses across all modalities going forward (synchronous online, asynchronous online, hybrid, and fully face-to-face). We expect to have students taking courses fully online, fully face-to-face, and using a combination of modalities. Given our mission to serve a diverse group of students including many non-traditional students, we see this mixed modality approach available to all students as our future.

## Additional Recommendations and Focal Areas

The School of Accounting identified several areas and strategies for continued self-improvement in their self-study report (related to undergraduate, graduate, and executive programs). The Review Team generally affirms those strategies and areas. However, we would add emphasis to the following areas.

- 1. Continue to develop processes to attract high quality students and retain interest in the honors program.** The Honors Program was a distinctive attribute of the School within the College and University. Strategies for offering sophomore-level Honors entry points or distinct transfer student marketing is recommended. Consider expanding the program to serve more students and integrating some elements of the honors program pedagogy into the curriculum for all students.
- 2. Consider the need for a Cohort approach for the Masters Programs.** While the School's master's programs have benefited from having multiple entry points across the year (Fall, Spring, and Summer), this comes at the cost of students potentially not having consistent and timely access to courses offered on a limited calendar basis. Depending on the entry points students may also be limited by the timing of certain electives or specialized courses. The disparate entry point approach also diminishes the School's ability to foster tight-knit student community and potentially complicates student tracking and job recruitment norms with major accounting firms and industry employers.
- 3. The School should explore the potential for a 3+2 model for integrating the path from undergraduate to graduate degree pursuits.** We observed a willingness from and actions of the University to encourage undergraduates to commit to graduate pursuits (such as Pathway Scholarships). The School has a unique opportunity to benefit from and accentuate those initiatives. In turn, this has the ability to grow student enrollment, as well as provide financial benefits to students in the form of reduced tuition rates for graduate-level coursework (this may need to be addressed at the University level). There may also be complementary benefits between pursuing a 3+2 model, growing the Honors program, and recruiting high caliber transfer students into the accounting major. Consider waivers on GMAT / GRE requirements as they have been demonstrated to provide little value over grades and other available data in predicting success in graduate programs and they disproportionately disadvantage underrepresented groups.
- 4. The geographic nature of the campus and local industry creates additional opportunities for expanded Internship opportunities.** Models of academic credit (Undergraduates, Honors, and/or Graduate) should be considered. Such efforts may also complement strategies for Honors Program development, 3+2 Masters programs, or bridges for specialized master's degrees.
- 5. Increase and improve the curriculum and data analytics programs.** As noted in the self-study report there seems to be an appetite for incorporating (for credit or not-for-credit) support for the program for Excel Basic Certification with the goal of adding Excel Advanced Certification. Additional technologies should also continue to be integrated throughout the curriculum such as the use of Tableau and data analytics assignments. The new specialized nature of the CPA Evolution exam format provides an opportunity for greater differentiation within the specialized tracks of the Masters programs.

6. **The Team was greatly impressed by the School's diverse student population.** The Review team believes this creates a unique opportunity for the School to advance the diversity of the professional accounting workforce and leverage support from Big 4 and other large accounting firms. Significant resource should be devoted to building relationships with those firms, engaging alumni therein, and building pathways for students through participation in externships, internships, and networking opportunities.
  
7. **The School would benefit from extending its communication initiatives to encompass alumni objectives as well as student objectives.** This raises the attention of alumni to the efforts/needs of the School as the School highlights services such as scholarships, student meetings, and employment opportunities that can be made available to all accounting majors. LinkedIn could be used to connect alumni to the School and its students, as well as prepare students for professional or career-oriented communications.