SECTION 1.  SITUATIONAL ANALYSIS

The following sections describe the environment in which the Department operates, and identifies Department strengths and weaknesses.

Environment

The Department of Accounting & Law is one of six departments in the School of Management. The Department currently offers one undergraduate program, two masters level programs, and a doctoral program.

Our internal audit track is IIA-certified as “comprehensive.” There are only 22 “comprehensive” internal audit programs offered internationally, and ours is the only one offered in the state. See Appendix 1 for a description of the program, and a listing of Internal Auditing Education Partnership Program (IAEP) schools, from the IIA web site.

Over 85% of our course sections are taught by full-time faculty. Our combined BS/MS, standalone MS, and BS/MBA programs are registered with New York State under the 150-hour requirement.

The Department consists of 14 full-time faculty members, 6 tenure-track and 8 non-tenure-track. Two full-time faculty members from another department deliver courses in principles and communication for accountants. Faculty members are involved in all aspects of the accounting profession, including professional and academic organizations. All are engaged in various aspects of scholarship, either through research or pedagogical writing. Many are active in professional and academic organizations.

Because we offer programs at all levels and maintain a highly qualified and participating faculty, and because we are part of a large comprehensive University, we are able to respond to changes in demand within the profession through curricula revisions and development of new programs and specializations. Section 5 of this report details the significant number of curricula changes we have made over the last five years.

The Department faces challenges on several dimensions. Most of our undergraduate population comes from the local and regional area, making us more susceptible to changes in area economic conditions. A significant number of our students are international, causing limitations in marketability. However, our proximity to the NYC market mitigates this problem. Because we are a public school, and perceived as funded by the state, it is more difficult to motivate alumni to contribute at the level necessary to maintain our programs and activities. However, we have made great strides in this area through the efforts of the School development office, as described in Section 3 of this report. We have encountered difficulties with the University’s tenure evaluation process as we strive to promote our junior research faculty. But since arriving at UB, our Dean has worked hard to develop a productive relationship with the Provost and ensure that those making promotion decisions on the University level understand the accounting research environment and expectations. In addition, Bill Kross, a full professor in accounting, is a member of the President’s Review Board, and ably represents our
interests as they prepare promotion recommendations for the Provost. His work on the PRB also gives us a window on the decision process at the university level.

**Department strengths**

- Well-trained, productive, participating and fully involved faculty

  Full-time faculty taught 86 percent of accounting sections offered in 2009/10. Our full-time faculty members are on campus on a daily basis, and are available to see students regularly. All have significant service responsibilities to the Department and School in addition to their teaching duties. All participate in Department activities and events. Our doctoral students work closely with faculty on joint research projects.

- Productive mix of tenure-track and non-tenure-track faculty

  Because we are part of an AAU research university, tenure-track faculty must meet extremely stringent requirements to earn tenure. They typically have a constrained comfort zone in terms of teaching, usually limited to financial and managerial accounting and advanced seminars. They also require adequate time to complete research projects and publish in the “top-tier” journals, a very time consuming and lengthy process. Department faculty members in full-time non-tenure-track lines have more practical experience and expertise in a wider variety of subjects (internal audit, information systems, tax, etc.). They maintain their certifications through continuing education activities. Their job requirements include extensive service responsibilities. These faculty members teach the more specialized courses, allowing the tenure-track faculty to teach in their comfort zone. They also take on the vast majority of the Department administrative responsibilities, freeing the tenure-track faculty to focus on research and training and support of our doctoral students. Unlike some universities, our non-tenure-track faculty members treat their commitment to the university as a full-time job, do not make significant outside commitments, and are genuinely focused on producing graduates who are highly qualified for the accounting profession. They are generally in the office and available to students and for administrative duties on a daily basis.

- High quality and active students

  Applicants to our programs are carefully screened and monitored. Students are mentored through our orientations, and through interaction with the advisement staff and faculty. The majority of students belong to one or both of our student clubs. The clubs are very active with the professional community, regularly sponsor technicals and other networking events that allow students to interact with accounting professionals, and offer many leadership opportunities.
Excellent relationship with recruiters and other outside stakeholders

We are on the priority list among Big Four recruiters and are viewed as the top accounting program in the Western New York area. The Institute of Internal Auditors recognizes the University at Buffalo as offering a “comprehensive” internal audit program, one of only 15 in the U.S. and the only one in New York State. Our Department faculty liaison to the Career Resource Center is extremely active with recruiting, visiting firms locally and in NYC to promote our students and increase the number of recruiters who interview on campus. We work closely with the CRC to make sure students are well prepared for recruiting and have the best opportunities available to them. The Department has two advisory councils that support our programs and activities.

Full spectrum of programs

Our Department offers three programs meeting CPA education requirements. We also service the core financial and managerial accounting courses in our local undergraduate, MBA and executive MBA programs, as well as the Singapore executive MBA and undergraduate management programs.

Support from the Dean’s Office

The Dean is very supportive of the Department. In particular, he is willing to provide the recruiting lines and compensation packages necessary to build a Department with a strong international reputation in research as well as meeting our teaching needs.

Research expertise

The Department has a critical mass of researchers with common interests. Our active researchers all focus on the financial reporting and capital markets areas, which allows for productive collaboration and support.

Funding

Our Department enjoys significantly more funding than the other departments in the School, which is appropriate given our extensive activities and responsibilities. We provide excellent financial support for course materials, faculty training, research and travel, and for student club activities and student events. Our alumni and friends are our strongest supporters, and with the excellent help of the School development office, our funding situation has greatly strengthened over the last five years.
**Department challenges**

- Small number of senior research faculty

  We have two tenured faculty members, one associate and one full professor. However, this will hopefully be corrected this year, as three junior faculty members are currently under evaluation for tenure. To our credit, accounting tenure-track faculty members are very active in publishing, supportive of each other’s work, and effectively mentor our doctoral students. There is absolutely no “dead wood.”

- Difficulty in attracting junior and senior research faculty

  This is a weakness shared by many accounting departments in research universities. Candidates for tenure-track accounting positions, with a strong probability of meeting the research requirements for tenure at the University at Buffalo, are very scarce and in high demand. However, the Dean supports an increase the size of our research faculty in accounting, and we are currently recruiting for multiple tenure-track positions.

**Opportunities to enhance programs**

Our specific plans for the near future are to:

- Double the size of our MS in Accounting program, to better serve our UB undergraduates and students graduating from undergraduate accounting programs of regional schools.

- Upgrade our MS internal audit track to “Center” status, according to Institute of Internal Auditors requirements. There are currently only three Centers in the U.S. The upgrade requires introducing a new internal audit course and meeting the stringent program requirements of the IIA. Center standing would allow us to take full advantage of the IIA’s support, in terms of curriculum development, course materials, networking, and guidance, and would increase recruiter interest in our students.

Our revised MS in Accounting program is still very new, and we will regularly re-evaluate the choices we have made there. The accounting environment and expectations for students entering the profession are rapidly changing, and we are prepared to make program changes as necessary to give our students cutting edge training.

The following degree programs are included in the accreditation review:

<table>
<thead>
<tr>
<th>Program</th>
<th>2009/10 Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>BS in Accounting</td>
<td>123</td>
</tr>
<tr>
<td>BS in Management with Concentration in Internal Auditing (IA Track)</td>
<td>8</td>
</tr>
<tr>
<td>(discontinued as of Fall 2011)</td>
<td></td>
</tr>
<tr>
<td>MS in Accounting</td>
<td>26</td>
</tr>
<tr>
<td>BS/MBA in Accounting</td>
<td>2</td>
</tr>
<tr>
<td>PhD in Accounting</td>
<td>0</td>
</tr>
</tbody>
</table>
Full-time Faculty, Department of Accounting & Law
Full vitas are available at [http://mgt.buffalo.edu/faculty/academic/accounting/faculty](http://mgt.buffalo.edu/faculty/academic/accounting/faculty)

<table>
<thead>
<tr>
<th>Name</th>
<th>Rank</th>
<th>Education</th>
<th>Date of hire</th>
<th>Current Teaching</th>
<th>Current Research</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tenure-track</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tenured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan Hamlen</td>
<td>Associate Professor, Department Chair</td>
<td>PhD, Purdue</td>
<td>1973</td>
<td>Advanced accounting, global reporting</td>
<td>Derivatives, IFRS</td>
</tr>
<tr>
<td>William Kross</td>
<td>Full Professor, PhD Advisor</td>
<td>PhD, Iowa</td>
<td>2007</td>
<td>Core MS course in financial accounting, PhD seminars</td>
<td>Value of information in capital markets</td>
</tr>
<tr>
<td><strong>Untenured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feng Gu</td>
<td>Assistant Professor</td>
<td>PhD, Washington University</td>
<td>2005</td>
<td>Management accounting, executive education</td>
<td>Financial reporting, capital markets, focus on intangibles</td>
</tr>
<tr>
<td>Myungsun Kim</td>
<td>Assistant Professor</td>
<td>PhD, Purdue</td>
<td>2004</td>
<td>Financial statement analysis</td>
<td>Financial reporting, capital markets, international markets</td>
</tr>
<tr>
<td>Inho Suk</td>
<td>Assistant Professor</td>
<td>PhD, Purdue</td>
<td>2008</td>
<td>Intermediate accounting</td>
<td>Financial reporting, capital markets</td>
</tr>
<tr>
<td>Weihong Xu</td>
<td>Assistant Professor</td>
<td>PhD, Washington University</td>
<td>2004</td>
<td>Undergraduate principles, intermediate accounting</td>
<td>Financial reporting, corporate governance</td>
</tr>
<tr>
<td>Name</td>
<td>Rank</td>
<td>Education</td>
<td>Date of hire</td>
<td>Current Teaching</td>
<td>Current Research</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------------------------------------------</td>
<td>-----------------------------------------------------</td>
<td>--------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------</td>
</tr>
<tr>
<td>Alex Ampadu</td>
<td>Adjunct Associate Professor, Director, Internal Audit Track</td>
<td>MBA, RIT</td>
<td>1986</td>
<td>Internal and external auditing, intermediate accounting</td>
<td></td>
</tr>
<tr>
<td>Ann Cohen</td>
<td>Adjunct Associate Professor, Director, MS in Accounting Program</td>
<td>MBA, UB</td>
<td>1986</td>
<td>Taxation</td>
<td>Taxation</td>
</tr>
<tr>
<td>Arlene Hibschweiler</td>
<td>Adjunct Associate Professor</td>
<td>JD, MBA, UB</td>
<td>2002</td>
<td>Business law, legal environment, ethics, corporate governance</td>
<td>Taxation, corporate law</td>
</tr>
<tr>
<td>Andrew Jansma</td>
<td>Adjunct Associate Professor</td>
<td>PhD, Minnesota</td>
<td>2007</td>
<td>Accounting information systems, information systems audit</td>
<td>Information systems</td>
</tr>
<tr>
<td>Kathleen Nesper</td>
<td>Adjunct Assistant Professor, Faculty Advisor, Beta Alpha Psi</td>
<td>MBA, UB</td>
<td>2006</td>
<td>Management accounting, fraud examination</td>
<td></td>
</tr>
<tr>
<td>Kathy O’Donnell</td>
<td>Adjunct Assistant Professor, Assistant to the Chair</td>
<td>MBA, UB</td>
<td>2006</td>
<td>External auditing</td>
<td></td>
</tr>
<tr>
<td>Martha Salzman</td>
<td>Adjunct Assistant Professor, Faculty Advisor, UB Accounting Association</td>
<td>JD, Pennsylvania</td>
<td>2006</td>
<td>Business law and legal environment</td>
<td>Taxation, corporate law</td>
</tr>
<tr>
<td>Robert Sanborn</td>
<td>Visiting Associate Professor</td>
<td>PhD, Georgia</td>
<td>2010</td>
<td>Financial accounting, financial statement analysis</td>
<td>Disclosure, financial statement analysis</td>
</tr>
</tbody>
</table>
SECTION 2.  PROGRESS UPDATE ON CONCERNS FROM PREVIOUS REVIEW

In 2006, the Accounting Accreditation Peer Review Team continued the maintenance of accreditation review. The focus of the continuing review was our doctoral program. The concerns were that our doctoral program did not show “evidence of continued viability,” for two reasons: (1) lack of sufficient resources devoted to hiring a high-quality senior researcher, and (2) lack of a faculty “leadership succession plan.”

We took the following steps to address these concerns:

**Hiring of a senior researcher**

Professor William Kross, previously at Purdue University for many years and a well-known academic scholar, joined our faculty in 2007 as a full professor. He is responsible for our doctoral program and also mentors our junior faculty. Professor Kross is an established scholar in the areas of capital markets research and earnings quality, and matches well with the research interests of our junior research faculty. In the 3.5 years he has been a member of our faculty, he has offered doctoral seminars, weekly workshops studying research methods and the accounting literature, and independent studies with first year students to introduce them to academic accounting research. He also collaborates regularly with two of our junior tenure-track faculty, and has joint publications and working papers with both faculty members.

Furthermore, the Dean has given us two lines to recruit senior (associate or full) research accounting faculty. These lines are in addition to any required replacement lines. Recruiting for these lines is currently in progress.

**Leadership succession plan**

Our research faculty currently consists of two tenured faculty and four untenured tenure-track faculty. Our doctoral program, at steady-state, is expected to have four students enrolled at any one time. Our research faculty members are all fully committed to our doctoral program, and actively mentoring our current doctoral students. Students are receiving more than sufficient training and direction, as well as experience in performing joint research with faculty, through the second year paper, dissertation, and joint research projects leading to publishable papers.

Three of our junior research faculty members are being evaluated for promotion to associate professor and tenure in 2010/11. All have tenurable publication records and meet School standards for promotion. We look forward to positive decisions on the University level in the spring. Taken together with our two additional lines, we believe we can strongly support our doctoral program.

We placed three doctoral students in 2007, at the following schools: National University of Singapore, Wayne State University, and the University of Waterloo. In 2008, a student was placed at Penn State-Harrisburg. Three students are currently in their fourth year, and at least one is on the market this year. He has several working papers and one paper under review in a leading journal.
We continue to strongly support our junior researchers, through teaching assignments limited to one or two preparations, in areas that complement research interests, reasonable administrative responsibilities, and financial support for out of pocket costs for conference presentations, acquisition of databases, and other research-related needs.

In September, 2008, we were granted extension of maintenance of accreditation for our accounting programs. That letter did not mention any specific remaining concerns regarding our programs.
SECTION 3. STRATEGIC MANAGEMENT

I. Mission statement and summary of strategic plan

This mission statement is published on the Department web site at http://mgt.buffalo.edu/faculty/academic/accounting/mission

We will advance the profession of accounting and the expertise and abilities of those who provide or use accounting information, by the creation and dissemination of accounting knowledge, the design of innovative and challenging academic programs, and the pursuit of productive relationships with business and accounting professionals.

Shared Values

- High quality accounting scholarship is vital for the advancement of the profession.
- Academic programs must provide students with solid preparation for lifelong careers.
- Our success depends on continuous improvement in all aspects of Departmental activities.
- The Department's decision processes will be transparent, reflecting the input of all stakeholders.
- We are committed to the highest ethical values and behavior, and to the maintenance of an environment of mutual respect.
- We are committed to cultural, gender, and racial diversity among faculty and students.

Strategies

- Recruitment and support of faculty who will pursue research, teaching, professional and service activities aligned with our mission
- Encouragement of collaborative research among faculty and the development of a critical mass of faculty with similar research interests
- Continuous assessment and improvement in all academic programs, reflecting changes in the profession
- An organizational structure that supports and rewards performance that advances the Department's mission and goals
- Recruitment of a diverse mix of quality students
- Development of a broad funding base of alumni and friends

Strategies: Faculty and doctoral student development

- Regular research workshops as a forum for discussion of ongoing research
- Annual seminar series headed by internationally renowned research faculty
- Departmental support for research activities, professional development, and other professional interactions enabling faculty to achieve their full potential and maximize their contributions to the department, its stakeholders, and the profession
Strategies: Instructional programs

- Effective and regular interaction with stakeholders to support programs, curricula innovations, and student recruitment
- Development of new courses and coursework within existing courses to reflect the changing demands of the accounting profession
- Implementation of accounting scholarship throughout programs
- Support for professional activities of the student clubs
- Direct interaction with the Career Resources Center

Goals for specific programs:

BS in Accounting

The goal of the undergraduate programs, in combination with and drawing upon the efforts of the School of Management and the University at large, is to prepare students for successful careers in the accounting profession. Our programs will train students in the technical accounting skills and communication and interpersonal skills necessary for success in the profession, and provide students with the ability to recognize ethical problems and resolve them in a way that meets the ethical standards of the profession. Students will become familiar with the accounting profession and understand its role internationally. The programs will also meet certification requirements.

MS in Accounting

The goal of the MS in Accounting program is to build on the knowledge and skills learned in the undergraduate accounting program by training students in advanced technical knowledge in accounting and in a chosen industry sector, and by developing the skills necessary to analyze difficult accounting issues. The program will also meet certification requirements.

BS/MBA in Accounting

The goal of the BS/MBA in Accounting is to provide students with an intensive course of study, integrating broad management skills and an understanding of the role of accounting in business. Students will be trained in the technical accounting and communication and interpersonal skills necessary for success in the accounting profession, as well as skill in analyzing accounting and reporting issues and the ability to deal effectively with ethical issues.

PhD in Accounting

The goal of the PhD in Accounting program is to train students for successful careers as accounting faculty members at research oriented academic institutions. Studies will focus on the role of the accounting profession and will be designed to develop the skills necessary to do original accounting research, publishable in quality journals, and to engage in effective teaching.
II. Strategic Management Planning Process and Outcomes

The Department has various faculty committees that take responsibility for strategic planning activities. The major Department planning committees are as follows:

- **Recruiting Committee**: evaluates instructional and research needs, develops authorizations to recruit, invites applications, screens applications, organizes campus visits.

- **Curriculum Committee**: monitors curriculum issues, evaluates alternatives, makes proposals for changes in curricula, course requirements, etc. for Department approval and eventual School approval.

- **Budget Committee**: monitors Department contributions and expenditures, makes recommendations on resource allocations.

Faculty represent the Department’s interests on all the School-wide program committees as well as other major decision making groups. We have current Departmental representation on these major School-wide committees:

- **Undergraduate Program Committee**: Kathy Nesper
- **MBA/MS Program Committee**: Ann Cohen and Feng Gu
- **PhD Program Committee**: Bill Kross
- **Policy Committee**: Susan Hamlen and Feng Gu
- **Committee on Academic Appeals**: Arlene Hibschweiler
- **Strategic Management Committee**: Feng Gu
- **Career Resource Center Faculty Liaisons**: Alex Ampadu
- **Faculty Research Committee**: Bill Kross
- **Internship Committee**: Alex Ampadu, Martha Salzman (chair)

The Department Chair works in close consultation with the faculty and committees on all major decisions, including course scheduling, resource allocation, and curriculum development. The Chair also interacts on a regular basis with the advisory councils, recruiters, students and other stakeholders.

Department faculty members have various responsibilities that support and have input to the planning process. We have a separate faculty Director of each of these programs:

**MS/MBA in Accounting**: Ann Cohen  
**PhD in Accounting**: Bill Kross  
**MS track in Internal Audit**: Alex Ampadu

We have two very active and successful student clubs supporting our students’ professional development, Beta Alpha Psi and the UB Accounting Association. Section 6 of this report outlines recent activities, honors and awards. Each club is assigned a faculty advisor:

**Beta Alpha Psi**: Kathy Nesper  
**UB Accounting Association**: Martha Salzman
Examples of the many other faculty responsibilities supporting the planning process include:

Development activities, COAP (joint program with the NYS Society of CPAs, promoting accounting careers to minority high school students), PwC xACT competition, the tax certificate program, and course waivers, to name only a sample.

As a department, we highly value transparency in decision making and open communication. Various planning-related functions are spread among Department faculty. We have strong representation and activity in all areas of planning on the School level. If an issue develops on any level, it is quickly communicated to the Department Chair and to the relevant committee, if appropriate, for further action.

For major decisions, input is solicited from various stakeholders, including students (through the student clubs and course surveys), recruiters (through direct contact), and alumni (through our two advisory councils).

All decisions are made within the context of the Department mission, which was developed with the input of all Department faculty and outside stakeholders. This mission statement is published on the Department web site.
III. Financial Strategies

Revenues

The vast majority of the resources necessary to run the Department of Accounting & Law come from the contributions of our alumni and friends. We receive state funding only for compensation of faculty and staff and for individual faculty budgets. Contributions are used to support normal department operating costs, but the majority are used to directly support accounting faculty and students, to maintain the high quality of our accounting programs.

In 2009-10, 94 percent of our revenues came from contributions of alumni and friends, including matching gift programs with the local CPA firms, and endowment income. The remainder of our revenues came from rentals of 122 Jacobs, our accounting classroom, and miscellaneous faculty transfers.

The efforts of our School development staff have resulted in a significant increase in contributions and endowments in the last two years. Professor Alex Ampadu and David Hore, an alumnus, co-chair the 10002 Campaign, encouraging alumni and friends to contribute $1,000 annually to the Department’s general fund. A doctoral alumnus, Mark Zmijewski, has been instrumental in establishing an endowment fund in honor of Professor Ronald Huefner, a long-time and well-respected member of the Department who retired in 2010. Our semiannual newsletter has also generated increased contributions.

Past major gifts include the accounting classroom in 122 Jacobs, where a large number of accounting classes are held, the Accounting Resource Center, which provides accounting students with study and meeting space, as well as computer access, and funding for the annual Sufrin lectureship.

The Department also has several small named funds that are donor-designated to be used to support students and programs. Income from these endowments supports student events, student club travel, and faculty CPE.

Expenditures

The Department has a budget committee that makes major resource allocation decisions. A budget is developed at the beginning of the year. As requests come in from faculty, student clubs and others, they are evaluated in relation to the budget. All decisions are made in the context of the Department mission. A statement of budget policies is distributed to all interested parties, and appears at the end of this section.
A breakdown of general revenues and expenditures for 2009/10 and 2008/09 appears below (amounts rounded to the nearest $100).

<table>
<thead>
<tr>
<th></th>
<th>2009/10</th>
<th>2008/09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$73,800</td>
<td>$43,400</td>
</tr>
<tr>
<td>Endowment income</td>
<td>2,700</td>
<td>5,200</td>
</tr>
<tr>
<td>Other</td>
<td>4,500</td>
<td>5,400</td>
</tr>
<tr>
<td>Total revenues</td>
<td>81,000</td>
<td>54,000</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student support</td>
<td>23,300</td>
<td>11,300</td>
</tr>
<tr>
<td>Department operations</td>
<td>3,200</td>
<td>3,300</td>
</tr>
<tr>
<td>Research support</td>
<td>2,400</td>
<td>1,000</td>
</tr>
<tr>
<td>Teaching support</td>
<td>8,600</td>
<td>7,300</td>
</tr>
<tr>
<td>Faculty support</td>
<td>10,600</td>
<td>7,400</td>
</tr>
<tr>
<td>Professional activities</td>
<td>9,500</td>
<td>5,300</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>57,600</td>
<td>35,600</td>
</tr>
<tr>
<td>Excess of revenues over expenditures</td>
<td>$23,400</td>
<td>$18,400</td>
</tr>
</tbody>
</table>

Note that contributions have grown substantially, allowing us to more than double our student support in 2009/10. We plan to start awarding department-funded scholarships and other student support based on the new level of contributions.

Types of activities funded by contributions include:

**Student support**: Activities of the two accounting clubs (Beta Alpha Psi, UB Accounting Association), support for doctoral student travel to conferences, department-sponsored student events.

**Research support**: Outside speakers for workshops, databases, travel.

**Teaching support**: Graders, proctors, supplies, materials, visiting speakers, databases.

**Faculty support**: Travel to conferences and professional development seminars, hardware, software.

**Professional activities**: Advisory Council activities, banquets, professional membership fees, public lectures.
A&L Department Statement of Budget Priorities

Resource allocation decisions will be consistent with the mission of the Department, which is to provide high-quality instruction on all levels, and to maintain a national research reputation. Strong consideration will be given to the expectations of donors, consisting primarily of accounting professionals. Expenditures enhancing the professional development of our students will be given a high priority.

Budget Process

Each full-time faculty receives an individual budget account (IBA) from the School. This is intended to support research, teaching, and service activities, including professional travel, office expenses, and expenditures related to teaching (copying, transparencies, etc.). Faculty IBAs are not charged for duplicating course syllabi and examinations. Computer equipment is chargeable to one’s IBA, although School funds are generally available to the extent of 40% of the cost with a $1,000 annual maximum. Note that all items purchased with IBA and School funds remain University property.

The Department has a separate budget, funded mainly by donations from alumni, friends, and matching gifts from the accounting firms. This budget is used to finance Department operations. Grading budgets are provided by the Department, and research assistance by PhD students is also provided. Applications for both are solicited at the beginning of each semester.

Faculty are expected to manage their IBAs so as to be able to fund basic expenses over the year. Additional departmental support is provided upon request, subject to appropriateness to the Department’s mission, and resource availability.

A&L Department Reimbursement Policies

Full-time faculty

Faculty will receive $300 per trip for qualified expenditures, defined as follows:

Tenure-track faculty: Conferences and other travel related to curriculum or administrative issues, or research conferences where the faculty member is on the program.

Non-tenure-track faculty: Conferences and other travel related to curriculum or administrative issues, or for CPE required for professional certification.

There is a normal limit of one trip per fiscal year; additional requests for departmental funding must be justified in writing and will be considered on a case by case basis. Travel expenditures not approved for departmental funding will be funded through faculty budgets.

The Department may provide additional support for purchases related to instruction or research, such as software and databases. Written requests will be evaluated on a case by case basis.
Faculty travel on behalf of the Department is normally covered by Department funds. Examples include attending national or regional Beta Alpha Psi or UBAA events by the respective advisor, or attending administrative (AACSB, APLG, FSA) meetings. In addition, the Department covers the “administrative fee” for faculty to attend sponsored events such as the New Faculty Consortium.

**Part-time Faculty**

Part-time faculty members do not have IBA accounts. Appropriate arrangements, usually for grading support and course materials, are made with the Department Chair.

**PhD students**

PhD students receive up to $250 per trip for regional conferences and $500 per trip for a national conference, with a limit of one trip per year. Additional requests for departmental funding must be justified in writing and will be considered on a case by case basis. The Department funds the AAA doctoral student consortium.

**Student Clubs**

Financial support for Beta Alpha Psi and UBAA activities is a departmental priority. The funds available through the Schindler Fund are shared equally between the two clubs. Written requests to the Department Chair for financial support provided by the Schindler fund or through the Department budget will be considered on a case by case basis. The Department will also provide limited access to the departmental copy machine.

**A&L Department Policy on Attendance at Student Functions**

The Department will subsidize faculty attendance at all Department and student club events, and the NYSSCPA Education night. Requests for funding faculty attendance at other events will be considered on a case by case basis.
IV. Intellectual Contributions

A. Research Faculty

Our research faculty as a whole focuses on analysis of financial reporting, capital markets, and the information value of accounting information and choices. Feng Gu specializes in intangibles. Weihong Xu investigates market anomalies concerning accounting information and identifies other factors that may explain these anomalies. William Kross, Myungsun Kim, and Inho Suk look at the interaction between financial analyst behavior and accounting information, in particular the predictive value of information.

All research faculty work closely with PhD students, by offering workshops, seminars, and chairing second year papers and dissertations, as well as pursuing joint research projects with PhD students, focusing on publication in top-tier or leading journals.

In addition to support received from the School, the Department supports research with financial support for research needs, restricted teaching preparations and service obligations, and unbalanced teaching loads to allow blocks of time for research activities. The Department Chair bases merit recommendations primarily on research performance, in terms of publications in top-tier or leading journals.

Publications in the last five years by our current research faculty are as follows:

2010


Kross, William, and Charles Hsu, “The market pricing of special items that are included versus excluded from "street" earnings,” Contemporary Accounting Research, forthcoming 2010.


**2009**


**2008**


**2007**


2006


In addition to publications, research faculty members have many working papers and papers under submission, as well as projects in progress.

B. Adjunct Faculty

Non-tenure-track faculty members are encouraged to publish in practitioner journals, and receive course release for this activity. Merit recommendations are partially based on publication and other writing activity. Publications of our non-tenure-track faculty over the last five years are as follows:


Publishing NTT faculty members also have various projects underway. All NTT faculty members engage in pedagogical writing, including cases, project development, and class notes on current topics.

Tables 2-1 and 2-2 are in Appendix 2.
SECTION 4. PARTICIPANTS

I. Students

This section summarizes major changes in student enrollments, admission standards, and support services for accounting programs over the last five years.

Shift in program focus and enrollments

In the last two years, our program focus for accounting undergraduates has shifted from our four-year degrees to our combination five-year programs, specifically the MS in Accounting. The motivation for this shift is New York’s implementation of the 150 hour requirement in the summer of 2009. As a result, we now assume that most students plan to complete the four year BS in Accounting and then go on to the one year MS in Accounting. We also anticipated and are now experiencing a significant increase in enrollment in the MS in Accounting. While our 3/2 BS in Accounting plus MBA with concentration in accounting also meets the 150 hour requirement, this program is limited to students with exceptional academic qualifications and has a much smaller and more stable enrollment.

Prior to Fall 2009, the MS in Accounting was populated primarily with international students looking for a one-year technical degree in accounting. Enrollment averaged 20 students or less per year. The vast majority of our undergraduates entered the job market after their undergraduate degree. We offered two undergraduate programs, the BS in Accounting, which at the time met the educational requirements for the CPA in New York, and the BSBA with concentration in internal audit (BSBA-IA), for students with an interest in corporate accounting. Some BS in Accounting students took extra courses in internal audit to improve their marketability.

In the transition year 2009/10, many BS in Accounting students, who planned to become CPAs, sought to avoid the time and expense of obtaining a graduate degree by enrolling in two or more of the internal audit track undergraduate accounting courses in their senior year and picking up the remaining requirements on an ad hoc basis through online or summer courses at other institutions. We viewed this behavior as not in the best interests of the students or our programs. The students did not receive a coherent and thorough preparation for their careers, and because they overenrolled in our rigorous senior-level accounting courses, they performed at a lower level and adversely impacted other students through poor contributions to team projects and class discussion. In addition, the three undergraduate IA courses were duplicated on the graduate level as part of the MS in Accounting internal audit track, which we viewed as an inefficient use of limited faculty resources. As a result, the Department made the decision to discontinue the BSBA-IA starting in Fall 2011. All qualified students interested in the CPA are strongly advised to earn the MS in Accounting. Those interested in internal audit have the opportunity to choose the internal audit track, and take the IA track courses in internal audit, information systems audit, and fraud examination.

Students completing the BS in Accounting in Spring 2011, who meet the minimum GPA requirements, now for the most part plan to complete the MS in Accounting. We are currently evaluating whether to double the size of the MS program starting in Fall 2011,
to accommodate the majority of our qualifying undergraduates. This would require two
cohorts, and offering twice as many sections of four core MS courses.

On the MBA level, the focus in serving our MBA program has shifted from the
previously CPA-qualifying MBA with concentration in accounting to offering a non-
CPA-qualifying four-course mini-option in corporate reporting and control. Enrollments
in the old MBA with accounting concentration averaged 25-30 students. Enrollments in
the mini-option have been very small, averaging 2-4 students. As a result, we are
currently proposing to discontinue the option, but retain the courses and make them more
accessible to our MS in Accounting students.

Changes in undergraduate admission requirements and course offerings

Beginning in Fall 2010, we implemented a strategy to reduce the number and improve the
quality of BS in Accounting students, and at the same time increase the quality of the BS
in Accounting program. There are three major motivations:

- Due to the shift in focus to the MS in Accounting, students completing the BS in
  Accounting must be able to meet the general minimum GPA requirement for
  admission to graduate school at the University at Buffalo, which is a 3.0.
- The significant increase in enrollment and increased course offerings in the
  revised MS in Accounting add additional constraints on our limited faculty
  resources. To accommodate the increase in faculty workload in the MS courses,
  we decided that we needed to reduce the size of the incoming junior class.
- In the interest of increasing program quality while making more efficient use of
  limited faculty resources, we decided to reduce class sizes in the undergraduate
  junior and senior accounting courses while at the same time reducing the number
  of multiple undergraduate sections offered.

These motivations led to two changes in admission criteria and course offerings as of Fall
2010:

- The GPA requirements for admission to the BS in Accounting were increased to
  an overall GPA of 3.0 and a 3.0 GPA in the core management prerequisite
  courses, from a previous minimum 2.5 GPA on both dimensions.
- “Off-semester” sections of the junior courses are no longer offered. Therefore the
  incoming junior class, starting Fall 2010, must earn a C or better in both fall
  junior accounting courses to continue in the program. If they do not meet these
  qualifications, they must reapply to the accounting major and if accepted, wait
  until next fall to start the program again. Historically, students who have been
  required to repeat the junior courses (i.e. earned below a C the first time) have not
done well in the second semester junior and senior courses, and as a result have
  not experienced the job opportunities they expected.

The change in GPA requirement reduced the size of the Fall 2010 incoming junior
accounting class from over 200 to about 160 students. We have stabilized the number of
sections offered of each junior and senior accounting course to four sections per year.
This should reduce our class sizes to 40 or less, from current averages of around 55.
Not offering “off-semester” sections of junior accounting courses reduces section offerings by four per year. This decision, in combination with the previous discontinuation of the MBA courses we separately offered as part of the old MBA with accounting concentration, frees up faculty resources to focus on MS in Accounting offerings.

**Changes in support services for students**

Over the last five years, academic counseling and recruiting services for accounting majors have significantly improved.

**Academic counseling and support:**

Two of the full-time undergraduate advisors are now dedicated to advising undergraduate accounting majors. In addition, they are now directly involved in our junior orientation for accounting majors, ensuring that every incoming accounting junior receives an academic plan through graduation that clearly states the criteria for success and continuation. Through the efforts of our undergraduate advisors, more than 95 percent of junior accounting majors now attend the junior orientation. Students are uniformly provided with more specific and complete information on course planning, requirements for graduation and admission to graduate school, and expectations for work load, studying practices, and other steps students need to take to succeed. As a result, all accounting juniors experience mandatory individual advisement, which was not the situation in the past.

The MS in Accounting program, along with the other MS programs, has had academic advising support upgraded through the hiring of an additional staff member who dedicates about 3/5 time to the MS students and is consistently consulting with the program director to make sure students are informed of requirements and kept on track. In addition, one of our adjunct faculty, Ann Cohen, is the faculty director of our MS in Accounting and also manages our 3/2 students. She competently and thoroughly provides leadership for orientations, individual advisement, admissions, curriculum issues, marketing, and recruitment of undergraduates. In the last five years, she has instituted a separate orientation for incoming MS in Accounting students, and regularly communicates with accepted students over the summer prior to the start of the year. A portal for accepted students was created on the school web site, which explains what students need to do to prepare for the start of the semester. Recently, a “buddy” system was put in place, whereby MS in Accounting students with undergraduate degrees from other universities are matched with UB graduates.

PhD advisement has improved with the assignment of one graduate program staff member to specific administrative responsibility. She does an orientation for new students and puts out a bi-weekly information email. She also regularly tracks their progress and makes sure all their paperwork is in line for pending graduation. Prime academic advising responsibility is still with our Department advisor (Bill Kross) due to the individualized nature of the programs, but there has been a definite upgrade in generalized support for the PhDs in the last few years.

Starting Fall 2006, the Dean provided us with a new staff position, Assistant to the Chair, filled ½ time with one of our adjunct accounting faculty, Kathy O’Donnell. In addition to
her many other responsibilities, she monitors accounting student registrations and enrollments to be sure they meet prerequisites and are in accordance with Department policies. She also heads our Department Student Issues Committee, which handles any student grievances and special requests to waive enrollment policies, providing students with individual fair and timely decisions.

The Accounting Resource Center, with computers/printer, and study and meeting space, opened its doors in Fall 2007. This Center, funded by an alumnus, is open to all accounting majors, and is staffed by teaching assistants. The Department was also given an extra student TA line for use in staffing the Accounting Resource Center and for tutoring services, which are especially in demand for students in the principles and intermediate accounting classes.

In addition, the improvements in academic support services offered to management undergraduate, MBA, MS, and PhD students are also enjoyed by our accounting students.

Changes in recruiting and career planning support:

Improvements in career planning and recruitment, offered to management students in general, and made possible by the new student fee, are also enjoyed by our accounting students. In addition, the Career Resource Center (CRC) has implemented several new initiatives in recent years to assure that our accounting students continue to be prepared in the face of a changing and sometimes sluggish accounting recruiting environment. The most significant of these initiatives are summarized below:

- To encourage students to start early in proactively marketing themselves, we began offering e-mail resume critiques in the summer of 2009 for graduate-level MS and MBA accounting students prior to their first semester. This was particularly important for incoming graduate accounting students who were new to UB.
- As part of our enhanced service to underclassmen, which includes “Coffee Cup Conversations” with accounting practitioners, in the spring of 2009, the CRC began to offer accounting career path workshops for underclassmen interested accounting.
- Due to growing accounting enrollment as well as reduced hiring by the Big 4 and other public accounting firms in the last couple of years, we worked to broaden our recruiting base by hosting more employer sessions and panels focused on industries other than public accounting. This has resulted in more recruiting activities and hiring, particularly in the government sector.
- In collaboration with accounting faculty and undergraduate advisors, we developed a newly integrated advisement approach to help students navigate and communicate coherent academic/career planning to recruiters throughout the uncertainty of the complex 150-hour implementation process in New York State.
- In the area of employer outreach, we hosted and coordinated the first ever series of UB Big 4 accounting recruiting conference calls in the summers of 2009/10 to discuss recruiting strategies in the face of the 150-hour requirement. Our faculty shared materials on our MS program tracks to assure they would appropriately
prepare students to compete in the new recruiting environment, and we learned strategies that would help us to better advise students.

- To enhance the recruiting readiness of our MS students, we launched a separate MS/MBA accounting advantage (orientation) program. The program is more targeted to this specialized group and helps them to better focus their efforts on using CRC tools/services in preparing for early accounting recruiting for internship and permanent positions.

- During the last few years, the CRC began involving employers more in the advisement process by hosting “Open Office Hours at CRC”. This provided an opportunity for accounting students to talk to Big 4 practitioners and gain advice, while also learning about various recruiting programs available for underclassmen to explore public accounting career paths.

- In the last two years, for the reasons already stated above, the CRC has stepped up the delivery of structured and strategically-timed advisory e-mail communications to accounting students at all levels to better prepare them for interviews for both internship and permanent hire positions. In addition, other e-mails specifically urged accounting students to develop a broad-based industry approach to their search strategies, as a way to improve their prospects during the down economy in recent years.

- The CRC provided critical input into the recent revision of the MBA accounting program to assure there was still an MBA avenue (namely the accelerated 3/2 program) that would allow accounting students to meet the 150-hour qualification.

- In fall of 2009, the CRC significantly enhanced our web technology system for posting job/internship opportunities and for scheduling on campus interviews for accounting, as well as other, students. Replacing an old manual process, the new totally web-based system has significantly streamlined both the posting and scheduling processes for employers, as well as the opportunity search and application process for students.

- To enhance our accounting career tools, this year the CRC created accounting-specific resume templates and sample resumes on our website for BS, MS and MBA-level accounting students.
II. Faculty

This section describes faculty management policies and support, and criteria for performance expectations.

**Recruiting procedures and strategies**

Faculty recruiting objectives are developed over time as teaching and research needs become clear and turnovers are identified. Generally the Department’s needs are identified over the summer, and discussed with the Dean. The Department is then given authorizations to recruit. Decisions regarding the mix of tenure-track to adjunct faculty, and senior versus junior tenure-track faculty, consider the mission of the Department and the school, the Department’s needs, and are made in consultation with the Dean.

A faculty recruiting committee invites applications, screens applications, and organizes campus visits. This committee may differ in membership depending on the recruiting objective. For example, this year we are recruiting for several tenure-track positions and a non-tenure-track position. Bill Kross, senior research professor, heads the recruitment for the senior and junior tenure-track positions. Kathy Nesper, adjunct faculty in fraud and internal audit, heads the recruitment for the non-tenure-track systems position. Composition of the recruiting committees reflects the interests and expertise needed for the position.

Department hiring decisions are made with the full participation of the faculty. Input is solicited during the screening process to identify viable candidates and those who will be invited for campus visits. All interested faculty meet with invited candidates and attend their presentation. Before any hiring decisions are made, opinions are solicited from all relevant faculty. Meetings are held to discuss candidate rankings, and decisions are made through a consensus of the faculty, and with consultation with the Dean.

**Performance evaluation and review**

**Annual reviews.** The Department follows the School’s model for evaluation and review. All faculty members are given annual reviews by the Department Chair. In addition to an assessment of performance, these reviews are used to discuss the appropriateness of the faculty member’s future plans and to determine the faculty member’s role in the Department for the next year and future years.

**Reappointments.** Reappointments occur according to the faculty member’s employment contract. The Department Chair prepares a summary of performance on teaching, research/writing and service dimensions and solicits input and a consultative vote from appropriate Department faculty. The Chair then makes a recommendation to the Dean.

**Fourth year reviews.** Untenured tenure-track faculty members are given a School-wide review in the spring of their fourth year. The Department Chair prepares a summary of accomplishments and plans, as well as an overall assessment and recommendations. The School’s Personnel Action Committee then reviews the dossier and makes an assessment of the faculty’s prospects for tenure. This process is basically an advisement to the faculty member, to alert him or her to areas of potential difficulty, offer specific guidance for the tenure process, and provide support and motivation.
Tenure and promotion. The process established by the University and the School is followed, for both tenure-track and non-tenure-track promotions. The Department Chair prepares a comprehensive dossier, with input from the faculty member, covering all aspects of the faculty member’s performance. Outside and inside letters are solicited as required. A consultative vote is taken among the relevant faculty and the Department Chair prepares a letter outlining the Department’s position on the case, with supporting documentation. The dossier is then forwarded to the Dean’s Office. The Personnel Action Committee prepares a recommendation, and School faculty vote. The Dean then makes a recommendation to the Provost. The Department Chair continues to be active in the process, as the case is evaluated at the School level and forwarded to the Provost and eventually the President.

Discretionary salary increases. The Department Chair makes recommendations for discretionary salary increases, generally based on the annual reviews, which are then forwarded to the Dean.

Faculty support

Mentoring. Because we are a small department, faculty mentoring has not been standardized on the Department level. The University has recently instituted an official mentoring program, and future hires will be assigned a specific mentor. All new faculty are provided with resources (office space, computer, supplies) as necessary. Faculty can easily obtain information on Department practices and policies from the Chair or other faculty, or from the Department secretary. Over time, working relationships among groups of faculty are established. The Department Chair’s door is always open and questions and discussion are welcomed.

Financial support. Each faculty member is given a personal budget to finance teaching, research and service activities. In addition, the Department, through the Department general budget, is able to provide significant support to faculty for conference travel, research support (databases, etc.), continuing education, training and updating, computer upgrades, grading, tutoring, and many other activities. A major change in this area over the last five years is that due to the efforts of the School development office and our own networking activities, the Department has the financial ability to support significantly more activities. See the Financial Strategies section of this report for additional information.

Graduate assistants. Supported doctoral students are assigned as research assistants to tenure-track faculty each semester. The Department Chair asks the faculty to submit requests, discusses requests among interested faculty, and a consensus is reached on the most efficient and effective allocations, given each faculty member’s research needs.

Teaching assistants. The Department now has a student line for general support of Department activities, a change since our last accreditation review. This line is typically used to support teaching – proctoring, grading, tutoring and review sessions, and to staff the Accounting Resource Center.

Course release. All new junior tenure-track faculty are given one course off in their first three years. Every effort is made to schedule teaching so the faculty member has no
teaching responsibilities during that semester (i.e., a 0-3 or 3-0 schedule). In addition, junior tenure-track faculty are regularly offered unbalanced teaching loads and are shielded from time-consuming administrative assignments, to allow them time to build a tenurable research record. Non-tenure-track faculty are encouraged to publish in practitioner journals, and are given course release for relevant writing activities. In addition, NTT faculty are given a course release for major administrative assignments, such as faculty advisor to Beta Alpha Psi or liaison to the Career Resource Center.

**Faculty performance expectations**

**Tenure-track** faculty members are given clear guidelines regarding what constitutes a tenurable research record. The Department maintains a list of A and A- journals, as well as B+ journals, and it is expected that a promotable record generally includes at least two A publications and several A- and B+ publications, spaced appropriately over a six-year period and focused in one or two general research areas. Emphasis is on developing an international reputation in their area of expertise. Adequate teaching and service are required. Outstanding performance in teaching and service will strengthen a marginal research record, but will not offset a deficient research record.

**Non-tenure-track** faculty members are expected to perform well in the classroom, develop and update course materials as appropriate, and have significant service roles in the Department and School. Academically qualified NTT faculty members are expected and strongly encouraged to publish in their area of expertise, with the expectation of one or two articles or instructional publications per year, on average. Professionally qualified NTT faculty members are also encouraged to publish, and are given course release if they regularly engage in publishing activities.

The following tables are in Appendix 3:

- **Table 9-1** Summary of Faculty Sufficiency
- **Table 10-1** Summary of Faculty Qualifications, Development Activities and Professional Responsibilities
- **Table 10-2** Calculations Relative to Deployment of Qualified Faculty
SECTION 5. ASSURANCE OF LEARNING

This section summarizes curricula revisions over the last five years, and assessment tools and procedures.

I. Curricula Development

All curriculum revisions begin with a general proposal from faculty or from the Curriculum Committee, and are then carefully researched through benchmarking comparable institutions, and discussions with our stakeholders (alumni, recruiters, and other supporters), before development into formal proposals. All evaluation is focused on preparing students for their chosen career and providing them with the background necessary to succeed, given the challenge of constant changes in the profession and the business environment.

Proposals made by the Curriculum Committee are voted on by Department faculty and then go to the appropriate school-wide program committee. Once approved by the program committee, the proposal is submitted to school faculty for a vote, and then moves through the formal approval process at the university and, if appropriate, state level.

Major curricula revisions during the period 2006 – 2010 are as follows:

- The standalone MBA concentration in accounting was discontinued after academic year 2008/09. This concentration did not meet the 150-hour requirement effective in the summer of 2009. However, select students can still earn a BS in Accounting and MBA through our 3/2 program, which meets the 150-hour requirement. The requirements for the 3/2 have not changed.

- MBA concentration in Corporate Reporting and Control offered starting Fall 2008. This concentration replaced the MBA accounting concentration and was designed to prepare students for accounting and control positions in corporations and other organizations. The smaller size of the concentration allowed students more flexibility in choosing elective courses in finance or MIS, or in choosing an additional MBA concentration.

- Introduced a new course in Global Financial Reporting, open to MBA and MS students as an elective, in the 2006/07 academic year. This course became a required course in one of the tracks offered within the new MS program, revised in 2008/09. It was also a required course in the MBA concentration in Corporate Reporting and Control. The course is designed to be open to students with limited background in accounting, to allow students the opportunity to study global capital markets, reporting practices and issues, and corporate governance. The motivation to offer the course is the increasing convergence between U.S. and global reporting requirements and the need for understanding of global practices. Since its
first offering, the course content has evolved into study of global markets and reporting practices, and in-depth study of IFRS from a user perspective.

• Completely revised the MS in Accounting program during 2007/09. The first class under the new requirements started the program in Fall 2009, immediately after the 150-hour requirement became effective in summer 2009. This revision introduced several new courses.

The new MS in Accounting program, introduced in Fall 2009, consists of four 3-credit core courses in advanced tax, advanced audit, accounting information systems and financial reporting, and three 1-credit core courses in financial/audit research, tax research, and ethics/corporate governance. The MS capstone experience occurs in MGA 618, the core financial accounting course, through projects where students evaluate the capital markets implications of reporting choices. Students choose from three specialized tracks: financial reporting and assurance, internal audit, and tax. The new program introduced several new courses, including the core information systems course, the three 1-credit core courses in fraud examination, internal audit, and three specialized tax courses. The new MS offered the financial reporting and assurance and internal audit tracks in Fall 2009; the tax track was offered starting in Fall 2010.

• BSBA with concentration in internal audit was discontinued starting Fall 2011.

Until Fall 2011 we have offered two undergraduate programs in accounting, the BS in Accounting and the BSBA with concentration in internal auditing. The BS in Accounting provides the background necessary to pursue the MS in Accounting for CPA licensure. The BSBA-IA was designed for those students who did not want to pursue the CPA, but wanted to work in internal audit and related functions within a company. The BSBA-IA did not by itself provide the required coursework for entry in the MS in Accounting or meet the education requirements for CPA licensure.

Rationale for this decision:

1) The MS in Accounting has an internal audit track that mirrors, on the graduate level, the senior-level course requirements for the BSBA-IA, so students interested in internal audit can pursue this track in the MS program. Offering similar courses on the undergraduate and graduate level is not an efficient use of limited resources. Students who do not want to be CPA licensed are still qualified to pursue careers in accounting and finance, including internal audit, with the BS-Accounting degree

2) Instead of serving students interested in internal audit, enrollments in the BSBA-IA concentration were completely dominated by students who were actually in the BS-Accounting program and took the internal audit concentration to meet the accounting education requirements for 150 hours without earning a graduate degree. As a result, students overloaded with several senior accounting courses and generally did poorly.

3) The Institute of Internal Auditors has certified our internal audit program as a “comprehensive” program. By eliminating the duplicate undergraduate program, we can direct resources toward upgrading our certification to “partner” status by adding one more graduate course to the track. There are a very limited number of partner status programs in the U.S., and students in these programs are in great demand.
• Changed the BS in Accounting business law requirement to MGT 403, with MGT 404 as an elective, starting in Spring 2011

The previous requirement for accounting undergraduate students was MGT 403 and MGT 404. These courses were provided only to accounting majors; business majors take MGT 401. This requirement was put in place to provide accounting students with the background needed for the profession, and also to meet CPA requirements, which in the past included 6 hours of business law. New York State educational requirements no longer specify the number of credit hours in business law, and the uniform CPA exam now has reduced coverage of business law topics. Research by the Department Curriculum Committee and our two business law faculty revealed that 75% of programs at comparable universities required one business law course or one course plus an elective. This research also identified topics important for auditors. The required and elective courses have been revised to reflect these topics.

• Proposal in Fall 2010: Discontinue the MBA concentration in Financial Planning and Control. This proposal has been approved by the MBA Committee and awaits a faculty vote in the spring.

Rationale: Very few students complete this concentration. MBA students do appear to select a subset of the courses as electives and would continue to be able to do this. There is a cost to offering this concentration, in terms of course scheduling.

• Proposal in Fall 2010: Amend the MS in accounting core to allow students to choose between MGA 617 and 618 for their capstone course experience. This proposal has been approved by the MBA Committee and awaits a faculty vote in the spring.

Allowing students to choose between MGA 617 (Advanced Managerial Accounting) and 618 (Current Issues in Financial Reporting) gives MS students more flexibility to tailor their coursework to their interests, and puts the MS in line with 3/2 accounting program requirements, which allow students to choose between 617 and 618. The MS capstone experience will be included in both courses, sharing this responsibility.
II. Assessment Tools and Procedures

Learning assessment process

- Learning goals for the BS in Accounting and MS in Accounting programs were determined through discussion with faculty groups responsible for delivery of the courses in each program, as well as the Department Curriculum Committee. With the supervision of the Curriculum Committee and Laura Amo, the school coordinator for learning assessments, course instructors matched learning goals with skills taught in each course, determined the means of assessment for each skill, and set evaluation criteria. Goals, skills, and means of assessment are periodically reevaluated by the same groups.
- Each semester, course instructors collect outcomes on each assessment dimension. Laura Amo collects and summarizes outcomes for the accounting courses at the end of each semester. This information is reported to the Department chair, and passed on to the Department Curriculum Committee for their analysis and action.
- The 3/2 BS/MBA in accounting is assessed as part of the BS in Accounting and the overall MBA program.
- PhD program goals and assessment are generally handled at the school level, by monitoring individual student performance on each assessment dimension. Analysis and action are handled by the school PhD Committee.

Learning goals for each program are as follows:

BS in Accounting

Learning Goal 1: Students will develop proficiency in these skill areas:
(a) recording, analyzing and interpreting information for external and internal use, (b) risk assessment, systems development and evaluation to ensure information integrity, (c) use of technology in accounting settings, (d) tax policy, strategy, and compliance, and (e) international reporting and related roles and responsibilities of accountants

Learning Goal 2: Students will be able to apply critical thinking skills, ethical standards and relevant accounting principles to unstructured problems.

Learning Goal 3: Students will be able to communicate effectively in professional accounting settings.
**MS in Accounting**

**Learning Goal 1:** Students will develop advanced technical proficiency and professional knowledge in the areas of external reporting for U.S. and multinational entities, tax planning and compliance, audit processes and risk assessment, management and assessment of information technology, ethics and corporate governance.

**Learning Goal 2:** Students will be able to apply critical thinking skills, ethical standards and relevant accounting principles to unstructured problems.

**Learning Goal 3:** Students will be able to communicate effectively in diverse professional accounting settings

**PhD in Accounting**

**Learning Goal 1:** Students will develop the ability to conduct state-of-the-art research in accounting.

**Learning Goal 2:** Students will gain an understanding of the relevance of that research to the world of management practice and its impact on the larger society.

**Learning Goal 3:** Students will develop the skills necessary to impart knowledge through teaching.

**Analysis of outcomes (“Closing the loop”)**

Evaluation of outcomes and effect on course delivery and curricula occur on two levels:

- Course instructors themselves make changes in course delivery based on the results of learning assessments.
- The Department Curriculum Committee reviews outcomes, identifies problem areas and makes proposals for changes in course delivery or curricula.

Following the school’s schedule for learning outcomes assessment, full assessment of the BS in Accounting program began in Spring 2010. Because of the major revisions in the MS in Accounting, assessment for this program was delayed until Fall 2010. Although the current program of assessment is therefore relatively new, three examples of “closing the loop” in the BS in Accounting program are summarized below.

- MGA 301 (Intermediate I): Identified topic areas where students are weak in understanding. Changes in course delivery and projects/assignments are planned for next year.
• MGA 314 (Cost Accounting): It was determined that 30 percent of students in the spring semester did not demonstrate the ability to apply critical thinking skills and ethical standards to management accounting issues. In the fall semester, additional IMA materials in critical thinking and ethics were used, and additional exercises are planned for the coming semester.

• MGA 404 (Advanced Financial Accounting): Evaluation of the spring 2010 class revealed that a third of students either marginally met or did not meet criteria assessing their ability to use and evaluate judgments in financial reporting issues. In the fall, a new case project was assigned, involving choices in reporting an acquisition. Students were required to research the Codification to reach their conclusions. Because of the increased role of Level 3 valuations, students were assigned an exercise that applied their present value skills to valuation situations involving recognition and impairment of previously unreported intangibles acquired in a business combination.

Detailed description of course skills connected with each program learning goal, means of assessment, and recent results are in Appendix 4.
SECTION 6. OTHER MATERIAL

This section contains information on a sample of other regular activities and performance of the Department, not covered in the previous sections, which may be useful to our maintenance review.

- Career Opportunities in Accounting Profession program, an annual week-long program promoting the accounting profession to minority high school students, and jointly sponsored by the NYS Society of CPAs and the Department of Accounting and Law.

- Sufrin Lectureship in Accounting, an annual event funded by friends of the Department, bringing to campus experts to speak on current accounting issues.

- PricewaterhouseCoopers xACT competition, an annual competition where student teams prepare and present solutions to an accounting issue.

- Beta Alpha Psi chapter and UB Accounting Association activities and awards.

- Recent CPA examination results.
Career Opportunities in the Accounting Profession (COAP)

Minority High School Students Preview Accounting Profession

Release date
Jun-25-2010

BUFFALO, N.Y. -- The University at Buffalo School of Management and the Foundation for Accounting Education of the New York State Society of Certified Public Accountants (NYSSCPA) are collaborating to introduce minority high school students to career opportunities in the accounting profession during a five-day program.

Approximately 30 students from area schools are expected to attend the fifth annual Career Opportunities in the Accounting Profession (COAP) program, taking place June 27 through July 1.

The program will feature a comprehensive series of breakout sessions designed to provide participants with insights into all the components of an accounting education and career. Sessions will be held in the UB School of Management.

A number of area accounting firms will give presentations on campus, and students will make off-site visits to Lumsden & McCormick, PricewaterhouseCoopers and Rich Products, where they will take company tours and speak with accounting representatives from those firms.

A session entitled “The Accounting Profession: 360 Degrees of Possibilities,” led by Daniel Tirone ’81, CPA, partner, Downing & Tirone, will feature a panel of accounting professionals. Alicia Alexander ’05, CPA, senior associate, PricewaterhouseCoopers, will introduce the students to accounting concepts and will present a “Build Your Own Business” seminar, followed by group work sessions and student business presentations before a panel of judges. Several UB accounting faculty and staff members will lead sessions as well.

The program also will include a wide variety of professional development opportunities, including a business lunch called “Putting Your Best Fork Forward,” which will feature etiquette tips for working meals; a “dress for success” session; a “speed-meeting” event; a résumé-writing workshop; and sessions on job-search strategies, interviewing techniques, public speaking and ethics.

This year’s program will conclude with a banquet for students and their parents at 6 p.m. on July 1 at the Hyatt Regency Buffalo Hotel. Karen Stanley Fleming, former director of urban affairs for the City of Buffalo, will serve as keynote speaker at the event.

“The goal of the program is to increase awareness of the many opportunities that an accounting education and career can provide,” says Ann Burstein Cohen, associate professor of accounting in the UB School of Management.

Cohen worked with NYSSCPA to organize the event. “It is our hope that if minority students realize early on that the accounting profession has a variety of interesting opportunities, we can increase the number of candidates who enter the field,” she adds.
# 2010 COAP Agenda

## Sunday, June 27, 2010

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:00 pm to 1:30 pm</td>
<td>Registration and Lunch</td>
</tr>
<tr>
<td>1:30 pm to 2:00 pm</td>
<td><strong>Welcome and Introduction</strong>&lt;br&gt;Daniel Tirone, Partner; Downing &amp; Tirone, Certified Public Accountants&lt;br&gt;Taking Care of Business Video</td>
</tr>
<tr>
<td></td>
<td><strong>The School’s Perspective...</strong>&lt;br&gt;Barbara J. Smith, CPA, Chief Financial Officer; Buffalo School District</td>
</tr>
<tr>
<td>2:00 pm to 3:30 pm</td>
<td><strong>Students: Getting to Know You...</strong> Ice Breakers and Introduction to 2009 COAP Alumni&lt;br&gt;<strong>Parents: College Admissions and the Financial Aid Process</strong>&lt;br&gt;Carmela Thompson, Director of Admissions; Buffalo State College</td>
</tr>
</tbody>
</table>

## Monday, June 28, 2010

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00 am to 9:00 am</td>
<td>Continental Breakfast&lt;br&gt;** Pick up Program Materials and Get Reacquainted!</td>
</tr>
<tr>
<td>9:00 am to 10:00 am</td>
<td><strong>The Accounting Profession: 360 Degrees of Possibilities</strong>&lt;br&gt;Panel facilitated by Daniel Tirone, Partner; Downing &amp; Tirone, Certified Public Accountants</td>
</tr>
<tr>
<td>10:00 am to 11:00 am</td>
<td><strong>Introduction to Accounting Concepts: Build Your Own Business!</strong>&lt;br&gt;Alicia Alexander, CPA, PricewaterhouseCoopers, LLP</td>
</tr>
<tr>
<td>11:00 am to 11:15 am</td>
<td>Break</td>
</tr>
<tr>
<td>11:15 am to 12:00 pm</td>
<td><strong>Introduction to Accounting Concepts, continued...</strong></td>
</tr>
<tr>
<td>12:00 pm to 1:30 pm</td>
<td>Lunch: Putting Your Best Fork Forward!&lt;br&gt;Elizabeth Englert</td>
</tr>
<tr>
<td>1:30 pm to 2:30 pm</td>
<td>Tour of the University at Buffalo Campus</td>
</tr>
<tr>
<td>2:30 pm to 3:30 pm</td>
<td><strong>Do You Want to Be a Millionaire! Accounting and Financial Literacy</strong></td>
</tr>
<tr>
<td>3:30 pm to 4:00 pm</td>
<td><strong>Group Work for Build Your Own Business</strong></td>
</tr>
<tr>
<td>4:00 pm to 5:00 pm</td>
<td><strong>How to Make the Most of Your Time and Still Have Fun!</strong>&lt;br&gt;Gerry Murak, President; Murak &amp; Associates</td>
</tr>
</tbody>
</table>

## Tuesday, June 29, 2010

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00 am to 9:00 am</td>
<td>Continental Breakfast and Group Work for Build Your Own Business</td>
</tr>
<tr>
<td>9:00 am to 9:45 am</td>
<td><strong>I’ve Been in Your Shoes... A “Speed Meeting” Event</strong>&lt;br&gt;Facilitated by Amy Wilson, UB Leadership Development Center</td>
</tr>
<tr>
<td>9:45 am to 10:45 am</td>
<td><strong>Selling Your Most Important Asset: You! Business Writing Etiquette</strong>&lt;br&gt;Eileen Connor-Costilow, Director of Human Resources; Lumsden &amp; McCormick, LLP</td>
</tr>
<tr>
<td>10:45 am to 11:00 am</td>
<td>Break</td>
</tr>
<tr>
<td>11:00 am to 12:00 pm</td>
<td><strong>You’ve Got an Interview – Now What?</strong> Preparing to Interview&lt;br&gt;Caitlin Logue; UB School of Management Career Resource Center</td>
</tr>
<tr>
<td>12:00 pm to 1:15 pm</td>
<td>Lunch: Working Lunch for Build Your Own Business</td>
</tr>
</tbody>
</table>

*Tuesday continues, next page*
### Tuesday, Continued…

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
</table>
| 1:15 pm to 2:15 pm | Eyes on the Prize: Practicing to Ace the Interview!  
Caitlin Logue; UB School of Management Career Resource Center |
| 2:15 pm to 3:15 pm | Group Work for Build Your Own Business |
| 3:15 pm to 3:45 pm | Ice Cream Social Break! |
| 3:45 pm to 4:45 pm | A Case Study in Ethics  
Arlene Hibschweiler, Associate Professor of Business Law; UB School of Management |

### Wednesday, June 30, 2010

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00 am to 8:30 am</td>
<td>Continental Breakfast</td>
</tr>
<tr>
<td>8:30 am to 9:45 am</td>
<td>Group Work for Build Your Own Business</td>
</tr>
<tr>
<td>9:45 am</td>
<td>Depart for PricewaterhouseCoopers (PwC)</td>
</tr>
</tbody>
</table>
| 10:30 am to 12:00 pm | Introduction and Tour of PwC; Mock Interview  
Facilitated by Mark Bruno, Market Sourcing Leader; PwC |
| 12:00 pm to 1:00 pm | Lunch with PwC Associates |
| 1:00 pm      | Depart for UB Campus  
Outdoor Break if time allows |
| 1:45 pm to 2:15 pm | Group Work for Build Your Own Business |
| 2:15 pm to 3:30 pm | Group Practice I for Build Your Own Business |
| 3:30 pm to 4:30 pm | Dress for Success!  
Monica White, Assistant Vice President; SUNY Fredonia Office of Student Affairs and Student Models |

### Thursday, July 1, 2010

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00 am to 8:45 am</td>
<td>Continental Breakfast &amp; Group Practice II - FINAL! for Build Your Own Business</td>
</tr>
<tr>
<td>8:45 am</td>
<td>Depart for Lumsden &amp; McCormick, LLP</td>
</tr>
</tbody>
</table>
| 9:30 am to 10:30 am | Introduction and Tour of Lumsden & McCormick, LLP  
Sherri DelleBovi, Partner; and Past-President of the NYSSCPA, Buffalo Chapter |
| 10:30 am to 11:00 am | Introduction to Brisbane Consulting Group, LLC  
Jonathan Davis, Principal; Brisbane Consulting Group |
| 11:00 am to 11:30 am | Depart for Rich Products |
| 11:30 am to 12:30 pm | Introduction to Rich Products and Panel Discussion  
Facilitated by Eric R. Eynon, CPA, CIA, Director of Internal Audit; Rich Products |
| 12:30 pm to 1:30 pm | Lunch with Rich Products |
| 1:30 pm      | Depart for UB  
(If time allows, students may practice Group Presentation for Build Your Own Business) |
| 2:15 pm to 3:30 pm | Student Business Presentations and Feedback  
Alicia Alexander, and Panel of Judges |
| 3:30 pm to 3:45 pm | Final Q&A  
Ann Burstein Cohen, CPA and Associate Professor; UB School of Management |
| 3:45 pm      | Students Depart for home... |
| 6:00 pm      | Accounting Banquet and Keynote Presentation  
**Keynote Speaker:** Karen Stanley Fleming, MBA  
Hyatt Regency Buffalo Hotel, Corner of Pearl and N. Huron Streets, Downtown Buffalo  
Street parking available or at the Ausperger Lot, adjacent to the Hyatt on N. Huron Street. |
Sufrin Lectureship in Accounting

This annual lectureship is open to faculty and students at the University at Buffalo, as well as other area academic institutions and business professionals. The lectureship is well supported by the faculty and the student clubs, resulting in excellent attendance by UB accounting students. Invitations are also sent to area colleges and universities and accounting firms.

Information on the Sufrin Lectureship in Accounting appears on the Department web site at http://mgt.buffalo.edu/faculty/academic/accounting/events/seminars

A list of recent speakers is as follows:

2010 (Fall)
Robert L. Goecks
Egris LLC Specialist in Anti-money-laundering
Money-Laundering

Thomas P. Mullen
PricewaterhouseCoopers New York Mergers and Acquisitions Group
Due Diligence in Acquisitions

2010 (Spring)
Lisa D. Filomia
Ernst & Young IFRS Financial Services Leader
Issues in Global Reporting

2009
Mary M. Sjoquist, Esq.
Special Counsel to PCAOB Board Member Bill Gradison
PCAOB Regulation in a Challenging Global Environment

2008
John Nofsinger, PhD
Lang Fellow and Professor of Finance, Washington State University
The Psychology of Investing

2007
Thomas J. Linsmeier, PhD
Member, Financial Accounting Standards Board
Financial Reporting Issues Facing the FASB
PricewaterhouseCoopers xACT Competition

Every November, PricewaterhouseCoopers invites approximately 50 schools nationwide to compete in its xACT competition. The University at Buffalo has competed every year since 2003.

Teams are composed of five students each, working as “consultants” for PwC. They have two weeks to research an assigned accounting issue and develop a 12-minute presentation. Each team is assigned a faculty coach and a PricewaterhouseCoopers mentor. On the day of the competition, teams present their analysis and recommendations to a panel of judges from PricewaterhouseCoopers. Teams are composed of two sophomores, one junior, and two students from any program.

The Department supports this competition by encouraging students to compete, arranging facilities and events, and assigning faculty members as faculty coaches to mentor the teams. Every full-time faculty member serves as a coach to at least one team, meeting regularly with the team during the analysis phase, providing feedback on the presentation and handouts, and moral support during the actual presentation.

2010 Competition

The PricewaterhouseCoopers xACT competition presentations were held November 5, 2010, at the University at Buffalo. Fifteen teams of accounting students made their presentations in the Jacobs Management Center. The case involved the role of accounting consultants in helping a firm to implement IFRS. In all, 75 students competed.

Congratulations to the winning teams:

**Team Comet** won the top prize of $1,000. In addition, the team's presentation video was sent to PricewaterhouseCoopers’ New York office for the national competition, which included 46 other schools. Participating on the winning team were Chunqing Yin, Matthew Epstein, Daniel Gengo, Susannah King, and Kyle McJury. Professor Mary Ann Rogers served as faculty coach.

**Amp'd Up**, the second-place team, also won $1,000. Team members were Nathanael Carbrey, Samuel Huoh, En Yong Chen, Justin Neuwirt, and Aizhan Koilubaeva. Professor Alex Ampadu served as faculty coach.

**The Stepping Stones** took third place in the competition. Team members Mohammed Oladego, Tyler Kafka, Brittany Schaub, Narang Kim, and Matthew Silver were coached by Professor Susan Hamlen.
Student Club Activities

Beta Alpha Psi, Zeta Theta Chapter

Our Beta Alpha Psi chapter is very active, especially in community service and national and regional competitions. Among their many community service activities, they provide tutoring services for the principles and intermediate accounting courses, run the Volunteer Income Tax Assistance (VITA) program each spring, and go to local high schools to promote accounting careers. They also co-sponsor the Sufrin Seminar, which brings in experts to speak on current accounting issues. The chapter achieves Superior Status every year. The club web site is at http://wings.buffalo.edu/mgtclubs/Beta_Alpha_Psi/Home.html

A sample of activities and honors for the last five years is listed below.

2006

- Board members attended the national meeting in Washington, DC., and made presentations on chapter communications.
- Received an award from National for the most number of volunteers contributing to the VITA program.
- Received the School of Management Leadership in Community Service award.
- Attended the Atlantic Coast Regional meeting in NYC.
- 25th anniversary celebration banquet was held; jointly planned with the Beta Alpha Psi Alumni Advisory Council
- Achieved Superior Status and initiated 57 new members.

2007

- 32 members attended the Regional Meeting in Brooklyn, NY, breaking the attendance record. The chapter presented on sustained community service and encouraging participation in professional organizations.
- Received the School of Management Leadership in Community Service award.
- Achieved Superior Status and initiated 45 new members.

2008

- At the national meeting in Anaheim, CA, awarded first place internationally in the best practices competition, “Strategic Planning: BAP in 10 Years.”
- Recognized by the IRS as having the largest Beta Alpha Psi-run VITA program in the nation, completing 393 returns yielding refunds totaling $234,566.
- Received the School of Management’s Leadership in Community Service award for the third consecutive year.
- Achieved Superior Status and initiated 37 new members.
2009

- Hosted the Atlantic Coast Regional Meeting in Boston, MA. Led the region in number of presentations, presenting in all four Chapter Operations sessions and all three Best Practices sessions. Awarded a second and third place in the competitions.
- Erie County Executive Chris Collins designated March 28, 2009 as “UB Zeta Theta Chapter Day” in recognition of the chapter’s efforts in hosting the Regional Meeting and for the chapter’s service to the community.
- UB is on the President’s Higher Education Community Service Honor Roll, with specific mention of the VITA program.
- Awarded Gold Chapter status, as one of the top 14 chapters internationally.
- Chapter members worked on a 100-hour service effort with the International Institute of Buffalo, as internal audit consultants.
- Awarded the first annual Student Organization Award for Excellence in Academics and Service at the UB Celebration of Academic Excellence, a University-wide celebration of faculty, staff, and student accomplishments and contributions.
- VITA program set new records in every measurable category. Volunteers prepared 676 returns and brought $639,890 back to the community, of which $120,426 was a result of the Earned Income Credit.
- Achieved Superior Status and initiated 35 new members.

2010

- One of only 15 chapters worldwide to receive the KPMG Gold Chapter award and $2,500 prize from Beta Alpha Psi.
- Special recognition from the IRS for having the largest Beta Alpha Psi-run VITA program in the nation this past tax season, based on the number of volunteers who contributed at least five hours of service. A record 704 returns were completed, bringing over $992,000 in refunds back to the community, including $171,090 in Earned Income Credits.
- At the national conference in San Jose, CA, two MBA students represented the chapter in “Project Run With It,” a challenge which analyzed three not-for-profit organizations in the San Jose community. Andrew Onyjii’s team won the competition with the solution it provided to The Family Supportive Housing (FSH) organization. The chapter received a $1,000 award.
- Led a community service project, Project Make [It] Count, funded by PricewaterhouseCoopers, which renovated the recreation facilities at Vive La Casa, the largest refugee shelter in the U.S., located in Buffalo.
- Earned second place in Chapter Sustainability, at the regional meeting in Washington, DC, in the best practices competitions.
- Tutored in the M.I.C.E. (Meszaros International Center of Entrepreneurship) program, which provides instruction in ethical entrepreneurship and financial literacy to local high school students.
- Achieved Superior Status and initiated 47 new members.
UB Accounting Association

This organization is open to all accounting and finance students. It was an affiliate student chapter of the Institute of Management Accountants for many years, and changed its affiliation in 2008 to the Institute of Internal Auditors. In 2010, the organization switched its affiliation back to the IMA, to take advantage of its national chapter competitions and student affiliate support.

UBAA has regularly earned the Gold Award of Excellence from the IMA for its chapter activities.

Board members attend the IMA Student Leadership conference each year in the fall. They plan and participate jointly with Beta Alpha Psi in many activities, including numerous technical presentations, an annual Meet the Professionals recruiting and networking event, the Annual Accounting Banquet, and VITA. UBAA sponsors the Becker Case Competition each year, where teams of students present their solution to an accounting issue, and are judged by local business professionals. In 2010, UBAA brought in a motivational speaker from the 2009 IMA leadership conference, for a presentation open to all management students and the community. In addition to attending events of the local IMA chapter, UBAA plans various social activities for its members, such as movie nights and bowling. UBAA also participates in many community service activities for charitable organizations, including Habitat for Humanity, Ronald McDonald House, the Buffalo Zoo, and the American Cancer Society’s Relay for Life.

The UBAA web site is at http://www.ubaccountingassociation.com/
Analysis of 2009 CPA Examination Results

Highlights

- UB had 301 graduates sit for the CPA Exam during 2009; UB ranked third in New York State on number of candidates (behind CUNY-Baruch with 1,135 and CUNY-Queens with 436).

- UB’s pass rate exceeded both National and New York State averages on each of the four exam parts; UB’s pass rate exceeded 50% on each of the four parts of the exam.

- UB tied for seventh in the country for the highest pass rate on the REG (regulation: taxation and business law) part of the exam, among first-time candidates with advanced degrees.

- Among the ten largest programs in New York State, UB had the highest percentage of candidates who passed all parts taken, and the lowest percentage of candidates who failed all parts taken.

- UB also had the highest pass rate among the ten largest New York programs on three of the four exam parts (and was a close second on the fourth part).

National Results

93,199 individuals sat for at least one part of the CPA exam during 2009, up from 85,362 in 2008, a growth of about 9%. A total of 247,364 sections were written, an increase of about 21,000 from 2008. Results for each of the four parts of the exam are as follows:

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of times taken</td>
<td>58,358</td>
<td>61,822</td>
<td>60,269</td>
<td>66,915</td>
</tr>
<tr>
<td>Pass rate</td>
<td>48.5%</td>
<td>49.8%</td>
<td>49.8%</td>
<td>48.3%</td>
</tr>
</tbody>
</table>

Note: FAR = Financial accounting and reporting, AUD = auditing and attestation, REG = Regulation, and BEC = Business environment and concepts.

39.39% of candidates passed all parts taken, 32.68% failed all parts taken, and the remaining 27.93% passed some but not others.

On average, candidates took 2.23 parts during the year: 30,003 (32.2%) took one part, 28,433 (30.5%) took two parts, 18,051 (19.3%) took three parts, and 16,758 (18.0%) took all four parts.
First-time candidates fared slightly better than the average of all candidates:

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of first-time candidates</td>
<td>36,518</td>
<td>36,983</td>
<td>36,722</td>
<td>39,590</td>
</tr>
<tr>
<td>Pass rate</td>
<td>51.8%</td>
<td>52.1%</td>
<td>53.0%</td>
<td>55.4%</td>
</tr>
</tbody>
</table>

There has been a general upward trend in pass rates since 2004, when computer-based testing was introduced.

<table>
<thead>
<tr>
<th>Year</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>45.3%</td>
<td>45.5%</td>
<td>43.8%</td>
<td>47.8%</td>
</tr>
<tr>
<td>2005</td>
<td>43.2</td>
<td>43.7</td>
<td>40.7</td>
<td>44.2</td>
</tr>
<tr>
<td>2006</td>
<td>44.6</td>
<td>44.2</td>
<td>42.4</td>
<td>43.8</td>
</tr>
<tr>
<td>2007</td>
<td>48.1</td>
<td>47.6</td>
<td>47.0</td>
<td>46.6</td>
</tr>
<tr>
<td>2008</td>
<td>49.2</td>
<td>49.1</td>
<td>48.7</td>
<td>47.5</td>
</tr>
<tr>
<td>2009</td>
<td>48.5</td>
<td>49.8</td>
<td>49.8</td>
<td>48.3</td>
</tr>
</tbody>
</table>

Another indicator of overall improvement is the upward trend in the number of sections passed by candidates:

<table>
<thead>
<tr>
<th>Year</th>
<th>Passed 0</th>
<th>Passed 1</th>
<th>Passed 2</th>
<th>Passed 3</th>
<th>Passed 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>45.1%</td>
<td>30.7%</td>
<td>13.0%</td>
<td>5.0%</td>
<td>6.3%</td>
</tr>
<tr>
<td>2005</td>
<td>40.9</td>
<td>27.4</td>
<td>16.2</td>
<td>8.1</td>
<td>7.4</td>
</tr>
<tr>
<td>2006</td>
<td>40.3</td>
<td>25.8</td>
<td>17.4</td>
<td>9.4</td>
<td>7.1</td>
</tr>
<tr>
<td>2007</td>
<td>34.2</td>
<td>25.1</td>
<td>19.6</td>
<td>11.8</td>
<td>9.4</td>
</tr>
<tr>
<td>2008</td>
<td>32.9</td>
<td>25.3</td>
<td>20.2</td>
<td>12.0</td>
<td>9.7</td>
</tr>
<tr>
<td>2009</td>
<td>32.7</td>
<td>25.2</td>
<td>19.9</td>
<td>12.0</td>
<td>10.2</td>
</tr>
</tbody>
</table>

**New York State Results**

9,986 individuals sat for at least one part of the CPA exam in New York State during 2009, up from 7,966 in 2008. This gave New York the second-highest number of candidates, behind California's 14,216. An "Honor Roll" of states recognizes those states whose candidates achieved passing scores in every subject at a rate higher than the national average. For 2009, 25 states achieved Honor Roll status. New York was not among them; indeed New York's pass rates are below the national average in all subjects. Results for each of the four parts of the exam for New York candidates are as follows:

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of times taken in NYS</td>
<td>4,613</td>
<td>4,884</td>
<td>4,843</td>
<td>5719</td>
</tr>
<tr>
<td>Pass rate</td>
<td>42.47%</td>
<td>46.31%</td>
<td>44.23%</td>
<td>40.91%</td>
</tr>
</tbody>
</table>
27.4% of candidates passed all parts taken, 45.0% failed all parts taken, and the remaining 27.6% passed some but not others.

On average, candidates took 2.01 parts during the year: 3,951 (39.6%) took one part, 3,112 (31.2%) took two parts, 1,798 (18.0%) took three parts and 1,125 (11.2%) took all four parts. Of those who took all four parts, 485 passed all four (43.11%).

New York ranked 51st of 54 jurisdictions in number of parts taken. Vermont and Iowa led with 2.52 parts per candidate, while the Virgin Islands (with only four candidates) was lowest with 1.50. First-time candidates in New York performed better than the average of all New York candidates:

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of first-time candidates in NYS</td>
<td>3,397</td>
<td>3,472</td>
<td>3,532</td>
<td>4,046</td>
</tr>
<tr>
<td>Pass rate</td>
<td>44.22%</td>
<td>47.90%</td>
<td>45.47%</td>
<td>46.54%</td>
</tr>
</tbody>
</table>

**UB Results**

UB had about 300 graduates take the CPA exam in 2009. One data set shows 298 (273 undergrads and 25 masters) while another data set shows 301. Among undergrads, UB had the fourth largest number of candidates among 76 programs in New York State. CUNY-Baruch led with 1,012, followed by CUNY-Queens with 428, and SUNY-Binghamton with 277.

Among graduate-degree candidates, UB had the ninth largest number of candidates among 28 programs in New York State. CUNY-Baruch led with 123, followed by St John’s led with 110, followed by CUNY-Baruch with 88, Pace (NYC campus) with 72; five others had between 26 and 35.

UB undergraduates and masters graduates each outperformed the national averages and the New York State averages on each part of the exam.

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of undergrad candidates</td>
<td>156</td>
<td>174</td>
<td>140</td>
<td>205</td>
</tr>
<tr>
<td>Pass rate for undergrads</td>
<td>51.92%</td>
<td>51.15%</td>
<td>54.29%</td>
<td>50.24%</td>
</tr>
<tr>
<td>Number of masters candidates</td>
<td>14</td>
<td>20</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Pass rate for masters</td>
<td>71.43%</td>
<td>65.00%</td>
<td>65.00%</td>
<td>76.92%</td>
</tr>
<tr>
<td><strong>Combined pass rate</strong></td>
<td><strong>53.53%</strong></td>
<td><strong>52.57%</strong></td>
<td><strong>55.62%</strong></td>
<td><strong>51.83%</strong></td>
</tr>
<tr>
<td>NYS averages</td>
<td>42.47%</td>
<td>46.31%</td>
<td>44.23%</td>
<td>40.91%</td>
</tr>
<tr>
<td>U.S. averages</td>
<td>48.5%</td>
<td>49.8%</td>
<td>49.8%</td>
<td>48.3%</td>
</tr>
</tbody>
</table>
For UB undergrads: 35.16% passed all parts taken, 28.94% failed all parts taken, and the remaining 35.9% passed some and failed others.

For UB masters grads: 56.00% passed all parts taken, 8.00% failed all parts taken, and the remaining 36.00% passed some and failed others.

**UB also made the list of the top schools in the country for highest passing rates on the REG (business law and taxation) exam among first-time candidates with advanced degrees (tied for 7th place – 10 of 12 passed, 83.33% pass rate).**

A separate table in the report shows performance of candidates by schools awarding the candidate's highest degree. This data effectively reports the combined pass rate in the table above, though there are slight differences in the numbers.

By the combined information, UB had 301 candidates, third in the state behind CUNY-Baruch (1,135) and CUNY-Queens (436).

<table>
<thead>
<tr>
<th>Exam Part:</th>
<th>FAR</th>
<th>AUD</th>
<th>REG</th>
<th>BEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of UB candidates</td>
<td>169</td>
<td>198</td>
<td>161</td>
<td>222</td>
</tr>
<tr>
<td>UB Pass rate</td>
<td>53.84%</td>
<td>52.53%</td>
<td>55.90%</td>
<td>51.60%</td>
</tr>
</tbody>
</table>

**Using the combined data, an analysis of the ten largest programs (by number of candidates) in New York State shows UB with the best pass rate on three of the four exam parts (and a very close #2 on the fourth part):**

<table>
<thead>
<tr>
<th>School</th>
<th>Total Candidates</th>
<th>FAR Pass Rate</th>
<th>AUD Pass Rate</th>
<th>REG Pass Rate</th>
<th>BEC Pass Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUNY Baruch</td>
<td>1,135</td>
<td>43.07%</td>
<td>44.66%</td>
<td>46.00%</td>
<td>43.54%</td>
</tr>
<tr>
<td>CUNY Queens</td>
<td>436</td>
<td>24.26%</td>
<td>38.42%</td>
<td>33.19%</td>
<td>25.69%</td>
</tr>
<tr>
<td>UB</td>
<td>301</td>
<td>53.84%</td>
<td>52.53%</td>
<td>55.90%</td>
<td>51.60%</td>
</tr>
<tr>
<td>Binghamton</td>
<td>298</td>
<td>50.00%</td>
<td>48.00%</td>
<td>47.67%</td>
<td>51.80%</td>
</tr>
<tr>
<td>Hofstra</td>
<td>289</td>
<td>38.13%</td>
<td>45.88%</td>
<td>42.63%</td>
<td>37.11%</td>
</tr>
<tr>
<td>Albany</td>
<td>288</td>
<td>40.38%</td>
<td>45.99%</td>
<td>52.38%</td>
<td>43.48%</td>
</tr>
<tr>
<td>Fordham</td>
<td>278</td>
<td>44.00%</td>
<td>49.21%</td>
<td>48.68%</td>
<td>40.10%</td>
</tr>
<tr>
<td>Pace NYC</td>
<td>268</td>
<td>33.78%</td>
<td>38.75%</td>
<td>36.57%</td>
<td>30.77%</td>
</tr>
<tr>
<td>St. John’s</td>
<td>241</td>
<td>32.80%</td>
<td>36.99%</td>
<td>40.83%</td>
<td>34.73%</td>
</tr>
<tr>
<td>Syracuse</td>
<td>236</td>
<td>34.21%</td>
<td>49.66%</td>
<td>37.41%</td>
<td>34.81%</td>
</tr>
<tr>
<td>UB rank among top 10</td>
<td>1 1 1 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
For the same top ten schools UB ranks #1 for the highest percentage of candidates passing all parts taken, and for the lowest percentage of candidates failing all parts taken:

<table>
<thead>
<tr>
<th>School</th>
<th>Total Candidates</th>
<th>Percent Passing All Parts Taken</th>
<th>Percent Passing None of Parts Taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUNY Baruch</td>
<td>1,135</td>
<td>27.14%</td>
<td>43.966%</td>
</tr>
<tr>
<td>CUNY Queens</td>
<td>436</td>
<td>17.20</td>
<td>62.39</td>
</tr>
<tr>
<td>UB</td>
<td>301</td>
<td>37.21</td>
<td>33.22</td>
</tr>
<tr>
<td>Binghamton</td>
<td>298</td>
<td>30.20</td>
<td>34.56</td>
</tr>
<tr>
<td>Hofstra</td>
<td>289</td>
<td>20.76</td>
<td>45.33</td>
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<tr>
<td>Albany</td>
<td>288</td>
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<td>40.63</td>
</tr>
<tr>
<td>Fordham</td>
<td>278</td>
<td>28.78</td>
<td>37.05</td>
</tr>
<tr>
<td>Pace NYC</td>
<td>268</td>
<td>18.28</td>
<td>55.97</td>
</tr>
<tr>
<td>St. John’s</td>
<td>241</td>
<td>21.58</td>
<td>54.36</td>
</tr>
<tr>
<td>Syracuse</td>
<td>236</td>
<td>20.76</td>
<td>43.22</td>
</tr>
</tbody>
</table>

UB rank among top 10

Prepared by Ron Huefner
November 2, 2010