

**AACSB International  
Accounting Accreditation Maintenance Report**

**Department of Accounting  
College of Business and Public Administration  
Old Dominion University**

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# **SECTION I: EXECUTIVE SUMMARY**

## **Department History and Degree Programs**

The Department of Accounting (DACCT) is responsible for developing and delivering all Accounting courses within the College of Business and Public Administration (CBPA), Old Dominion University (ODU).

Additional information about ODU and CBPA is found in the College's Accreditation Maintenance report. In short, ODU is striving to bring publicly financed higher education to the Hampton Roads metropolitan area while becoming one of the top 100 research universities in the United States and the international university for Virginia.

ODU has six colleges including the CBPA, which was founded in 1964. Important milestones for the CBPA include the inception of our MBA program in 1964, the integration of Urban Studies and Public Administration in 1975, AACSB CBPA Accreditation in 1974 (reaffirmed in 1978, 1988 and 1998), AACSB Accounting Accreditation in 1983 (reaffirmed in 1988 and 1998), and the start of a business doctoral program in 1989.

The CBPA has five departments (Accounting, Business Administration, Economics, Information Technology/Decision Sciences, and Public Administration). The College Faculty is organized by nine disciplines organized into five departments:

- Department of Accounting – Accounting Discipline
- Department of Economics – Economics Discipline
- Department of Business Administration – Finance, Management, and Marketing Disciplines
- Department of Information Technology/Decision Sciences – Information Technology and Decision Science Disciplines
- Department of Public Administration – Public Administration Discipline

The DACCT was founded in 1964. Except for a short time in the mid-nineties when it was combined with the Finance discipline, it has been the home solely of the Accounting Discipline. The DACCT currently offers at the undergraduate level, an Accounting Major and Minor in the BSBA program, and at the graduate level, a Masters of Science in Accounting (MSA) program. The DACCT offers its undergraduate courses on the main campus in Norfolk and through distance learning via TELETECHNET, a one-way video stream technology that allows for student participation. The graduate accounting degree program courses are offered on the main campus in Norfolk and at the Virginia Beach Higher Education Center. The MBA accounting course is offered on the main campus in Norfolk and Virginia Beach, and through distance learning via a two-way video stream delivery system that allows for student participation. Course content and faculty participation are the same, regardless of location or delivery mode. The DACCT, in its mission statements, has always stressed high quality rigorous teaching and

vigorous interaction with the accounting profession on a local/regional/national/international level. However, with the start of the business doctoral program in 1989, academic accounting research has been increasingly stressed until the current strategic plan gives research equal status with teaching and above professional service.

Of the students enrolled in the university for Fall 2005, approximately 60% were female. This compares with about 53% female students for the College of Business and Public Administration. As of the Fall 2006 drop/add date, there were 270 students enrolled in the BSBA Accounting program. This included 139 full-time students and 131 part-time students, with a gender ratio of 74% female and 26% male. In the Master of Science in Accounting program, there was a total enrollment of 31 students, with 87% enrolled part-time. The gender ratio was approximately 58% female and 42% male. Mean age data specific to the accounting programs was not available. The undergraduate demographics are not quite as balanced, as we have nearly  $\frac{3}{4}$  of the student population is female. In the MSA, approximately 14% are international students. Of the other 27 students, 24 are white.

## **Recent Significant Accomplishments**

Dr. Otto Martinson and the existing DACCT faculty, especially Dr. Laurie Henry, led the faculty through the last reaffirmation of accreditation in 1998. Dr. Ted Engelbrecht replaced Dr. Martinson as Chair later in 1998 and served until the end of 1999 when he was replaced on an interim basis, by first Dr. Laurie Henry and then by Dr. Douglas Ziegenfuss. In January 2002, interim Dean Bruce Rubin appointed Dr. Ziegenfuss permanent Chair. Dr. Ziegenfuss is currently in the third year of his second three-year term.

As explained in the CBPA maintenance report, the CBPA including the DACCT moved into Constant Hall, a 91,000 square foot, fully-mediated and wireless building with classroom, office, and student study space in 2002. The building was named for Theodore Constant, former owner of the Norfolk Beverage Company, who donated to its construction, or rather re-construction. The old building had been torn down to its foundation and rebuilt, allowing it to qualify for state funding.

In addition to acquiring a new building and a permanent chair, there have been other important achievements during the past decade. Budget cuts in 2000 – 2003 created an environment of pulling back, rather than expansion. During that period, the DACCT met the budget cuts, in part, by incorporating more professionally qualified faculty. In addition, the DACCT dropped the Master of Taxation degree, eliminated the Accounting tracks in the MBA program, and reduced the number of MSA tracks to two – Assurance Services and Managerial Accounting. This strategy allowed DACCT to more effectively deploy Academically Qualified (AQ) faculty resources to the upper division undergraduate and graduate accounting courses. For instance, graduate classes that enrolled 10-15 students during Academic Year (AY) 2005/06 enrolled 25-30 during AY

2006/07. DACCT now deploys Professionally Qualified (PQ) faculty primarily to the principles of accounting classes and secondarily an upper level accounting course. The DACCT also consolidated its administrative support with the Finance discipline.

### **Faculty**

Since 2003, the Virginia budget has been much more favorable towards higher education, and the CBPA and DACCT have benefited from increased resources. For instance during Academic Year 2006/07, the DACCT hired two experienced tenure track – academically qualified faculty replacing two non-tenure track – professionally qualified faculty. During Academic Years 2003/04 and 2004/05, the DACCT successfully hired two entry level tenure track – academically qualified faculty. One of the entry level tenure track faculty members recently earned tenure and promotion.

The DACCT has continuously revised its strategic plan in 2002, 2005, and 2007, after consulting with faculty and members of the regional accounting profession. The major change to the strategic plan was to increase the importance of research, to equal teaching.

### **Assessment**

The DACCT established its assessment program during the AY 2004/2005. During the fall 2005 semester, DACCT faculty identified learning goals and assessment measures for both the undergraduate and graduate accounting programs. DACCT faculty then conducted the assessment plan during the spring 2006 semester. The DACCT reviewed the results, made appropriate revisions to the assessment plan, and repeated the assessment plan during the spring 2006, fall 2006, and spring 2007 semesters.

### **Curriculum**

Supported by the assessment results and the strategic plans, DACCT faculty positioned the undergraduate program to prepare students for entry level positions in the accounting profession and the graduate program for students interested in a professional accounting career with professional certification. The Masters of Science in Accounting (MSA) program is the fifth year program for those students interested in obtaining the CPA license. DACCT also revised the undergraduate accounting program by reducing the number of hours from twenty-seven (eight required courses and one elective) to twenty-four (seven required courses and one elective).

### **Development**

Success in development efforts was another strong accomplishment since the DACCT's last maintenance of accreditation. The biggest news in this regard was the announcement by Dean Bagranoff during the spring 2006 semester that the CBPA would work with the DACCT to raise funds for three \$500,000 Accounting professorships. During AY 2006/07, Dean Bagranoff, Chair Ziegenfuss, and the College's Major Gifts Coordinator, Michael Walker, formed a steering committee to coordinate the Endowed Accounting Professorship drive, identified potential donors, assigned potential donors to the members of the steering committee and began calling on potential donors. To date, approximately \$250,000 in pledges have been obtained toward the first endowed professorship.

In terms of “soft” funds, the DACCT raised \$40,500 (in “soft” funds) during AY 2006/07 compared with an annual average of \$17,333 for the three year period ending with AY 2001/02. Most of this increase came from the following sources: increased annual contributions to the University Education Foundation, starting an annual 5K race, starting a CPA review course, and offering mandatory Ethics Training for Virginia CPAs. Additionally, the DACCT research faculty have taken advantage of increased CBPA faculty development funds. For instance, CBPA support for faculty travel increased from \$750 in AY 2000/01 to \$1,000 during AY 2006/07. Additional travel funds have been provided on a case-by-case basis, with almost every travel request being met.

### **Other Achievements**

Other achievements during the past few years concern communications, assessment, and students. Beginning with the Spring 03 edition, the DACCT has published an annual newsletter. Beginning with its fall 2000 meeting, the Accounting Advisory Council has met regularly at least twice a year. The Accounting Alumni Chapter is one of ODU’s most active alumni chapters with at least three activities a year – an annual meeting in November/December, a basketball social in January/February and a baseball outing in June. The DACCT has also maintained the excellence of its student organizations – Beta Alpha Psi (BAP) and the Managerial Accounting and Auditing Club (MAAC). The latter is unique in that it is the student chapter for the Institute of Internal Auditors (IIA), Institute of Management Accountants (IMA) and Association of Government Accountants (AGA). In fact, ODU’s MAAC student chapter is the only functioning AGA student chapter.

### **Effective Practices**

Please refer to the CBPA Maintenance Report for a complete description of these effective practices. This report contains information pertaining specifically to DACCT.

### **Student Organizations**

The student organizations are very active and provide a forum for students to meet professional accountants and learn about the accounting profession. The DACCT also uses the accounting student organizations to develop future business leaders. Faculty advisors are just that, advisors; for the most part the student leaders run the accounting student organizations. Officers of both organizations regularly attend regional/national meetings.

The Managerial Accounting and Auditing Club (MAAC) is the student organization for the Institute of Internal Auditors, the Institute of Management Accountants, and the Association of Government Accountants. MAAC meets every other week during the semester both during the day and at night. MAAC is the only currently active AGA student chapter. MAAC emphasizes industry and government accounting. Guest speakers are prominent accountants from industry and government. MAAC was started to be student friendly and has very few entrance requirements.

The other accounting student organization, Beta Alpha Psi (BAP), an honor society, has rigorous entrance requirements both in terms of minimum GPA, and in terms of time and effort to complete the pledge activities. BAP focuses on public accounting and external financial reporting. Partners from area CPA firms regularly address the BAP lunch meetings. BAP routinely achieved “Superior” Chapter status until the National BAP organization changed its chapter award program. The ODU BAP chapter achieved “Superior” Chapter status during the 2006/07 chapter year.

### **Adjunct Faculty Management**

The DACCT follows the CBPA policies and procedures concerning adjunct faculty. Specifically, the DACCT Chair interviews each prospective Adjunct Faculty member to ensure that they are qualified, aware of their responsibilities, and have a professional certification or extensive relevant accounting professional experience. Additionally, they must have graduate or law degrees. All adjunct faculty are expected to give the DACCT common finals in principles of accounting. All adjunct faculty must submit a teaching portfolio after their first semester teaching and for their annual review. The DACCT Chair completes an annual review for each adjunct faculty member based on their teaching portfolios – syllabus, exams, handouts, grade distributions and student evaluations. The DACCT Chair mentors all adjunct faculty but does not rehire consistently poorly performing adjunct faculty.

### **External Stakeholder Accountability**

The DACCT Chair reports annually the progress made on realizing the strategic plan to the Accounting Advisory Council.

### **Governance**

In addition to the CBPA effective practices and comprehensive governance policies and procedures, the DACCT has implemented additional policies and procedures. For instance, the entire DACCT meets at least three times each year – once for a strategic retreat at the start of the academic year and then at least once a semester. In addition, the Academic Qualified (AQ) accounting faculty members meet regularly to discuss assessment and other departmental issues.

The DACCT administration consists of the Chair, Dr. Douglas Ziegenfuss; a Graduate Program Director – MSA program, Dr. Otto Martinson; an Undergraduate Academic Advisor, Ms. Terry Kubichan; and a Career Advantage Program (CAP) Coordinator, Mr. Randall Spurrier. DACCT faculty serve on all college committees with the Chair and faculty consulting on committee assignments with the exception of the department representative on the College Promotions and Tenure Committee who is elected by a secret ballot of the department’s tenure-track faculty.

Like the CBPA, DACCT observes the policies and procedures listed in the ODU Faculty Handbook and any additional CBPA policies and procedures as described in the CBPA Maintenance Report.

### **Relationships with the Hampton Roads Accounting Profession**

The DACCT participates in all CBPA initiatives concerning the Hampton Roads business community. In addition, The DACCT is very closely linked to the Hampton Roads Accounting Profession and has specially tailored programs for area accountants:

1. DACCT student organizations (Beta Alpha Psi, BAP, and the Managerial Accounting and Auditing Club, MAAC) regularly have prominent members of the local accounting profession as guest speakers at their meetings.
2. Several DACCT faculty members have served on the Boards or as officers of the local chapters of the Virginia Society of Certified Public Accountants (board member, secretary, treasurer, vice-president, and president), Institute of Management Accountants (board member and president), Institute of Internal Auditors (board member and president), the Association of Certified Fraud Examiners (board member and president), and Financial Executives International (board member and president).
3. DACCT faculty design and present the two-hour Ethics CPE sessions required for Virginia CPAs. During the first three years of this program, DACCT faculty have given 100 presentations to approximately 5,000 CPAs.
4. Prominent and diverse practitioners serve on the DACCT Accounting Advisory Council.
5. The Accounting Alumni Chapter annually holds three well attended events.
6. DACCT working with the Career Management Center hosted its first Accounting Job Fair in September 2006 in which 25 employers, 3 professional organizations, and approximately 200 students attended.

Apart from the College's Executive Advisory Council, the Department of Accounting has a separate advisory council. The Accounting Advisory Council (AAC) meets at least twice a year and adheres to a set of bylaws. AAC Chair Mr. Robert Fuqua, former CFO of Tarmac, USA, meets with the DACCT Chair to determine the membership for the upcoming academic year. The DACCT Chair then invites prospective members to join the AAC. This procedure has resulted in a diverse board representing the major CPA firms in the area, and key employers such as government agencies and corporations. Local chapter Presidents of professional accounting organizations are ex officio members of the council. Please refer to Appendix E for a complete list of AAC members.

AAC membership peaked at approximately 35 several years ago, but the percentage of members attending meetings was low. Consequently, the number of members is being reduced to approximately 15 members by not renewing the membership of non-participating members. This has seemed to work as the percentage of members attending meetings is growing.

The first AAC meeting takes place in September and the second in April. The first meeting is usually devoted to reports on the strategic planning and assessment processes and approving curriculum changes. The second is reserved for a report on the DACCT progress on the strategic plan. A special assessment committee met during the Spring 06 semester to assist the DACCT faculty in implementing its assessment plan. The AAC

Chair, Mr. Robert Fuqua, serves on the College Executive Advisory Committee. The Dean of the CBPA is invited and regularly attends all AAC meetings.

### **DACCT Faculty Ongoing Professional Interaction**

Several DACCT faculty members hold important leadership positions on international/national professional accounting organizations. First, Dean Bagranoff has just completed a term as Vice President Education of the American Accounting Association (AAA) and serves on their Executive Committee. She was also a member of the Pre-Certification committee of the American Institute of Certified Public Accountants (AICPA) and is currently a Board Member of Beta Alpha Psi and a member of the Consultative Advisory Group to the International Accounting Education Standards Board. Otto Martinson is currently serving the Institute of Internal Accountants, on the Board of Regents for the Certified Management Accountant (CMA) Exam. He is a past winner of the IMA Educator of the Year Award. Douglas Ziegenfuss is currently serving the Institute of Internal Auditors (IIA) as the Secretary of the IIA Research Foundation. He is a past winner of the IIA Educator of the Year Award. Ziegenfuss also completed a three-year term on the CPA Exam Board of Examiners for the AICPA. Douglas Ziegenfuss also served one term as the Secretary, Accounting Program Leaders Group of the AAA. Appendix J presents ongoing professional interaction for all faculty. Accounting faculty on going professional interaction is an important component of service for each faculty member's annual evaluation.

**Research Support.** The DACCT uses the research support provided by the CBPA and described in its maintenance report. In addition, the DACCT funds at least two trips per year for faculty to present papers and network with fellow researchers. Usually, most faculty choose to attend the American Accounting Association's (AAA) annual meeting and an AAA Section midyear meeting. However, some accounting faculty members choose to attend an AAA regional meeting or a professional organization's (IMA or IIA) annual meeting. Additionally, faculty may request additional funds to support international trips to gather data or confer with colleagues. Finally, through an endowment, the DACCT has sponsored two scholars – Dr. James Hunton and Dr. Carolyn Callahan – to visit with ODU Accounting faculty to discuss their research and then hold a research workshop as part of the Dean's Research Seminar series.

## **SECTION II: FIVE YEAR MAINTENANCE REPORT**

### **Situational Analysis**

#### **Accounting Higher Education Competition in Hampton Roads**

Please see the CBPA maintenance report for a discussion of higher education competition in Hampton Roads. Much of that discussion is very pertinent to understanding the competition among accounting programs in Hampton Roads. First, only one of the “Big Four” Accounting firms, KPMG, has an office in Hampton Roads. As late as 1990, five of the “Big Eight” had offices in Hampton Roads. The international accounting firms consolidated or merged their practices and essentially gave up the middle market to regional firms like Cherry, Bekaert and Holland; Goodman and Company; and Witt, Mares. Additionally, local firms such as Wall, Einhorn & Chernitzer; McPhillips, Roberts and Deans; Strickland and Jones; and others have prospered by specializing in tax, wealth management, or consulting services. This means that the number of opportunities in the public accounting profession is limited in the Hampton Roads area. Some of this is offset by opportunities in industry, the federal government, local government, and non-profit organizations, but still the professional opportunities in the Hampton Roads community are not as strong as in other communities such as Richmond, Virginia, Washington, D.C., or Charlotte, North Carolina.

Accounting programs are offered in the Hampton Roads area by the following state supported universities/colleges: The College of William and Mary, Christopher Newport University, and Norfolk State University. Of these schools, only The College of William and Mary’s Accounting program is AACSB accredited. However, the AACSB has accredited the Business Colleges at Christopher Newport and Norfolk State. Several private colleges/universities also offer Accounting programs in the Hampton Roads area: Hampton University, Saint Leo’s, Regent University, Virginian Wesleyan and Strayer University. None of these institutions is AACSB accredited, although Hampton University is currently undergoing AACSB candidacy.

The College of William and Mary’s Accounting program, particularly the integrated nature of its undergraduate and graduate accounting programs, is the greatest competitor in terms of student recruitment and placement among area CPA firms. The College of William and Mary, has been around much longer and consequently has a more developed alumni base and stronger ties to CPA firms. Given that most of their undergraduate students are full-time traditional students in their early twenties, proportionately more of their undergraduate students stay at William and Mary to complete the Master of Accountancy degree than do students at ODU. Additionally, William and Mary actively recruits the top accounting students in the area and offers them full scholarships to their Master’s program.

However, the DACCT’s MSA program at ODU has advantages. The MSA program has two very strong tracks – Assurance Services and Managerial Accounting, leading to careers in auditing (both external and internal auditing) and managerial accounting (leading to CFO/Controllership positions). The Assurance Services Track is

recognized by the Institute of Internal Auditors as an Internal Audit Endorsed Program (IAEP), one of only forty in the world. Additionally, many candidates still cannot afford to attend college full-time for five years and opt to stay in or return to the Hampton Roads area to complete the ODU MSA program at night. Finally, most of William and Mary's graduates re-locate to other metropolitan areas.

At the undergraduate level, ODU's accounting program is a leader in the Hampton Roads area in terms of job placement. This is due to its past reputation for rigor, and matriculation agreements with community colleges. Christopher Newport's and Hampton University's accounting programs offer the greatest competition. Christopher Newport is competitive due to its location on the Virginia Peninsula. Hampton University is an historically black university with a national reputation that is currently undergoing initial AACSB accreditation. However, Hampton University students traditionally leave the area for other metropolitan areas. All of the Hampton Roads based colleges/universities send students to ODU's MSA program and in a sense are feeder schools. DACCT tries to build relationships with Hampton University and Norfolk State faculty and students to actively recruit minority students to the MSA program. DACCT accomplishes this by attending and promoting the MSA program at the (Tidewater Chapter) VSCPA student night which is attended by the best students from these programs, and, from on-campus visits.

### **DACCT Strengths**

During the AY 2006/07, the DACCT faculty and its key constituents completed a SWOT analysis as part of a review of the DACCT strategic plan. The complete SWOT analysis is located in Appendix 1. The CBPA Maintenance Report mentions many of these strengths.

The DACCT's primary strength lies within the loyalty and dedication of its faculty. Senior faculty members have fairly heavy teaching loads that allow junior non-tenure faculty to concentrate on research. Non-tenure track faculty members teach four courses each semester except for two faculty members who are responsible for internships or undergraduate advising. This strategy has paid off as the quality and quantity of research produced by DACCT faculty has greatly improved over the past five years. Of the thirteen DACCT faculty members, two have over twenty years experience, and five have over ten years experience at ODU.

All faculty have significant relevant interaction with accounting practitioners either at the local or national/international level. DACCT faculty members actively participate in all major accounting bodies at the local and national/international level. DACCT faculty members have served as local chapter presidents six times. Three accounting faculty members have leadership positions at the national/international level with the American Accounting Association, American Institute of Certified Public Accountants, Institute of Management Accountants, Institute of Internal Auditors. Three faculty members are actively involved with the Virginia Society of Certified Public Accountants. Several faculty members have co-authored academic papers with

practitioners. See Appendix J for a complete list of each accounting faculty members on going professional interaction.

The DACCT enjoys strong relationships with its alumni and local CPA firms. The Accounting Alumni Chapter is one of the more active ODU alumni chapters. Mr. Joseph Kersey, a former “Big Four” public accounting manager and currently a loan executive, is the current chapter President. The chapter has an annual meeting/social in November/December and has two social functions – one at an ODU Basketball game and another at a Norfolk Tides Baseball game. Both functions are well attended. Additionally, five alumni have made partner at KPMG compared to ten from Virginia Tech, a much larger program. Many ODU alumni have made partner at other area CPA firms.

Students attending DACCT programs are nontraditional, hard working and dedicated. Nearly all work full time either outside the home or are the primary caregivers for their families. Given the nature and mission of ODU, the undergraduate program is used to identify those students who can succeed in the accounting profession. DACCT faculty members recruit these individuals into the student organizations for placement in the graduate program and into the accounting profession.

As described above, the ODU student population enjoys a great deal of diversity particularly concerning racial/ethnic and gender dimensions.

As described under “Effective Practices,” the student organizations are another DACCT strength.

Finally, other DACCT strengths include the recently renovated Constant Hall with its fully mediated classrooms and the Hampton Roads metropolitan area that enjoys a good climate and is rated very highly in terms of overall quality of life and being family friendly with a diverse population.

### **DACCT Opportunities**

The DACCT believes its greatest opportunity lies with its graduate program. Virginia finally adopted the 150-hour rule to sit for the CPA Exam beginning on July 1, 2006 with final adoption by December 31, 2007. However the accounting profession years ago moved beyond the ability of undergraduate programs to supply properly qualified candidates. For instance as late as ten years ago (pre-Sarbanes-Oxley), most CPA candidates completed only one auditing class, now (post-Sarbanes-Oxley), most CPA candidates complete at least two auditing courses and some many more. Ten years ago, opportunities for auditors focused either on financial auditing or compliance/control auditing. Now, auditors specialize in financial, compliance/control, operational, information technology, and fraud examination. Managerial accounting has experienced a similar trend. During the 1990s many managerial accountants wondered if managerial accounting had lost its relevance. The Institute of Management Accountants and others developed “Activity-Based Costing,” the “Balanced Scorecard,” and other innovations. Lastly, Generally Accepted Accounting Principles have become more complex to interpret and apply to organizations’ financial statements.

Graduate education is uniquely structured to quickly develop and deliver programs to the students entering the profession. Consequently, the DACCT will whenever possible expand its MSA program through the following strategies:

- Offer the current program, particularly the Assurance Services Track, on a full-time one year basis during the day.
- Offer the current program on a two year cycle at the Virginia Peninsula Center and on the main campus at night to attract additional students.
- Actively recruit mature highly successful professional accountants by adopting a rigorous GMAT waiver that recognizes these candidates' professional accomplishments.
- Actively recruit former military personnel by marketing accounting as an ideal civilian career.

MSA enrollments have grown considerably during the 2006/07 academic year. For instance, graduate accounting courses that previously had class sizes of 12-15 had class sizes of 25-30. Some courses offered for the fall 2007 semester have 30-35 students already registered in them. If this trend continues, then DACCT will have to increase the number of times a course is offered from once to twice. This will require more academically qualified faculty. The DACCT will also need to reposition other faculty members from the undergraduate program. Both the University and CBPA award additional faculty positions based on program need and enrollment growth.

The DACCT has great fundraising opportunities. First, Dean Bagranoff is leading the effort to endow three accounting faculty chairs of \$500,000. Currently, Dean Bagranoff has raised approximately \$250,000 toward the first endowment. Second, accounting alumni annually give approximately \$12,000 to the DACCT through the ODU annual fund drive. Third, the DACCT holds an annual 5K race that nets approximately \$10,000. Fourth, DACCT faculty members develop and teach the two-hour required ethics course for Virginia CPAs annually raising approximately \$12,000. Additional fundraising opportunities exist through the development and expansion of a quality CPA Exam review and the offering of a personal financial planning course for ODU non-business students through executive education.

Last but not least, DACCT faculty members have a great opportunity to produce high quality academic accounting research. First, the accounting profession has supplied a vast number of issues requiring academic research. Second, additional financial resources allow DACCT to hire experienced and promising researchers. Third, additional resources allow DACCT faculty reduced teaching loads, research leaves, and opportunities to present their papers at appropriate academic meetings. Thus, all the components are in place for DACCT faculty to produce more and higher quality academic research.

### **DACCT Challenges**

Please refer to the CBPA maintenance report for a discussion of the challenges it faces. Overall, DACCT faces a unique challenge in that it is the only CBPA discipline that is based in a profession. AACSB recognized this status by establishing its accounting accreditation program.

The DACCT's greatest challenge is retaining existing and obtaining additional academically qualified faculty. This is a challenge faced by academic accounting programs universally, as the PhD shortage impacts us all and drives up the cost of, and competition for, talent. Faculty resource constraints reduce the DACCT's response to changing market conditions such as expanding the MSA program.

On the plus side, the CBPA and DACCT have strategies in place to address this challenge: (1) incentives such as reduced teaching loads and summer support for newly hired faculty, (2) a fair annual review process that rewards faculty members based on their contribution to DACCT's mission, (3) research leaves for existing faculty to invigorate their research, (4) combining a non-tenure track position with a tenure track position into one tenure track position that offers a market level salary, and (5) efficient course scheduling and assignments to optimize the use of faculty and student coverage.

The DACCT also is challenged because it does not control admissions for undergraduate students. The DACCT's response to this is to ensure its faculty members are high quality teachers providing fair but rigorous learning experiences appropriate to produce high quality graduates. To do this, first the DACCT instituted a minimum grade requirement of C- or better in upper division accounting courses in order to graduate. Second, the DACCT will continue to use the undergraduate program to produce entry-level accountants and to identify those students who will succeed at the professional level. Third, the DACCT will continue to apply rigorous admission standards for the MSA program. Finally, the DACCT will continue to grow the MSA program while maintaining the undergraduate program.

### **Degree Programs**

DACCT offers two degree programs: A BSBA – Accounting major degree (BSBA-ACCT) and a Masters of Science in Accounting (MSA).

The following shows the degree programs and numbers of graduates in AY 2005/06 for each:

- BSBA – Accounting – 121
- MSA – 12
- MTAX – 4 (final year for this program)
- Bachelor's of Business Administration – all others – 413
- Bachelor's of Arts – Economics – 26 (includes BSBA ECON - 21 and BA in Econ - 5)
- Masters of Business Administration – 87
  
- Masters of Economics - 6
- Doctor of Business Administration - 5

The BSBA-ACCT requires students to complete twenty-four hours of accounting courses: (6) hours in Principles of Accounting; (6) hours of Intermediate Accounting; (3) hours each in Managerial Accounting, Taxation and Accounting Information Systems. There is only one three-hour elective course allowed in Financial Auditing, Government/Nonprofit Accounting, Advanced Accounting, or Advanced Taxation. The DACCT identified Accounting Information Systems as the capstone course for the BSBA-Acct program.

The MSA requires students to complete thirty hours of graduate classes. The graduate program director generally advises students with little work experience to complete the business assurance (new CPA) track and students with significant accounting experience to in the managerial/controllership (returning CPA) track. However, students may take either track or switch between tracks once they have started the program.

## **Delivering on Our Mission**

### **The Mission Statement**

The DACCT produced a mission statement for the 1997 reaffirmation of accreditation. Subsequently, the DACCT revised the mission statement in 2002, 2005 and 2007 using a strategic planning process described in the next section. The 2007 DACCT vision and mission statements are as follows:

#### *VISION STATEMENT*

*Our vision is to be recognized as a leader in professional accounting education and to become one of the primary centers of excellence in education in Hampton Roads and beyond.*

#### *MISSION STATEMENT*

*Our mission within this vision is, through our teaching, research and service, to produce ethical accounting graduates who have the academic and professional base of knowledge to meet the challenges posed by a dynamic global business environment.*

#### *ACHIEVING OUR VISION AND MISSION*

*We will achieve our vision and mission by continually pursuing:*

- *An undergraduate curriculum that focuses on ideal knowledge, skills, and abilities for entry level accountants and provides motivation to become an accounting professional.*
- *Graduate programs that clearly extend the knowledge and enhance the development of professional accountants.*

- *Accounting courses with content that emphasize the highest level of professional ethics and practice.*
- *Meaningful intellectual contributions in accounting including the scholarship of learning and pedagogical, discipline based and contributions to practice.*
- *Continuous close communication, trust, and commitment to the accounting profession that will foster cooperation and support in achieving our goals.*

*As we seek to fulfill this vision, we ask all constituent groups within and outside the College to join us in a mutual quest for enduring “Partners for Excellence in Accounting Education”*

The DACCT changed the mission statement to move research ahead of service in recognition that academic research is now held as important as teaching.

### **Our Shared Values**

The following “Shared Values” are embodied in the Accounting Program’s Mission Statement:

- Appreciation of diversity of people and perspectives
- Commitment to excellence in teaching
- Concern for students
- High ethical values and behavior
- Intellectual curiosity
- Community outreach
- Global orientation

### **Our Goals and Vision**

The DACCT strives to be the dominant accounting program in the Hampton Roads area. Consequently, our 2007-2012 strategic plan identifies the following goals:

## **The DACCT Strategic Planning Process**

### **Developing the Plan**

Appendix 2 contains the 2007 version of the DACCT Strategic Plan. At the time of the last AACSB visit in 1998, the DACCT had the 1996 – 2000 Strategic Plan in place, which had been developed under Chair Otto Martinson’s leadership. Chair Douglas Ziegenfuss lead the development of a new plan in 2002. Please refer to the CBPA Maintenance of Accreditation report for a discussion of the changes in leadership at the University and College level during these years. Subsequently, the 2002 plan was revised in 2005 and 2007 to align it with new versions of the University and CBPA strategic

plans. Our process is similar to that used by CBPA. We have three principles: (1) Involve all stakeholders, including faculty, students, staff, and the Hampton Roads Accounting profession; (2) Create a mission that would help in setting strategic priorities; and, (3) Incorporate measures and accountability.

Our strategic planning process starts during the summer and involves informal discussions between the Chair and accounting faculty. An annual retreat is held the week before classes begin for the fall semester. The Chair and Accounting faculty review the DACCT Strategic Plan to determine if circumstances require revising it. Usually, the Chair and faculty will change the goals and action items and on other occasions they make significant changes, particularly if the University or College plans are revised. Next, the Accounting Advisory Council reviews and approves the revised strategic plan. The Chair annually reports progress on completing the strategic plan at the final Accounting Advisory Council meeting during the spring 2007 semester.

## **Assessment Tools and Procedures**

### **Processes and Procedures for Admission of Students**

DACCT follows the University/College admissions policies and procedures for undergraduate admissions. The College Maintenance report states the following:

*The Office of Admissions recruits and admits qualified freshmen and transfer students to the University. Students who are interested in business administration are classified as “intended business” until they apply and are admitted to the Bachelor of Science in Business Administration (BSBA) program. Admission to both the BA-ECON and BSBA degrees require grades of C or higher in ACCT 201, ECON 202, ENGL 110, and MATH 162 (pp. 103 -105, Undergraduate Catalog 2006-2008).*

*A major goal of the College Recruitment, Retention, Advising, and Placement (RRAP) Committee has been attracting highly qualified students to the programs. The committee has developed letters that are emailed to potential high school students and students with high GPA and students who are on the dean’s list who have not decided on a major.*

*Except for the MBA program, which manages the complete admission process from student inquiry to application to decision, the Office of Admissions handles the receipt and assembly of application documents. Once the application package is completed graduate program directors contact the discipline faculty as necessary to complete the process. Admission decisions are based on a variety of factors and indexes in addition to the expected GPA and GMAT and TOEFL scores.*

*Each graduate program maintains separate admission standards, which are set by the Department. The MBA program maintains a separate MBA Admissions*

*Committee. The other admission decisions are made by the Graduate Program Director when student qualifications comply with stipulated requirements.*

The Graduate Program Director for the MS in Accounting (MSA) program is Dr. Otto Martinson. The graduate accounting faculty adopted admission standards requiring applicants to have a undergraduate GPA of 3.00 and have a minimum GMAT score of 500. Higher undergraduate GPAs can offset lower GMAT scores and vice versa but only to a certain degree – down to a 470 GMAT score and a 2.7 GPA. Dr. Martinson has maintained rigorous entrance requirements with entering MSA students averaging in the high 500's on GMAT scores. Like the other graduate programs, he emphasizes the objective of admitting highly qualified students who are eager to learn and have the potential to contribute to learning of other students in the program through their demonstrated hard work and experience. The importance of increasing quality of graduate students is reflected in the inclusion of a five year rolling history of these data in the annual CBPA Scorecard and State of the College Report.

### **Processes and Procedures for Student Retention and Support**

Similar to the University and the College, DACCT strives to maintain a supportive environment in which students make progress in their academic programs and meet or exceed stringent academic standards. The standards vary by program level. However, a combination of University and College policies and procedures has been devised to support students in their academic programs at every level.

The BSBA in Accounting and the MSA curricula and course contents are of high quality and rigor. The faculty controls the level and consistency of course contents through peer review of course portfolios. Peer review of course portfolios is listed as the first item, among several items, used for evaluation of faculty teaching.

Some examples of University support systems for undergraduate students are as follows (from the College Maintenance Report).

- *Preview. After admission to the University and before the start of the first semester students meet faculty and staff to become familiar with major units of the University. During Preview, CBPA faculty and Undergraduate Advising staff meet with students for advising and course registration. Students are encouraged to meet with their advisor before registering for courses every semester. Normally students are blocked from registration. Advisors remove the block after meeting with students in an advising session. Both faculty and the Undergraduate Advising staff advise students on program of study and career paths. Advising sessions provide for a detailed discussion of student's progress in their program of study.*
- *University College. This new entity was organized by Academic Affairs in 2007. The main objective of this body is to ensure the progress of students who continue to explore options about their decision on declaring a major. In addition, the University College includes units that help students to be successful in their*

*academic career. These include: Academic Continuance, Academic skills, Advising and Transfer Programs, the Career Management Center, Center for Major Exploration, First Year Experiences, Student Support Services, Tutoring and Academic Achievement, and the Writing Center.*

- *Progress report. The University policy on progress reports (page 49, Undergraduate Catalog 2006-2008) encourages faculty to provide feedback to students in lower-level courses on their performance by the end of the first four weeks of the semester. Low performing students are instructed to contact the instructors and advisors to find ways for improving their performance. Students not making progress in their programs are referred to the college Student Advising Team. Every college has one team to work with students in that college.*

Additionally, the College Maintenance report describes the following advising services:

*The CBPA Undergraduate Advising Office (UAO) also offers many student support services. Advising staff meet individually and in groups with students during Preview to understand some of the information about the College and University. The UAO offers "Advising 101" monthly to help students understand policies/procedures and provide a forum to ask questions. The office also sends out updates/info through the CBPA listserv to keep students informed of critical dates and policies as much as possible and sends email to students on academic probation/warning and request that they come in to meet with an advisor. The UAO retains transfer students for the first semester for advising to help in their transition to the college/university as smoothly as possible, offers suspended students the opportunity to meet with advisors, communicates with faculty advisors/members about policies/procedures so that consistent information is provided to students, and works with the Advising Services (now Center for Major Exploration) to help them distribute accurate information to the undecided students about CBPA. Additionally this office holds meetings with Admissions Counselors at least once a year so that accurate information can go to potential students, and hires student tutors who help students with their learning of the core courses free of charge.*

*At the graduate level, both the University and College maintain continuance policies for masters and doctoral programs. These policies are based both on a minimum GPA and the maximum number of grades of C students are permitted to have in the courses in their program. Monitoring student progress is largely the task of individual Graduate Program Directors, who meet frequently with students in their programs to review curriculum, schedules, and progress toward degree.*

*Faculty provide most of the academic support services to students. The CBPA recently devised an Advising Policy that describes which student advising interactions are to be provided by faculty versus staff. Each faculty member posts*

*their office hours on their office door and on their syllabus, and the UAO Advising posts faculty office hours on the College website. Many faculty members use the Internet, particularly Blackboard, to make supporting materials available to students.*

*Students in all programs are advised by faculty and staff who are highly involved in the program. The emphasis of faculty advising is to guide students to achieve their education and career goals by providing the students advice on course content and development and completion of degree plans. Staff advising focuses on keeping students on track so that students can complete their degree requirements in the shortest time possible.*

At the graduate level, Dr. Martinson monitors and guide students' progress in the MSA program. DACCT has two student organizations to engage students in professionally-related activities: Beta Alpha Phi and the Managerial Accounting and Auditing Club (the student chapter for the IIA, IMA, and AGA). The BAP and MAAC Presidents serve on the Dean's Student Advisory Council.

### **Processes and Procedures for Assurance of Learning**

Data collected and reporting related to learning goals and direct measures of assessment of these goals appears in Appendix 12 to this report. The DACCT also uses a number of procedures and tools for indirect assessment of student learning, and student and alumni satisfaction. The DACCT relies on both direct and indirect assessments for course content and program revisions. The following table lists the assessment instruments and the units responsible for conducting them.

<b>Indirect Measures:</b>	<b>Responsibility:</b>
Employer Surveys	DACCT Faculty
Alumni Surveys New Hires	DACCT Faculty- Alumni
Alumni Survey after 5 years	DACCT Faculty- Alumni
Regular Review of Undergraduate Curriculum by Department	DACCT Faculty – CBPA Undergraduate Curriculum Committee
Standardized Test Results (CPA Exam)	NASBA, IMA, etc.
Graduate Program Review	DACCT Faculty – CBPA Graduate Curriculum Committee
<b>Direct Measures:</b>	
Assessment of Learning Goals	DACCT – Chair and Faculty

### ***Indirect Assessment***

The indirect assessment methods pose more general questions to students to determine the degree of their satisfaction with many aspects of the university and the programs.

The DACCT gathered information concerning the indirect measures during the spring 2007 semester. In general, the results corroborated the results from the direct measures. DACCT faculty and members of the DACCT Advisory Council reviewed the results of both the direct and indirect measures and will take appropriate actions during

the fall 2007 semester. DACCT also used data generated by the College indirect measures.

### ***Direct Assessment***

DACCT followed the College in terms of identifying and developing direct assessment measures as described in the College Maintenance Report:

*Up until spring 2004 the Office of Institutional Research and Assessment analyzed the direct assessment of learning data collected by the faculty and reported the results to the faculty for their review and possible curricular changes. A re-organization in that office in the early 2000's resulted in each college being tasked with analyzing their own assessment data.*

*In summer 2004 the Associate Dean, Ali Ardalan, attended an assessment workshop organized by AACSB International. He then led the development of assessment of learning process in fall 2004. He conducted assessment workshops for the department chairs and area coordinators, graduate program directors, and the College Undergraduate Curriculum committee. All of these individuals and the faculty then became extensively involved in the process. Linda Suski, a renowned scholar in assessment of learning was invited to the College to conduct a workshop on assessment for the faculty.*

*The College Undergraduate Curriculum Committee developed the assessment plan for the Bachelor of Science in Business Administration program. Faculty in every major and program tailored that plan to fit their program. For example, while the assessment of learning for the undergraduate programs are geared mostly to learning of the concepts and some application, the assessment of learning for the MBA program aims at students' ability to synthesize the concepts and be able to make managerial decisions in uncertain environments. The plans for assessment of student learning for all programs offered by the college were completely revised and were implemented in spring 2005.*

*The assessment plans followed the guidelines established by AACSB International and Southern Association of Colleges and Schools. While AACSB prescribes development of one plan for the Bachelor of Science in Business Administration (BSBA), SACS/COC prescribes development of assessment plans for each major within the BSBA program. Therefore, except for the BSBA program, all other assessment plans were developed to simultaneously satisfy the requirement of both the AACSB and SACS guidelines.*

*All of the programs – BSBA, BA-ECON, MA-ECON, MBA, MS-ACCT and PhD in Business Administration have the same four learning goals. These goals are aligned with the College mission, and therefore include ethics and global perspectives.*

*1. Ethics: Students will have the capability to recognize ethical issues in business.*

*2. Written Communication: Students will be effective communicators.*

*3. Analytical Problem Solving: Students can apply methods from a variety of disciplines to solve business problems.*

*4. Global Perspective: Students will have a global business perspective.*

In addition, the DACCT faculty developed a fifth learning goal – Accounting and Business Knowledge. During the fall 2004 semester, DACCT Faculty developed learning objectives for the five learning goals. The faculty then identified potential direct and indirect methods for assessing student attainment of the learning goals and objectives. The faculty implemented the assessment methods initially during the spring 2005 semester. Based on the results of that initial assessment, the faculty then revised its undergraduate and graduate curriculum and modified the learning objectives. The faculty then implemented the revised assessment methods during the spring 2006 semester with the sole exception of Acct 450 which was not offered during the spring 2006 semester. The faculty conducted the fall 2006 and spring 2007 assessments in a similar manner.

DACCT faculty completed a similar procedure for the MSA program. During the Fall 2004 semester, Department Graduate Faculty developed learning objectives for the same five learning goals: Ethics, Written Communication, Analytical Problem Solving, Global Perspective, and Accounting and Business Knowledge. DACCT faculty then identified potential direct and indirect methods for assessing student attainment of the learning goals and objectives. The faculty implemented the assessment methods initially during the spring 2005 semester. Based on the results of that initial assessment, the faculty then revised its undergraduate and graduate curriculum and modified the learning objectives. Another assessment was performed during the spring 2006 and spring 2007 semesters.

DACCT faculty and advisory council members will use the results of the spring 2007 assessment to revise its curriculum and assessment plans during the fall 2007 semester.

## **Financial Strategies**

Appendix 3 contains a matrix relating DACCT strategies to its financial strategies. First, the DACCT uses ODU/CBPA resources. Next, the DACCT's long-term financial strategy centers on obtaining funding for three \$500,000 endowed professorships. Finally, the DACCT's short term financial strategy for annually generated soft funds focuses on funding: (1) faculty travel to academic conferences; (2) support faculty leadership positions in academic/professional organizations at the state/national/international level; and, (3) support the DACCT student organizations (Beta Alpha Psi and the Managerial Accounting and Auditing Club). The Dean, and

College Major Gift Officer, building on relationships developed by DACCT faculty, have raised approximately \$250,000 toward the first endowed professorship. Soft money has come from several sources: (1) annual fund contributions – approximately \$12,000 annually; (2) DOA 5K – approximately \$10,000 annually; (3) required ethics training – approximately \$12,000 annually; (4) CPA review course – approximately \$2,000 annually; and (5) Williamsburg Fraud Conference – approximately \$4,000 annually. These sources are sufficient to annually fund at least two trips per academically qualified faculty member and student organization leaders.

### **SECTION III: ANNUAL MAINTENANCE REPORTS**

DACCT's annual maintenance reports for Academic Years 2002/2003 through 2005/2006 are located in Appendices 7 through 9. Annually, the Chair, DACCT, drafted them and revised them based on the comments from the Dean, DACCT faculty members, and the DAACT Advisory Council.

## **SECTION IV: FACULTY MANAGEMENT POLICIES**

The DACCT follows the policies and procedures of CBPA concerning faculty management policies. Please refer to the CBPA Maintenance of Accreditation report for a complete description of these policies and procedures. In brief, the DACCT Chair annually evaluates faculty for teaching, research, and service. The DACCT Chair meets with other the Dean and other CBPA Chairs to jointly rate each AQ faculty member in the college for research and service. The DACCT Chair then individually reviews each faculty member's evaluation. Finally, the DACCT Chair and faculty member agree on the faculty member's goals and objectives for the upcoming year.

The DACCT also ensures DACCT faculty members maintain significant and meaningful professional ties. The Chair annually reviews each faculty member's interaction with the Accounting profession. The interaction may take the form of presenting training such as the required ethics training, arranging speakers, co-authoring papers, attending training sessions, or completing consulting engagements.

The result of following these faculty management policies has resulted in DACCT faculty meeting all AACSB standards (2, 9, and 10) relating to faculty sufficiency. For complete documentation concerning compliances with these standards, please refer to Table 9-1 (Fall 2006 and Spring 2007), Table 10-1 (Fall 2006 and Spring 2007), and Table 10-2 (Fall 2006 and Spring 2007), which are shown as Appendix 11 at the end of this report.