April 22, 2011

TO: MICHAEL L. MOORE  
ACCOUNTING AND INFORMATION SYSTEMS

FM: MORRIS MADURO, CHAIR  
GRADUATE COUNCIL

RE: PROPOSAL FOR A MASTER OF ARTS IN ACCOUNTING, AUDITING AND ASSURANCE – DEPARTMENT OF ACCOUNTING AND INFORMATION SYSTEMS – SCHOOL OF BUSINESS ADMINISTRATION

At its meeting of April 20, 2011, the Graduate Council approved the proposal to establish a Master of Arts in Accounting, Auditing and Assurance degree.

From here, the proposal will have to be approved at the May 25, 2011 Division meeting before being sent to the system-wide CCGA.
April 8, 2011

TO: MORRIS MADURO, CHAIR
GRADUATE COUNCIL

FM: MARY W. GAUVAIN, CHAIR
RIVERSIDE DIVISION

RE: NEW GRADUATE PROGRAM PROPOSAL – MA ACCOUNTING,
AUDITING AND ASSURANCE PROPOSAL

The above proposal has been reviewed by the committee on Educational Policy, Planning and Budget, Courses and Library. The three committees approved the creation of this Master’s Degree in the School of Business Administration.

I am enclosing all three committee responses for your information.

Enclosure
MARCH 15, 2011

TO: JOSE WUDKA, CHAIR
     EDUCATIONAL POLICY

     PETER CHUNG, CHAIR
     PLANNING AND BUDGET

     J.C. LAURSEN, CHAIR
     LIBRARY

FM: MARY GAUVAIN, CHAIR
     RIVERSIDE DIVISION

RE: NEW GRADUATE PROGRAM PROPOSAL – MA Accounting, Auditing and Assurance Proposal

Attached for your committee’s review is a new graduate program proposal from the School of Business Administration.

Please forward your committee’s response to me by April 5, 2011.

Enclosure
Hi Sellyna, at its meeting yesterday, the CEP approved the MA in Accounting, Auditing and Assurance proposal.

SG
March 29, 2011

TO: MARY GAUVAIN, CHAIR
RIVERSIDE DIVISION

FM: Y. PETER CHUNG, CHAIR
PLANNING AND BUDGET

RE: Proposal for a Master of Arts in Accounting, Auditing and Assurance

Planning and Budget met and reviewed the proposal to establish a Master of Arts degree in Accounting, Auditing and Assurance.

Planning and Budget voted unanimously (7 yes 2 absent and 0 no) to approve the proposal for a Master of Arts Degree in Accounting, Auditing and Assurance.
April 5, 2011

TO: MARY GAUVAIN, CHAIR
    RIVERSIDE DIVISION

FR: J. C. LAURSEN, CHAIR
    COMMITTEE ON LIBRARY AND SCHOLARLY COMMUNICATION

RE: MA PROPOSAL FROM SOBA

The Committee on Library and Scholarly Communication support this proposal.
Proposal for a Master of Arts in Accounting, Auditing and Assurance

**ACADEMIC SENATE APPROVALS:**

<table>
<thead>
<tr>
<th>Approvals</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved by Educational Policy</td>
<td>March 30, 2011</td>
</tr>
<tr>
<td>Approved by Committee on Library</td>
<td>April 5, 2011</td>
</tr>
<tr>
<td>Approved by Planning and Budget</td>
<td>March 29, 2011</td>
</tr>
<tr>
<td>Approved by Graduate Council</td>
<td>April 20, 2011</td>
</tr>
<tr>
<td>Divisional Approval</td>
<td></td>
</tr>
</tbody>
</table>
Proposal for a Master of Arts in Accounting, Auditing and Assurance

Department of Accounting and Information Systems

School of Business Administration

A. Gary Anderson Graduate School of Management

University of California Riverside

February 2011 Revision
GRADUATE DEGREE PROGRAM PROPOSAL

Preparation Date: May 2010

Lead Proposers:

- The faculty of the School of Business Administration and the Anderson Graduate School of Management
- The faculty of the Department of Accounting and Information Systems
  - Woody Liao
  - Barry Mishra
  - Theodore J. Mock
  - Michael L. Moore, Chair
  - Waymond Rodgers
  - Erik Rolland

Contact Information:

Michael L. Moore, Chair
Department of Accounting and Information Systems
School of Business and Anderson Graduate School of Management
University of California Riverside
Riverside, CA 92521
Tel: 951.827.7325
Email: michael.moore@ucr.edu

Acknowledgments:

This proposal is a result of a collaboration of many individuals, both faculty and members of the accounting and auditing profession. Special acknowledgment is given to Waymond Rodgers for his vision of an auditing and assurance specialization and for his efforts on developing an accounting master’s program in 2007 that this program is built upon. Also many ideas in this program were generated from the 2020 Student Workshop organized by Michael Moore and Ted Mock and co-sponsored by Ernst & Young and UCR.
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXECUTIVE SUMMARY</strong></td>
<td>4</td>
</tr>
<tr>
<td>1.0 INTRODUCTION</td>
<td>7</td>
</tr>
<tr>
<td>2.0 RATIONALE FOR THE PROGRAM</td>
<td>7</td>
</tr>
<tr>
<td>3.0 PURPOSE</td>
<td>9</td>
</tr>
<tr>
<td>4.0 FIT WITH THE SCHOOL OF BUSINESS ADMINISTRATION AND ANDERSON GRADUATE SCHOOL OF MANAGEMENT STRATEGY</td>
<td>10</td>
</tr>
<tr>
<td>5.0 MARKET FOR THE PROGRAM</td>
<td>10</td>
</tr>
<tr>
<td>6.0 INVESTMENTS AND COSTS</td>
<td>11</td>
</tr>
<tr>
<td>7.0 PROGRAM APPLICATION AND ADMISSION</td>
<td>12</td>
</tr>
<tr>
<td>8.0 ADMINISTRATION</td>
<td>12</td>
</tr>
<tr>
<td>9.0 CURRICULUM</td>
<td>12</td>
</tr>
<tr>
<td>10.0 FINANCIAL INFORMATION</td>
<td>14</td>
</tr>
<tr>
<td>11.0 OTHER MASTER OF ACCOUNTING PROGRAMS</td>
<td>14</td>
</tr>
<tr>
<td>EXHIBIT I COURSES</td>
<td>16</td>
</tr>
<tr>
<td>EXHIBIT II LADDER FACULTY—DEPARTMENT OF ACCOUNTING AND INFORMATION SYSTEMS</td>
<td>29</td>
</tr>
<tr>
<td>EXHIBIT III ACADEMIC DEGREE PROGRAM PROPOSALS: INFORMATION REQUIRED BY CPEC</td>
<td>32</td>
</tr>
<tr>
<td>EXHIBIT VI OUTSIDE LETTERS</td>
<td>37</td>
</tr>
</tbody>
</table>
Executive Summary

Proposal

The School of Business Administration currently offers a Bachelor of Science in Business Administration and a student may choose a concentration in a specialized area of Accounting. A baccalaureate degree with a concentration in accounting is not sufficient education to satisfy the education required to begin a career as a professional accountant. A student may also earn an MBA with a concentration in Accounting in the Anderson School of Management; however an MBA is a generalist degree by design. In response to the educational needs of the Accounting Profession, the Department of Accounting and Information Systems at the School of Business Administration (SoBA) and A. Gary Anderson Graduate School of Management (AGSM) is proposing a Master of Arts in Accounting, Auditing and Assurance. The new degree program will consist of a full-time one-year program (48 units) leading to a Master of Arts degree in Accounting, Auditing and Assurance. This program will be a self-supporting program.

Rationale

1. The accounting profession’s need for additional education beyond the baccalaureate is similar to other professions’ experience such as medicine, law, pharmacy, architecture, and engineering.
2. The Program will meet an untapped demand for accounting graduate education in the region.
3. The Program will meet an untapped demand for under represented minority graduates.
4. The program will enhance the School of Business Administration’s revenue and resource base, diversify existing sources of revenue, and reduce our dependence on state funding.
5. The program will support the hiring of additional faculty members, enabling the School of Business Administration to develop a critical mass of faculty in key strategic areas, particularly in the area of audit and assurance services identified in the School of Business Administration strategic plan as a “spire of excellence.”
6. The program will be beneficial for increasing of prospects for earning future Accounting Accreditation from The Association to Advance Collegiate Schools of Business (AACSB International).
7. The program fits the overall strategy of the School of Business Administration to increase its presence and reputation regionally, nationally, and internationally.
8. Graduates of the program have the potential to become influential and supportive alumni soon after they complete their degree.
Purpose

Accountants and auditors help to ensure that public, private and not for profit entities are run efficiently. Accountants and auditors analyze, verify and communicate financial information for various entities. They may also be involved with budget analysis, tax analysis, management consulting, financial and investment planning, information technology consulting as well as a broad array of assurance services.

Nearly 20 years ago there was a groundswell of support from professional and academic organizations such as the American Institute of Certified public Accountants and the American Accounting Association for 150 semester hours of education for professional accountants. As with most professions with an expanding knowledge base it became increasingly difficult to prepare a candidate for the profession with just a baccalaureate degree.

Over the intervening years since this early recommendation for a fifth year of education for CPAs, there has been a geometric increase in the knowledge and skills needed for successful discharge of professional responsibilities. Globalization, a revolution in technology and increased regulation affecting both internal accountants and external auditors have all contributed to the demands for additional accountants and auditors with education beyond the baccalaureate degree.

Fit with the School of Business Administration and the Anderson Graduate School of Management Strategy

The proposed MA in Accounting, Auditing and Assurance is consistent with several goals of the School of Business Administrations and AGSM. First, the MA in Accounting, Auditing and Assurance program will meet an unmet need for graduate accounting education in Inland Southern California and is therefore consistent with the School of Business Administration’s mission to service the graduate educational needs of businesses in the region. The program will contribute to our developing a reputation for leadership in U.S. higher education, to recruiting outstanding faculty, and to the diversification of our sources of revenue, which will help the School of Business Administration and AGSM maintain financial stability and independence and reduce dependence on state funding. The program also fits well with our strategies for building reputation by hiring high quality faculty who demonstrate excellence in both research and teaching.

Market for the Program

The market for this program will be School of Business Administration graduates with a concentration in accounting and graduates of other baccalaureate programs from the United States and abroad with an accounting major or concentration.

The 2008 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits (American Institute of Certified Public Accountants), reports that
between 2004 and 2007 the numbers of master’s degrees increased 18% at accounting and business accredited programs and between 2000-01 and 2006-07 graduates of master’s programs increased from 8,700 to 16,559. In addition it was reported that the largest firms hire master’s degree holders as a greater percentage of their total hires (35%) than other firms.

Program Design

The MA in Accounting, Auditing and Assurance degree will be offered as a one year program (48 units) for graduates with a baccalaureate degree with a concentration or major in accounting. Other students without the equivalent of a baccalaureate degree with a concentration or major in accounting may be admitted to the program with the understanding that additional coursework may be required to earn the MA degree. Candidates will be admitted for the fall quarter only.

Administration

The program can be launched initially without additional costs to the University and without reducing funds already allocated to other programs. Graduate programs in the Anderson Graduate School of Management are directed by the Faculty of the School of Business Administration through its Executive Committee and a Graduate Programs Committee, which will have oversight responsibility for all Graduate Programs offered by AGSM. AGSM anticipates no need for additional full-time or part-time administrative support for the program.

Curriculum

The content of the curriculum is described later in the proposal. All of the courses already exist. The program will include elective courses offered by other departments at the School of Business Administration and UCR.

Financial Information

The School of Business Administration has developed financial projections for the proposed Master of Arts in Accounting based on conservative assumptions. We plan to offer this program using the self-supporting model with a per credit fee. The UCR per credit fee for the program will be lower than prices for a similar graduate accounting program offered by the University of Southern California, which is currently the only strong competitor in the region. The projections assume an initial class size of 20. We believe that we can deliver a high quality program to as many as 40 students per year utilizing current resources. We project that the program will produce a net operating surplus with a class size of 20. Conservative assumptions include low marketing cost with the majority of applicants currently UCR students, and modest incremental costs of instruction.
1.0 INTRODUCTION

In response to the educational needs of the Accounting Profession, the Department of Accounting and Information Systems at A. Gary Anderson Graduate School of Management is proposing a Master of Arts in Accounting, Auditing and Assurance degree. The new degree program will consist of a full-time one year program (48 units) for those graduates from UCR and other universities with a concentration in or a major in accounting. The year will be a professional degree program that will be self-supporting. The School of Business Administration currently offers a Bachelor of Science in Business Administration. A student may choose a concentration in a specialized area of which one field of concentration is accounting. Coursework culminating with a baccalaureate degree with a concentration in accounting is not sufficient education to qualify to become a certified public accountant in the majority of jurisdictions in the United States and will not qualify in California beginning in 2014.

2.0 RATIONALE FOR THE PROGRAM

There are eight compelling reasons why the School of Business Administration, the Anderson School and the Department of Accounting and Information Systems should launch this new degree program:

1. The accounting profession's need for additional education beyond the baccalaureate is similar to other professions' experience such as medicine, law, pharmacy, architecture, and engineering. Those professions that are involved with serving the public are held to high standards of practice. In the accounting area, most states and other jurisdictions with laws governing certified public accountants (CPAs) have reacted to these needs by requiring additional education beyond the baccalaureate for those licensed to practice as a Certified Public Accountant (CPA). As of this date there are 54 jurisdictions that require CPA candidates to earn 150 semester hours of acceptable college credit as well as a baccalaureate or higher degree in order to become licensed as a CPA. Legislation requiring 150 semester hours to become a CPA in California was signed on October 11, 2009 to take effect in 2014. Further, most states including California require a CPA candidate to obtain various amounts of actual experience before a license to practice is granted.

This new law will change the educational landscape in California. Given the 150-hour requirement, many qualified students will pursue a master’s degree in accounting rather than take additional year of coursework that does not lead to a degree. This will undoubtedly increase the demand for masters’ degrees in accounting.

In addition, besides the CPA certification there are other certifications for professional accountants and auditors that require advanced education such as Certified Management Accountant, Certified Internal Auditor, IT Auditor, other
recognized specialties by the American Institute of Certified Public Accountants and a host of management positions in the public and private sector.

2. The Program will meet an untapped demand for accounting graduate education in the region. AGSM is the only graduate school of management affiliated with a major research university in Riverside and San Bernardino Counties. The University of Southern California is the only major research institution in the Southern California area currently offering a graduate degree in accounting.

3. The Program will meet an untapped demand for underrepresented minority graduates. In 2008, nearly 30 percent of undergraduate business students stated an ethnic origin in an underrepresented minority group.

4. The program will enhance the School of Business Administration’s revenue and resource base, diversify existing sources of revenue, and reduce our dependence on state funding.

5. The program will support the hiring of additional faculty members, enabling the School of Business Administration to develop a critical mass of faculty in key strategic areas, particularly in the area of audit and assurance services, identified in the School of Business Administration strategic plan as a “spire of excellence.” This area of specialization is unique to Department of Accounting and Information Systems and we will have the strengths to distinguish our program from other programs in our market geographic area and the United States.

6. The program will be beneficial for increasing prospects for earning Accounting Accreditation from The Association to Advance Collegiate Schools of Business (AACSB International). AACSB accreditation is the most prestigious accreditation for accounting and business programs. The AACSB is the most widely accepted and highly regarded accreditation agency for degree programs in accounting. AACSB accreditation mandates that our department must maintain international standards of excellence specifically designed for undergraduate accounting programs. Many universities find these accounting standards difficult to meet. While more than 550 universities have business programs that are accredited by the AACSB, less than 170 of these universities have separately accredited accounting programs. Currently there are only five AACSB-accredited accounting programs in California, none of which include a UC campus. UC Berkeley Haas School has indicated that it will seek accounting accreditation in the future. Our department is committed to continuous improvement in curriculum, faculty, and student quality these accreditation standards require.

7. The program fits the overall strategy of the School of Business Administration to increase its presence and reputation regionally, nationally, and internationally. The graduate degree in accounting is a part of the portfolio of offerings of many major business schools and such graduate master’s degree accounting programs
are routinely ranked in such publications as *US News* and the *Public Accounting Report*.

8 Graduates of the Master of Arts in Accounting, Auditing and Assurance Program have the potential to become influential and supportive alumni soon after they complete their degree. The program will facilitate development of stronger relationships with the corporate and professional communities. It is anticipated that most students in the program will be highly recruited for positions after graduation.

3.0 PURPOSE

Accountants and auditors help to ensure that public, private and not for profit entities are run efficiently and effectively by facilitating the development and communication of relevant and reliable information for all stakeholders. Accountants and auditors analyze, verify and communicate financial information for various entities. They may also be involved with budget analysis, financial and investment planning, information technology consulting as well as a broad array of assurance services in such areas as health care and environmental policy. In addition, accountants are involved with tax planning and compliance, consulting, and a host of other services that require additional education and training.

Nearly 20 years ago there was a groundswell of support from professional and academic organizations such as the American Institute of Certified Public Accountants and the American Accounting Association for 150 semester hours of education for professional accountants. In accounting, as with most prestigious professions that serve the public such as medicine, law, pharmacy, architecture, and engineering because of an expanding knowledge base it became increasingly difficult to prepare a candidate for the profession with only a baccalaureate degree. Over the intervening years since this early recommendation for a fifth year of education for CPAs, there has been a geometric increase in the knowledge and skills needed for successful discharge of professional responsibilities.

Globalization, a revolution in technology and increased regulation affecting both internal accountants and external CPAs have all contributed to the demands for additional accountants with education beyond the baccalaureate degree. Also with the passage of the Sarbanes-Oxley Act of 2002 (SOA), CPA firms must be registered with the Public Company Accounting Oversight Board (PCOAB) to perform an independent audit on a public registrant. In addition, the SOA requires independent reporting on a registrant's internal controls. All these developments have produced an increased demand for qualified CPAs.
4.0 FIT WITH THE SCHOOL OF BUSINESS ADMINISTRATION AND AGSM STRATEGY

The proposed MA in Accounting, Auditing and Assurance program is consistent with several goals of the School of Business Administration. First, the program will meet an unmet need for graduate accounting education in Southern California in general and specifically Inland Southern California and is therefore consistent with the School of Business Administration's mission to service the educational needs of businesses in the region. The program will contribute to our developing a reputation for leadership in U.S. higher education, to recruiting outstanding faculty, and to the diversification of our sources of revenue, which will help the School of Business Administration maintain financial stability and independence and reduce dependence on state funding. The program also fits well with the School of Business Administration’s strategies for building reputation by hiring high quality faculty who demonstrate excellence in both research and teaching.

5.0 MARKET FOR THE PROGRAM

The MA in Accounting, Auditing and Assurance program will be targeted for undergraduate business graduates with a major or concentration in accounting. It is anticipated that a significant number of students attracted to the program will be School of Business Administration graduates from UCR, and graduates from other baccalaureate programs in California, the United States and abroad. For example, in 2010 there were 56 of our UCR accounting students with GPAs in excess of 3.2. If only half of these students applied for and were accepted in the program we would have a respectable number of admissions from this group alone.

The University of Southern California had an entering class for its one-year Masters of Accounting program for the 2009-2010 academic year of approximately 90 students and it appears that that the market for graduate accounting education is robust enough that we will be able to attract a sufficient number of students to our graduate accounting program.

According to the Bureau of Labor Statistics, Occupational Outlook Handbook, 2008-09 Edition, employment of accountants and auditors is expected to grow by 18 percent between 2006 and 2016, which is significantly faster than the average for all occupations. The accounting profession is projected to add almost 226,000 new jobs over the next decade. An increase in the number of businesses, changing financial laws, and corporate governance regulations, and increased accountability for protecting an organization’s stakeholders will drive growth. Strong growth of accounting and auditor jobs over the 2006-16 decade is expected to result from stricter accounting and auditing regulations, along with an expanding economy.

The Department of Labor also projects that those who earn a CPA should have excellent job prospects. After most States instituted the 150-hour rule for CPAs, enrollment in accounting programs temporarily declined. However, enrollment is again growing as more students have become attracted to the profession by the desire to serve the public
and the high demand for such services. In the aftermath of several highly publicized accounting failures, professional certification is even more important to ensure that accountants' credentials and knowledge of ethics are sound. Regardless of specialty, according to the Department of Labor, accountants and auditors who have earned professional recognition through certification or licensure should have the best job prospects. According to Department of Labor, applicants with a master's degree in accounting or a master's degree in business administration with a concentration in accounting will have an advantage.

The 2008 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits (American Institute of Certified Public Accountants), reports that between 2004 and 2007 the numbers of master's degrees increased 18% at accounting and business accredited programs and between 2000-01 and 2006-07 graduates of accounting master’s programs increased from 8,700 to 16,559. In addition it was reported that the largest firms hire master’s degree holders as a greater percentage of their total hires (35%) than other firms. Despite these increases in national demand for and supply of accountants, California has lagged the nation in the production of professional accountants.

California law regarding CPA licensing will require that in 2014, all California CPA candidates must have 150 semester hours (225 quarter hours) of college education prior to licensing. Beginning in 2014, the requirements for CPA candidates will be:

- A bachelor’s degree
- 36 quarter units (or 24 semester units) in accounting-related subjects
- 36 quarter units (or 24 semester units) in business-related subjects (accounting courses beyond the 36 required quarter units (or 24 required semester units) may apply toward the business units.
- 225 quarter units (or 150 semester units) of education including 45 quarter units (30 semester units), beyond the 180 quarter units (120 semester units), in accounting, business courses related to accounting and ethics.
- Passing the Uniform CPA Examination.
- One year of general accounting experience supervised by a CPA with an active license, and
- Passing an ethics course.

6.0 INVESTMENTS AND COSTS

The School of Business Administration currently has a reserve that will allow it to launch and market this program without having to reduce funds allocated to existing programs, hiring initiatives or request start-up funds from the university. To launch the program, time will be required from current faculty for program development. All of the courses that will be offered are already developed and the majority is currently taught in AGSM’s MBA program.
7.0 PROGRAM APPLICATION AND ADMISSION

The MA in Accounting, Auditing and Assurance will be offered as a one year program (48 units) for graduates of a baccalaureate degree with a concentration or major in accounting. These students typically will be graduates of accounting programs from UCR and other colleges and universities. Students admitted to the program will have an academic profile similar to those students admitted to other master’s level programs in the Anderson Graduate School of Management. These criteria prescribe a 3.2 grade point average and a 560 GMAT score.

All applicants to this program must have completed a Bachelor’s degree or its approved equivalent from an accredited institution and to have attained undergraduate record that satisfies the standards established by the Graduate Division and University Graduate Council. Applications are accepted for fall term.

All applicants must submit scores from the Graduate Management Admissions Test (GMAT) or Graduate Record Exam, General Test (GRE). Applicants whose first language is not English are required to submit acceptable scores from the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS) unless they have a degree from an institution where English is the exclusive language of instruction.

Additionally each applicant must submit three letters of recommendation, at least two of which must be academic references. All other application requirements are specified in the graduate application or in the General UCR catalog.

8.0 ADMINISTRATION

The program will be directed by the Faculty of the School of Business Administration through its Executive Committee and a Graduate Programs Committee, which will have oversight responsibility for all Graduate Programs offered by AGSM. The School of Business Administration anticipates no need for additional full-time or part-time administrative support for this program. The current AGSM staff consists of four Student Affairs Officers who will provide advisory services to the MA in Accounting, Auditing and Assurance program, one Career Services Officer and one Administrative Assistant. In addition, the Dean's staff will provide support for this program that includes two Academic Personnel Officers and one Administrative Assistant that provides support to the faculty.

9.0 CURRICULUM

Accounting education is fast moving away from a rules-based approach to education and is adopting a concept-based approach that emphasizes a broad array of skills and knowledge as follows: Communication Skills. Accounting and auditing requires the ability to transfer and receive information with ease.
• Intellectual Skills. These intellectual skills include the ability to solve diverse and unstructured problems in unfamiliar settings, the ability to comprehend an unfocused set of facts; identify and, if possible, anticipate problems; and find acceptable solutions, the ability to identify ethical issues and apply a value-based reasoning system to ethical questions, and the ability and judgment to select and assign priorities within restricted resources and organize work to meet tight deadlines when necessary.

• Interpersonal Skills. These include learning to work effectively in groups with diverse members to accomplish a task and the ability to influence others; organize and delegate tasks; motivate and develop other people; and withstand and resolve conflict.

• Knowledge and technical skills required for the Accounting and Auditing Profession. This includes a sufficiently large, broad and deep general education component to yield a level of knowledge that is characteristic of broadly educated persons; organizational and business knowledge for the understanding of the economic, social, cultural and psychological forces that affect organizations; and a strong fundamental understanding of accounting information systems and auditing and how to use accounting data, exercise judgments, evaluate risks and solve real-world problems.

• Executive Presence. The accounting and auditing profession demands a high level of professionalism. Students wishing to enter the field must strategically manage the impression they are making to employers during networking events, interviews and other interactions.

These areas are also emphasized by AACSB accreditation standards.

The knowledge component includes specialized accounting and auditing education appropriate for a master’s level degree. These would include specialized courses and advanced study in several of the core practice areas of auditing and assurance, financial accounting, management accounting, taxation, information systems, government (or nonprofit) accounting, international accounting and a project or thesis. One area of specialization that is unique to Department of Accounting and Information strengths is in the audit and assurance area. We currently have faculty who can distinguish our program from other programs in our geographic area and the United States.

Candidates must complete 48 units to earn the degree. Of the 48 units, the following 24 units are required:

MGT 225. Professional Accounting and Auditing Research
MGT 229. Sustainability and Ethical Control Systems
MGT 238. Management Synthesis
MGT 240B. Advanced Taxation,
MGT 278A. Auditing and Assurance Services: Theory and Practice,
MGT 278B. Information Technology Auditing and Assurance
The balance of the 24 elective units will include other courses in accounting, courses offered by AGSM in other graduate programs and by other departments in UCR. (Exhibit I)

Plan II students should be able to complete the coursework for this program in one academic year. Admission is only fall quarter in order to minimize any scheduling and sequencing conflicts. Required courses and sufficient elective courses will be offered every year. The program requirements will satisfy external accreditation standards and the education requirements for California CPA licensing.

**Plan I (Thesis) is not an option for the MA in Accounting, Auditing and Assurance degree program.** Given this would be typically a one-year program it is unlikely that a Plan I (Thesis) option will be feasible for students.

**Plan II (Comprehensive Examination).** The program is intended to conform to Plan II. Forty-eight units are required; 24 are in graduate core course work and others are elective units. None of those may be 291, 297 or 299 units. Every candidate must take a comprehensive exam.

### 10.0 FINANCIAL INFORMATION

The School of Business Administration has developed financial projections for the proposed Master of Arts in Accounting based on conservative assumptions. We plan to offer this program using the self-supporting model with a per credit fee. The UCR per credit fee for the program will be lower than prices for a similar graduate accounting program offered by the University of Southern California, which is currently the only significant competitor in the region. The projections assume an initial class size of 20. We believe that we can deliver a high quality program to as many as 40 students per year utilizing current resources. A net operating surplus is projected with 20 students enrolled in the fifth year. Conservative assumptions including low marketing cost with the majority of applicants currently UCR students, and modest incremental costs of instruction. Of the courses listed, only three, MGT 225--Professional Accounting Research, MGT 278B--IT Audit and Assurance, and MGT 278C—Internal Auditing, are new courses which are not currently taught by Accounting and Information Systems Department faculty.

### 11.0 OTHER GRADUATE ACCOUNTING PROGRAMS

A number of nationally ranked universities such as University of Illinois (Master in Accountancy), University of Texas at Austin (Master in Professional Accounting) and University of Southern California (Master of Accounting) offer graduate programs in accounting. The graduate masters level accounting programs at these three universities are nationally ranked in the top five in graduate program by *Public Accounting Report*. Other highly ranked universities offering graduate masters level programs in accounting.
include University of Michigan, Ohio State University, Indiana University, University of North Carolina and University of Notre Dame. In southern California there are four universities offering a graduate degree in accounting; University of Southern California; San Diego State University, California State University at Fullerton and California State University at San Bernardino. Among the University of California campuses, none currently offer graduate masters degrees in accounting. The University of California Berkeley's Haas School of Business has submitted a Master of Professional Accountancy degree proposal to the University of California system. University of California Davis has submitted a similar proposal.
EXHIBIT I: COURSES

Required Courses

MGT 225. Professional Accounting and Auditing Research (4). Lecture 3 hours, outside research 5 hours, scheduled research 4 hours. Provides an in-depth examination of the professional accounting and auditing research process and the communication of research results. This includes practice in issue identification, location and evaluation of authority using online and electronic accounting, auditing, and tax research databases, developing conclusions and recommendations and communication of results.

MGT 229. Sustainability and Ethical Control Systems (4) Lecture 3 hours, outside projects and readings 3 hours. Prerequisite: MGT 204 or equivalent. Provides an overview of the Sarbanes-Oxley Act (SOX), including a brief history of the issues SOX was designed to address. The class will focus on internal control features, ethical systems, biometrics, key regulatory provisions: Issuer Reporting (management certifications/internal controls); Governance (directors and executive officer requirements); and other key provisions. Evaluates the effectiveness of these regulatory requirements in light of current applications and recent developments.

MGT 240B. Advanced Taxation (4) Lecture, 3 hours; outside case analysis, 3 hours. Prerequisite(s): MGT 240A or equivalent. Articulates advanced topics in federal taxation and tax planning. Explores many facets of the complex body of tax law including tax research, alternative minimum tax, investment losses, employee compensation, corporate distributions, and federal transfer taxes.

MGT 278A. Auditing and Assurance Services: Theory and Practice (4) Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): BUS 165B or equivalent or permission of instructor. Examines the history, demand, and foundations of audit & assurance. Focuses on judgment and fundamentals of evidential reasoning. Topics include risk assessment; internal control; audit evidence; independence and objectivity; measurement theory; suitable criteria; standards and regulation; framing; heuristics and biases; and the role of technology.

MGT 278B. Information Technology Auditing and Assurance (4) Seminar, 3 hours; outside research, 3 hours. Prerequisite: MGT 278A or permission of instructor. Basic concepts and techniques that are used in the provision of IT audit and assurance services. Topics include IT security; risk assessment; internal control; nature of audit evidence; independence and objectivity; suitable criteria; the role of standards and technology and ethical issues.

MGT 238. Management Synthesis (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 200, MGT 201, MGT 202, MGT 203, MGT 205, MGT 207, MGT 209, MGT 211, MGT 235. A team-taught, integrative case course that focuses on managing the complex tasks of the total organization.
Examines the interdependence of the functional areas of management. Student teams analyze cases involving several functional areas and recommend actions for improvement.

**Recommended Electives**

**MGT 204. Cost and Management Accounting (4)** Lecture, 3 hours; outside projects, 3 hours. Prerequisite(s): MGT 211 or equivalent. A study of accounting information for managerial planning and control. Topics include managerial applications for product costing, budgeting, and performance evaluation; accounting techniques for modern manufacturing systems; activity-based accounting and cost management; international cost accounting systems; and the behavioral implications of accounting information.

**MGT 205. Information Systems (4)** Lecture, 3 hours; laboratory, 1 hour; outside projects and extra reading, 2 hours. Prerequisite(s): graduate standing; familiarity with basic computer operations and software packages. Examines the operation and management of information systems as applied to the business environment. Topics include hardware, software, databases, decision support, and systems analysis. Software packages are used to integrate information systems concepts and business applications.

**MGT 218. Ethics in Management (4)** Lecture, 3 hours. Examines ethical dilemmas faced by managers and organizations and extends decision analysis to include the ethical dimension present in most policy decisions. Seeks to increase the students’ ability to identify and respond to ethical issues in organizations, including such areas as affirmative action, bribery, deception, working conditions, product safety, environmental impact, and international relations.

**MGT 226. Fraud and Forensics Auditing (4)** Lecture, 3 hours; extra reading, 1.5 hours; outside projects, 1.5 hours. Prerequisite(s): MGT 204 or equivalent. Addresses forensic accounting and fraud examination in how it pertains to both civil and criminal matters. Develops a basic understanding of the characteristics of fraud, fraud prevention and detection, investigative techniques, asset recovery, and use of information technology.

**MGT 278C. Internal Auditing (4)**, Seminar, 3 hours; outside research, 3 hours. Prerequisite: MGT 278B or permission of instructor. Examines the nature and practices of internal (operational) audit and assurance, the management audit process and the use of internal auditing by top management and governing boards. Develops skills to understand, analyze and critically evaluate internal audit research.

**MGT 245. Financial Statement Analysis (4)** Lecture, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 211 or consent of instructor. Explains the role of financial statement analysis in an efficient capital market. Data from financial statements of major corporations is analyzed to develop skills necessary to interpret financial accounting.
information. Designed for future professionals who will be intensive users of financial
accounting reports (e.g., security analysts, credit analysts).

MGT 270. Corporate Social Responsibility (4) Lecture, 3 hours; extra reading, 3 hours.
Prerequisite(s): graduate standing. Addresses managerial and ethical issues in the social,
political, and legal environments of business. Focuses on strategies that firms employ to
enhance performance, given their multiple stakeholders (e.g., consumers, suppliers,
government, local communities, activists, nongovernmental organizations). Uses
domestic and international cases to illustrate the strategic use of corporate social
responsibility.

MGT 273. International Accounting and Auditing (4). Lecture 3 hours, extra reading
and term paper, 3 hours. Prerequisite: MGT 211 or equivalent. Offers an introduction to
the field of International Accounting and Auditing; an introduction to the field of
International Financial Reporting Standards (IFRS), tracing the history of the
International Accounting Standards Board (IASB) from its early roots through to the
recent changes and future developments. Also includes topic-by-topic exploration of
specific International Standards on Auditing.

MGT 281. Systems Analysis and Design (4) Seminar, 3 hours; outside project, 3 hours.
Prerequisite(s): MGT 205, MGT 230; or consent of instructor. Provides an understanding
of the systems development life cycle with emphasis on the analysis and design phases.
Familiarizes students with the tools and processes used by system developers to analyze,
design, and construct computer-based systems. Provides experience in analyzing and
designing a computer-based system.

Other Elective Courses

MGT 230. Databases for Management (4) Lecture, 3 hours; outside projects and
readings, 3 hours. Prerequisite(s): MGT 205. Examines the features and capabilities of
database management systems, including database classification, data structures, file
organizations, evaluation, and management of database systems.

MGT 280. Business Issues in Electronic Commerce (4) Seminar, 3 hours; outside
project, 3 hours. Prerequisite(s): MGT 205 or consent of instructor. Provides an
understanding of the various business strategies, management issues, and pertinent
technologies related to electronic commerce. Explores several of the problems
surrounding electronic commerce including security issues, privacy, encryption,
safeguarding of intellectual property rights, acceptable use policies, and legal issues.

MGT 282. Business Data Communications (4) Seminar, 3 hours; outside project, 3
hours. Prerequisite(s): MGT 205. Provides insight into the role of telecommunications in
business, with an emphasis on information management. Specific topics include data
communications (hardware components, interfaces, and link protocols), architecture and
technology (protocols, local area networks, and emerging digital services), and network management (control and security).

**MGT 258. Logistics and Supply Chain Management (4)** Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): MGT 207 or consent of instructor. Studies the integration of value-creating elements in supply, procurement, manufacturing, distribution, and logistics processes, using information technologies as a main enabler. Topics include distribution networks, demand management, sourcing, transportation, pricing, supply chain coordination, information technology, and e-business.

**MGT 264. Information Systems Resources Management (4)** Seminar, 3 hours; outside research, 2 hours; extra reading, 1 hour. Prerequisite(s): MGT 205 or consent of instructor. Provides an understanding of the issues, strategies, and tactics involved in managing information systems in large organizations. Topics include cost allocation, capacity planning, congestion problems, and distributed information systems. Relies heavily on case studies.

**MGT 265. Decision Support and Expert Systems (4)** Seminar, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 205, MGT 207; or consent of instructor. Covers advanced topics in management support systems, including problem theory, decision support, and expert systems. Examines key issues involved in using information systems for decision making. Explores how information systems are used to solve management problems.

**MGT 266. Project Management (4)** Seminar, 3 hours; extra reading and project, 3 hours. Prerequisite(s): MGT 207 or equivalent. Addresses issues of project planning and control. Topics include differences between projects and production systems; project selection; project teams; breakdown structures of organization and work; scheduling and budgeting; resources management; project control and evaluation; and current project management software.

**MGT 200. Organizational Behavior and Theory (4)** Lecture, 3 hours; extra reading, 1.5 hours; outside projects, 1.5 hours. Prerequisite(s): MGT 404 or consent of instructor. Enhances student understanding of complex organizational life using multiple perspectives at the micro and macro levels. Addresses theories and research pertaining to organizational structure, culture, group dynamics, interpersonal relations, and social psychological factors with the goal of developing students’ capabilities for diagnosing organizational problems and identifying appropriate solutions.

**ENSC 201. Environmental Management (4)** Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): MGM 404 or consent of instructor. An introduction to economic instruments used to make environmental policy to address pollution control and natural resource protection on local and international scales. Investigates public and private incentives for single and multiple polluters to reduce pollution and conserve exhaustible and renewable resources.
MGT 201. Quantitative Analysis (4) Lecture, 3 hours; discussion, 1 hour.
Prerequisite(s): MGT 403 or equivalent; familiarity with Microsoft's Excel spreadsheet software. Addresses the process of generating decision-making information from data and solving management problems using common computer tools. Covers problem identification and formulation, model selection and use, and interpretation of the results of statistical analysis. Topics include estimation, hypothesis testing, analysis of variance, simple and multiple regression, time series, and forecasting. May not be taken for degree credit by students in statistics undergraduate or graduate programs.

ENSC 202. Principles and Applications of Environmental Modeling (4) W, Alternate Even Years Lecture, 3 hours; discussion, 1 hour. Prerequisite(s): graduate standing or consent of instructor. Introduction to the principles of transport modeling, including mass balance and flux laws, boundary conditions, and rate processes. Discusses and demonstrates the use of compartmental and differential models of specific environmental processes. Also examines case studies and environmental modeling software applications. May be taken Satisfactory (S) or No Credit (NC) by students advanced to candidacy for the Ph.D.

MGT 202. Financial Management (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 201, MGT 211, or equivalents. Examines primary corporate finance theories and how to use them to solve problems. Topics include time value of money, net present value analysis, security valuation, portfolio theory and asset pricing models, capital budgeting decision, dividend policy, capital structure decision, mergers and acquisitions, and multinational financial management.

MGT 203. Managerial Economics (4) Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): MGT 403 or equivalent. Studies the micro-, macro-, and global economic environments of managerial decisions. Topics include demand and supply, production and cost functions, competition, labor supply, national income accounting, aggregate output, interest rates, fiscal and monetary policy, inflation, economic growth and business cycles, exchange rates, and international relationships in trade and finance.

MGT 205. Information Systems (4) Lecture, 3 hours; laboratory, 1 hour; outside projects and extra reading, 2 hours. Prerequisite(s): graduate standing; familiarity with basic computer operations and software packages. Examines the operation and management of information systems as applied to the business environment. Topics include hardware, software, databases, decision support, and systems analysis. Software packages are used to integrate information systems concepts and business applications.

ENSC 206. Environmental Policy and Law (4) S, Even Years Seminar, 3 hours; extra reading, 3 hours. Prerequisite(s): graduate standing, POSC 010 or POSC 010H, POSC 020 or POSC 020H; or consent of instructor. An introduction to the process and politics of environmental regulation in the United States and the negotiation and implementation of international environmental accords. Uses social scientific methods of analysis to investigate specific issues such as air quality, energy, and biodiversity. Cross-listed with POSC 206.
MGT 207. Operations Management for Competitive Advantage (4) Lecture, 3 hours; outside projects and extra reading, 3 hours per week. Prerequisite(s): MGT 201, spreadsheet skills. Focuses on managing the activities involved directly in the creation of products and services, such as design, production, and distribution. Provides managers with the skills and tools to analyze, optimize, and improve production processes for competitive advantage. Explores issues through lectures, cases, and videos pertaining to various industries.

MGT 208. Business, Government, and Society (4) Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): graduate standing. Provides a managerial perspective on the relationship between business and its external stakeholders. Primary focus is on the impact of public policy on business and the management of public issues in a global environment. Case studies and teamwork are emphasized.

MGT 209. Marketing Management (4) Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): MGT 403 or equivalent. Analyzes the marketing process, the environment within which it operates, institutions involved, and the functions performed. Examines the relationships and trends in a market-based economic system. Develops concepts and terms applied to marketing decisions from the perspective of a manager.

MGT 210. Human Resources Management (4) Lecture, 3 hours; outside projects and reading, 3 hours. Prerequisite(s): MGT 200. Introduces methods for managing the firm's human resources within the context of regulatory and economic conditions and changing workforce demographics. Topics include recruitment and selection, compensation and reward systems, employee development and appraisal, and information systems for meeting HRM objectives.

MGT 215. International Comparative Management (4) Lecture, 3 hours; outside projects and readings, 3 hours. Prerequisite(s): graduate standing. Comparative analysis of significant management practices. The impacts of cultural, political, social, and economic factors on decision making within the international arena are examined.

MGT 216. Managing a Diverse Work Force (4) Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): MGT 200 or consent of instructor. Covers management issues arising from a workforce that is increasingly diverse in terms of gender, race, age, ethnicity, culture, and health status. Topics include participation patterns and career development, stereotyping, communication styles, work-family conflicts, reasonable accommodation and other legislative requirements.

MGT 217. Management-Labor Relations (4) Lecture, 3 hours. Prerequisite(s): MGT 210 or equivalent and consent of instructor. The social forces leading to collective employee action in public and private institutions are examined in light of labor legislation, labor law, labor economics, collective bargaining, and the aspirations of social groups.
MGT 220. Negotiations for Managers (4) Lecture, 3 hours; individual study, 3 hours. Prerequisite(s): graduate standing or consent of instructor. Develops student understanding of the theory and processes underlying a broad spectrum of negotiation problems. Students attain competence in negotiations by applying analytic and interpersonal skills learned from readings and lectures to negotiation exercises and debriefings.

MGT 221. Decision Making Under Uncertainty (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 207 or consent of instructor. Introduces basic tools for using data to make informed managerial decisions under uncertainty. Addresses modeling, performance evaluation, and optimization of systems with uncertain parameters. Topics include Markov chains, Markov decision processes, and probabilistic linear and dynamic programming. Applications are drawn from operations, finance, marketing, and other management fields.

MGT 222. Organization Development and Change (4) Lecture, 3 hours. Prerequisite(s): MGT 200 or consent of instructor. Stresses the initiation and management of organizational change through the use of applied behavioral science knowledge. Emphasizes the diagnosis of organizational problems followed by the development of an improved plan and the strategies and tactics for implementing that plan.

MGT 224. Managing for Quality Improvement (4) Lecture, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 201 or consent of instructor. Discusses the operational aspects of quality improvement in manufacturing and service organizations. Focuses on the broader issues of total quality management, statistical process control, and the difficulties in implementing quality efforts in organizations.

MGT 227. Financial Institutions and Markets (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 201. Discusses characteristics of financial assets, financial markets, and financial institutions. Covers the simple relationships between these financial entities and basic macroeconomic variables such as wealth, income, and interest rates. Studies the demand and supply of money, loanable funds, the determinations of real rates of interest, and the term structure of interest rates.

MGT 228. Consumer Behavior (4) Lecture, 3 hours; consultation, 1 hour. Prerequisite(s): MGT 209 or consent of instructor. Analyzes why people buy and examines purchase decision processes and outcomes. Studies current models of consumer behavior. Topics include brand equity, customer delight, global marketing, behavior modification, and strategic market analysis.

MGT 229. Management Control Systems (4) Lecture, 3 hours; outside projects and readings, 3 hours. Prerequisite(s): MGT 204 or equivalent. Discusses the role of accounting information in the design and implementation of management control systems. Responsibility accounting and performance evaluation will be emphasized. Complex issues related to management control systems will be discussed through cases.
MGT 231. Corporate Finance and Investment (4) Lecture, 3 hours; outside problem sets and extra reading, 3 hours. Prerequisite(s): MGT 202. An intensive analysis of the effects of various corporate financial policy decisions on the value of the firm, including a discussion of the effects of taxes, bankruptcy costs, and agency costs on these decisions. Examines the interrelation of financing policy with executive compensation, leasing, hedging, and payout policies. Provides an understanding of the theoretical issues involved in the choice of these policies.

MGT 233. Marketing Research (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 201, MGT 209; or consent of instructor. Examines how marketing-related data is gathered from individuals and organizations. Explores the importance of integrating problem formulation, research design, questionnaire construction, and sampling so as to yield the most valuable information. Also studies the proper use of statistical methods and the use of computers for data analysis.

MGT 235. Strategic Management (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): graduate standing. Studies the formulation, implementation, and evaluation of business unit and corporate strategies and the organizational policies and managerial practices that support them. Applies theory to actual general management problems using cases, group exercises, and other simulations of strategic challenges.

MGT 236. Decision Making Under Certainty (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 207 or consent of instructor. Introduces basic tools for using data to make informed managerial decisions under certainty. Covers modeling and solution methods in network optimization, integer and nonlinear programming, and multiple criteria decision analysis. Examines applications and case studies in operations, logistics, finance, and marketing.

MGT 237. Multinational Financial Management (4) Lecture, 3 hours; outside projects and readings, 3 hours. Prerequisite(s): MGT 202. The fundamentals of financial management on an international scale are examined. Topics covered include the international financial systems (past, current and proposed), balance of payments, foreign exchange markets (spot, forward, futures, options), the Euromarkets, measurement of foreign exchange risk, hedging foreign exchange risk, the international capital asset pricing model, and trade financing.

MGT 239. Simulation for Business (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 201, MGT 205. Introduces computer simulation as a tool for analyzing complex decision problems. Analyzes and discusses the theory and practice of modeling through simulation. Topics include modeling uncertainty and collecting input data, basic simulation principles, Monte Carlo simulation techniques, model verification and validation, and analysis of simulation output. Examines applications in manufacturing, finance, health services, and public policy.
MGT 240A. Taxation (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 211 or equivalent or consent of instructor. Covers federal income tax laws as they apply to individuals, partnerships, and corporations. Also discusses tax planning, tax policy, and other special tax issues.

MGT 241. Accounting Systems and Control (4) Lecture, 3 hours; outside projects and readings, 3 hours. Prerequisite(s): MGT 204 or equivalent. Study of the design and implementation of accounting systems including those for sales, receivables, purchases, payables, cash receipts and disbursements, payroll, production control, etc. Topics on auditing, internal accounting control, and related issues will be emphasized.

MGT 243. Product Development (4) Lecture, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 209 or consent of instructor. Develops a framework for the development of product concepts through new product introduction. Emphasis is given to tactical and strategic decisions in product positioning and policy. Relies on extensive computer-based analysis.

MGT 244. Cases in Financial Management (4) Lecture, 3 hours; written case analyses and reports, 3 hours. Prerequisite(s): MGT 202, MGT 231. Provides intensive exercise in valuation methods and the economic analysis of problems of corporate financial policy. Specific case topics include advanced capital budgeting, cost of capital estimation, corporate valuations, merger and takeover transactions, recapitalizations, capital structure policy, security issuance and repurchase, risk management, and dividend policy. Case reports, both written and oral, are required.

MGT 246. Entrepreneurial Management (4) Lecture, 3 hours; outside projects, 3 hours. Prerequisite(s): MGT 202, MGT 209; or consent of instructor. Study of the entrepreneurial process, its challenges, and the driving forces behind it—the managerial skills, mental attitudes, and basic knowledge necessary for creating and growing a new venture. Topics include opportunity assessment; building the management team; marshalling capital and other critical resources; and harvest strategies.

MGT 247. Advertising Management (4) Lecture, 3 hours. Prerequisite(s): MGT 228 or consent of instructor. Examines the role and use of advertising within the marketing function. The models and research methods appropriate to the field will be explored with special attention given to objective setting, copy decisions, media decisions and budgeting. Social/economic issues are also examined.

MGT 248. Global Marketing (4) Lecture, 3 hours; outside research, 2 hours; extra reading, 1 hour. Prerequisite(s): MGT 209 or consent of instructor. Analyzes global markets and opportunities. Provides an understanding of global environments and the marketing management required to meet the demands of global markets in a dynamic setting.

MGT 249. Pricing Strategy (4) Lecture, 3 hours; consultation or discussion, 1 hour. Prerequisite(s): MGT 209 or consent of instructor. The concepts of competitive pricing,
price leadership, price discrimination, price warfare, and the strategic implication of skimming versus penetration strategies with respect to the experience curve will be developed.

**MGT 250. Marketing Channels and Sales Force (4)** Lecture, 3 hours; outside project, 3 hours. Prerequisite(s): MGT 209. Examines decisions related to distribution channels and sales force. Discusses how to select the most appropriate marketing channel. Channel management topics include distribution intensity, power, control, and channel conflict. Covers issues in sales-force management, compensation, structure, and size.

**MGT 251. Market Assessment (4)** Lecture, 3 hours; outside project, 3 hours. Prerequisite(s): MGT 209. Examines advanced topics in marketing, with emphasis on quantitative tools to aid marketing decision making. Topics include demand and market-share forecasting, conjoint analysis, market segmentation and cluster analysis, brand positioning and competitive market structures, and assessing market response to price, advertising, promotion, distribution, and sales force.

**MGT 252A. Securities Markets (4)** Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 202. Discusses portfolio theory, including the Markowitz model. Addresses pricing in the capital markets with an emphasis on the Capital Asset Pricing Model and the Arbitrage Pricing Theory. Covers empirical issues in testing these models. Other topics addressed include risk-adjusted portfolio performance, term structure of interest rates, bond pricing, and bond portfolio management.

**MGT 252B. Speculative Markets (4)** Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 201, MGT 202; MGT 252A or consent of instructor. Covers various topics in derivatives markets. Introduces pricing techniques for forwards, futures, options, swaps, and other derivatives. Addresses risk management and investment strategies with derivatives.

**MGT 253. Internet Marketing (4)** Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 209 or consent of instructor. Examines the role of the Internet in an organization’s overall marketing framework. Discusses marketing applications of personalization, traffic generation, online search, community, online experience, and other current Internet-enabled marketing techniques. Emphasizes Internet retailing.

**MGT 254. Internet Retailing Project (4)** Lecture, 3 hours; extra reading, 1.5 hours; outside projects, 1.5 hours. Prerequisite(s): MGT 209; consent of instructor. A practical examination of the Internet retailing customer chain from a managerial perspective. Involves special-topic lectures, directed readings, active discussion, and student presentations. Culminates in a class-written book comprised of chapters focusing on team-developed solutions to industry problems. Course is repeatable to a maximum of 8 units.

**MGT 257. Marketing Strategy (4)** Seminar, 3 hours; consultation, 1 hour. Prerequisite(s): MGT 209 or consent of instructor. A framework is developed for
strategic marketing planning. Topics emphasized include market audits and futures research, product-market identification, product portfolio balancing, target market strategy and integrated marketing program planning. Relies heavily on an extensive computer-based market simulation.

MGT 259. Operations Planning and Control (4) Seminar, 3 hours; outside projects and extra reading, 3 hours. Prerequisite(s): MGT 207. A study of the design of systems used for controlling assets, planning, and scheduling in manufacturing and service operations. Includes analysis of operating systems and discussion of planning and scheduling methods, heuristics, and interfaces with MRP and JIT inventory systems. Emphasizes the importance of integration, flexibility, and automation of the operation system.

MGT 260. Contemporary Issues in Management (4) Seminar, 30 hours per quarter; individual study, 30 hours per quarter. Prerequisite(s): graduate standing or consent of instructor. Focuses on recent developments and selected topics in contemporary management practices. Discusses innovative practices in areas such as marketing, finance, accounting, information technology, production, and distribution. Includes presentations by students, invited scholars and business professionals. Course is repeatable as topics change to a maximum of 8 units.

MGT 261. Contemporary Issues in Entrepreneurship (4) Seminar, 30 hours per quarter; individual study, 30 hours per quarter. Prerequisite(s): graduate standing or consent of instructor. Addresses current issues and innovations in entrepreneurial management to develop a broad understanding of the interrelationship among all functions of management, including marketing, finance, accounting, information technology, production, and distribution. Discusses topics such as family business management, entrepreneurial marketing, managing growth, strategies for innovation, and market entry and exit decision making.

MGT 262. Advanced Topics in Management (4) Seminar, 30 hours per quarter; outside research, 30 hours per quarter. Prerequisite(s): graduate standing or consent of instructor. Intensive study of selected topics in management. Includes readings, discussion, and presentation of research. Requires completion of an analytical research paper based on recent advances in management strategy. Topics include leadership, change, value creation, and innovations in strategies related to the functional areas of management. Course is repeatable as topics change to a maximum of 8 units.

MGT 263. Advanced Topics in Entrepreneurship (4) Seminar, 30 hours per quarter; outside research, 30 hours per quarter. Prerequisite(s): graduate standing or consent of instructor. Explores various topics relevant to the development of entrepreneurial skills in a variety of management functions, including marketing, finance, and operations. Includes lectures, case studies, presentations by entrepreneurs, and exercises to provide students with a realistic understanding of entrepreneurial challenges.
MGT 267. Applied Business Forecasting (4) Seminar, 3 hours; outside project, 3 hours. Prerequisite(s): MGT 201 or equivalent. Provides experience in developing forecasting models and applying them to problems in marketing, production, inventory management, business economics, and other fields. Discusses issues in data acquisition, data analysis, modeling of relations between variables, trend analysis, and seasonal forecasting. Uses case studies and applications from a variety of management areas.

MGT 268. Funding the Entrepreneurial Venture (4) Seminar, 3 hours; case studies, 2 hours; reading (extra), 1 hour. Prerequisite(s): MGT 246 or consent of instructor. Provides a working knowledge of the many financing vehicles and techniques employed in financing new and emerging ventures. Topics include identifying opportunities; deal structure; sources of debt and equity financing; valuation techniques; later-stage financing strategies; and the harvest.

MGT 269. The New Venture and the Business Plan (4) Seminar, 3 hours; outside research, 2 hours; case study preparation, 1 hour. Prerequisite(s): MGT 246 or consent of instructor. Focuses on the entrepreneurial process from conception to birth of a new venture. Explores the process of developing an opportunity assessment, structuring and rewarding the founding management team, and marshalling necessary critical resources through the development of a full-scale business plan.

MGT 272. Global Strategy and Management (4) Seminar, 3 hours; outside projects, 3 hours. Prerequisite(s): MGT 200, MGT 202, MGT 209; or consent of instructor. Provides an overview of the strategic issues that multinational firms and managers encounter in a global marketplace. Topics include the globalization of the world economy, mode of entry into markets, analysis of political risk, global strategic alliances, and competing in emerging economies.

MGT 274. Advanced Topics in Finance (4) Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 202. Explores the latest developments in theoretical or empirical finance. Topics covered may include asset pricing, performance evaluation, derivative securities, market micro structure, corporate finance, and corporate control and governance.

MGT 275. International Banking (4) Seminar, 3 hours; research, 3 hours. Prerequisite(s): MGT 202, MGT 227. Discusses the motives behind the multinationalization of commercial banking activities, the international banking markets, international banking services—swaps, underwriting, foreign exchange, portfolio management, immunization techniques, etc., and the set of risks unique to international operations.

MGT 276. Corporate Financial Policy and Control (4) Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 231 or equivalent. Examines the theory and empirical evidence for models of corporate financial policy. Includes analysis of new issues of securities, asset sales, recapitalizations, stock repurchases, and the market for corporate control (tender offers, mergers, proxy fights, and corporate voting rights).
Emphasizes critical evaluation of the evidence for different models of corporate financial policy.

**MGT 279. Investment Management (4)** Seminar, 3 hours; outside research, 3 hours. Prerequisite(s): MGT 252A or equivalent. Covers advanced topics in equity management. Discusses portfolio theory, market micro structure, security analysis, valuation, investment management strategies, and essential backroom operations such as accounting and reporting. Provides hands-on experience in investment management.

**MGT 284. Issues in Asian and American Business Interactions (4)** Seminar, 3 hours; individual study, 3 hours. Prerequisite(s): graduate standing or consent of instructor. Studies American and Asian business interactions, including international trade, outsourcing, joint-venture agreements, foreign direct investments, and multinational organizations. Develops an understanding of the opportunities for business and trade between American and Asian organizations and the skills required to manage resources and successfully implement multinational business strategies.

**MGT 285 (E-Z). Special Topics in Management (4)** seminar, 3 hours per week or 30 hours per quarter; assignment of the remaining hours varies from segment to segment. Prerequisite(s): graduate standing; consent of instructor. Additional prerequisites are required for some segments of this course; see the School. Covers topics not contained in a regular course. Topics are announced at the time of offering.

**MGT 290. Directed Studies (1-6)** Prerequisite(s): consent of instructor. Directed studies and research in selected problems or theories of management for advanced graduate students to pursue special areas of interest. Graded Satisfactory (S) or No Credit (NC). Course is repeatable.

**MGT 297. Directed Research (1-6)** Prerequisite(s): consent of instructor. Directed research in selected problems of management for graduate students with special research interests. Graded Satisfactory (S) or No Credit (NC). Course is repeatable.

**MGT 298-I. Fieldwork in Management (1-4)** Field, 3-12 hours; consultation, 1 hour. Prerequisite(s): consent of instructor. Supervised field experience culminating in a final report or other academic component. May be repeated for up to 8 units of credit toward the degree.
EXHIBIT II. LADDER FACULTY—DEPARTMENT OF ACCOUNTING AND INFORMATION SYSTEMS

Woody M. Liao is Professor of Accounting at University of California - Riverside. He received his Ph.D. degree in Accounting from University of Florida in 1974 and Master of Business Administration degree from Illinois State University in 1970. He is a CPA and CMA. Before joining UCR in 1991, he taught at the University of Houston from 1978 to 1990 and was the Director of the Ph.D. Program in Accountancy & Taxation from 1985 to 1990. He also taught at VPI & State University from 1974-1978. His areas of expertise and research interests are: (1) Management planning and control systems, (2) Corporate Governance, Executive compensation, and Earnings Management, (3) Risk Management and Performance Evaluation. He has published papers in leading accounting journals such as The Accounting Review, Contemporary Accounting Research, ABACUS, Management Accounting, Accounting Horizons, Behavioral Research in Accounting, International Journal of Accounting, Journal of Business, Finance, and Accounting, Accounting and Business Research, Journal of Accounting Literature, and Decision Sciences. He teaches courses in Managerial Accounting, Financial Accounting, Intermediate Accounting, and Advanced Management Accounting. He has been invited and served as visiting professor and speaker at University of Hawaii, Naval Postgraduate School, National Chung Hsing University in Taiwan, and Chinese University and Hong Kong Polytechnic University in Hong Kong. He was named a “Prolific Author in Accounting” in 2002.

Birendra (Barry) K. Mishra, Ph.D., is Professor of Accounting and Information Management and the faculty advisor to the Accounting Society at University of California at Riverside. He received his Ph.D. in Accounting from University of Texas at Austin in December 1996. Prior to that Barry has earned his Bachelors in Mining engineering from NIT Rourkela and his Masters of Science degree in Petroleum engineering from University of Texas at Austin. Barry's research interests are quite diverse including the areas of accounting disclosure, management and control, operational risk, information systems security and open source software. He uses a variety of methodologies including game theory, agency theory, and econometric models. He has published articles in major journals including Journal of Accounting Research, The Accounting Review, Management Science, Marketing Science, Information Systems Research and IEEE Transactions. Barry teaches courses in managerial, financial and accounting information systems. Recently Prof. Mishra has been awarded the AICPA grant to study internal control risk using strategic framework.

Dr. Theodore J. (Ted) Mock, Ph.D. is Distinguished Professor of Auditing and Assurance at UCR. From 1982 -- 2006 he served as Arthur Andersen Alumni Professor at the University of Southern California (USC). Ted has visited many universities worldwide including the University of Otego in New Zealand as a Fulbright Scholar; the Norwegian School of Economics and Business, Bergen, Norway; Maastricht University as a Fulbright Scholar; Nanyang Technological University as Shaw Foundation Professor; The Australian National University and The University of Melbourne. Ted's teaching and research interests lie primarily in the areas of audit and assurance services. During
1977 - 78, he was the first audit research fellow at KPMG in New York City. His AICPA research monograph with J. Turner on internal control evaluation was awarded the American Accounting Association Wildman Award and he was a co-author of the AICPA monograph on collaborative audit research that received the 1998 Joint AICPA/AAA Collaboration Award. In 2003 he received the AAA Auditing Section Outstanding Auditing Educator award and in 2006 the AAA ABO Notable [Lifetime] Contribution Award. Ted has served many positions within the American Accounting Association including editor of Auditing: A Journal of Practice & Theory, Director of Research, and President of the Auditing Section. He currently serves on the advisory boards of the Maastricht University Accounting & Auditing Research Center and the USC SEC & Financial Reporting Institute.

Michael L. Moore, Ph.D., CPA, is Professor of Accounting and Chair of the Department of Accounting and Information Systems. He received his Ph.D. and M.S. degrees from The Pennsylvania State University and his B.A. from University of Washington. He has been on the faculties of The University of Texas at Austin, University of Southern California and Colorado State University. Michael’s research areas are international taxation and tax policy. He has published articles in Journal of Accounting Research, The Accounting Review, Journal of the American Taxation Association, Tax Adviser and Journal of Taxation among others. His book, U.S. Tax Aspects of Doing Business Abroad is in its sixth edition. He is past president of the American Taxation Association. Michael teaches courses in taxation and financial accounting at the undergraduate and graduate level. His current outreach activities include membership on the Board of Directors and Treasurer of Arts Manhattan and membership on the Board of Directors and Financial Officer of Richstone Family Center, not for profit organizations.

Waymond Rodgers, Ph.D., CPA, is a professor in the School of Business Administration at the University of California in Riverside. His degrees are from University of Southern California, Ph.D. in accounting, and a cognitive psychology post doctorate from the University of Michigan. He is a Certified Public Accountant in California and Michigan. Dr. Rodgers' accounting, banking and management expertise derives from his employment as an auditor at PricewaterhouseCoopers and Ernst & Young. Also, he was a commercial loan officer for Union Bank and his portfolio included Fortune 500 companies. His primary research areas are auditing, commercial lending decisions, decision modeling, ethics, trust issues, intellectual capital, and knowledge management. Professor Rodgers' has published in the Communications of the ACM, European Accounting Review, Journal of Business Ethics, Journal of Applied Social Psychology, Journal of Economic Psychology, Journal of the Association of Information Systems, Management Science, among other journals. Finally, he is the recipient of major research grants from the Brazilian Research Foundation, Canada Research Foundation, Citibank, Ford Foundation, National Institute of Health, National Arts Foundation, Department of Defense, and the Navy Personnel Research and Development Center and others.
Erik Rolland, Ph.D., is Professor of Information Systems in the Department of Accounting and Information Systems at the Anderson Graduate School of Management & School of Business Administration at the University of California - Riverside. Since graduating with his Ph.D. in Decision Sciences & Information Systems from the Fisher College of Business at the Ohio State University in 1991, he has been on the faculty of the Anderson Graduate School of Management at UC Riverside, the Fisher School of Business at the Ohio State University (Columbus, Ohio), and a visiting professor with the Antai School of Management & Economics at the Shanghai Jiaotong University (Shanghai, China). He has held a cooperating faculty appointment in the Department of Computer Science Engineering with the Bourns College of Engineering at UCR. Dr. Rolland was the inaugural director of the University of California’s Heckmann International Center of Entrepreneurial Management, in Palm Desert, California, and has served as both Department Chair and Associate Dean in the Anderson Graduate School of Management at UC Riverside. Erik’s research embodies a broad range of management and engineering areas, electronic commerce, service science, and modeling of complex technology and management problems. He has published more than 70 articles in academic journals and texts on information systems, technology management, operations research, leadership, and strategy. Erik has served on the editorial board of Operations Research, Decision Sciences, INFORMS Journal on Computing, and many other top journals in information systems. Erik is the recipient of the 2009 American Institute for Certified Public Accountants’ (AICPA) Management Accounting Research Fellowship for his work on Enterprise Risk Management, and the 2010 IBM Faculty Award for his work on understanding patent value.
Exhibit III

ACADEMIC DEGREE PROGRAM PROPOSALS: INFORMATION REQUIRED BY CPEC

This questionnaire is to be completed by sponsoring faculty (department of group). It will be used by Systemwide Administration to prepare a report to the California Postsecondary Education Commissions. If more space is required, please attach as many additional sheets as necessary. Attach to full proposal.

1. Name of Program: Master of Arts in Accounting, Auditing and Assurance
2. Campus: University of California Riverside
3. Degree/Certificate: Master’s Degree
4. CIP Classification: (to be completed by the Office of the President)
5. Date to be started: September 1, 2012 (or sooner if feasible)
6. If modification of existing program, identify that program & explain changes.
   - Not Applicable.
7. Purpose (academic or professional training) and distinctive features (how does this program differ from others, if any, in California?)

Program Differentiation

Our innovative program will have a primary focus in the audit and assurance area and the knowledge and skills necessary to be successful well rounded leaders in this critical area of the accounting profession. There are few programs in the country that offer such a focus and none in California. One area of specialization that is unique to Department of Accounting and Information strengths is in the audit and assurance area. We currently have faculty who can distinguish our program from other programs in our geographic area and the United States.

In addition to providing specialized accounting education appropriate for a master’s degree level, including specialized accounting courses and advanced study in several of the core practice areas of auditing and assurance, financial accounting, management accounting, taxation, information systems, government (or nonprofit) accounting, international accounting and an integrative course, this program will focus on five distinct elements:
• Knowledge recommended for the Accounting and Auditing Profession. This includes a sufficiently large, broad and deep general education component to yield a level of knowledge that is characteristic of broadly educated persons; organizational and business knowledge for the understanding of the economic, social, cultural and psychological forces that affect organizations; and a strong fundamental understanding of accounting information systems and auditing and how to use accounting data, exercise judgments, evaluate risks and solve real-world problems.

• Communication Skills. Accounting and auditing requires the ability to transfer and receive information with ease.

• Intellectual Skills. These intellectual skills include the ability to solve diverse and unstructured problems in unfamiliar settings, the ability to comprehend an unfocused set of facts; identify and, if possible, anticipate problems; and find acceptable solutions, the ability to identify ethical issues and apply a value-based reasoning system to ethical questions, and the ability and judgment to select and assign priorities within restricted resources and organize work to meet tight deadlines when necessary.

• Interpersonal Skills. These include learning to work effectively in groups with diverse members to accomplish a task and the ability to influence others; organize and delegate tasks; motivate and develop other people; and withstand and resolve conflict.

• Executive Presence: The accounting and auditing profession demands a high level of professionalism. Students wishing to enter the field must strategically manage the impression they are making to employers during networking events, interviews and other interactions.

8. Type(s) of students to be served:

Students interested in entering a CPA certificate or other professional auditing certification in order to become professionals in such endeavors as partners in accounting firms, corporate financial officers or controllers or consultants would be attracted to this program.

9. If program is not in current campus academic plan give reasons for proposing program now:

Nearly 20 years ago there was a groundswell of support from professional and academic organizations such as the American Institute of Certified public Accountants and the American Accounting Association for 150 semester hours of education for professional accountants. The State of California will required 150 semester hours of education for new CPA licensing beginning in 2014, thereby joining over 50 jurisdictions with the 150 hour requirement. As with most professions with an expanding knowledge base it became increasingly difficult to prepare a candidate for the profession with just a baccalaureate degree. Over the intervening years since this early recommendation for a fifth year of education for professional accountants and auditors, there has been a geometric increase in the
knowledge and skills needed for successful discharge of professional responsibilities. Globalization, a revolution in technology and increased regulation affecting both internal accountants, external accounting and auditing professionals have all contributed to the demands for additional education.

10. If program requires approval of licensure board, what is the status of such approval?

   • Not Applicable

11. Please list special features of the program:

   Emphasis in the following areas:

   • Audit and assurance
   • Ethical values
   • Compliance with educational requirement for CPA certification

12. List all new courses required:

   Courses which have been developed specifically for this program include:

   • MGT 225—Professional Accounting and Auditing Research
   • MGT 278B—IT Audit and Assurance
   • MGT 229—Sustainability and Ethical Control Systems

13. List all other required courses

   • MGT 278A—Auditing and Assurance Services: Theory and Practice
   • MGT 240B—Advanced Taxation
   • MGT 238—Management Synthesis

14. List UC campuses and other California institutions, public or private, which now offer this program or closely related programs:

   • No UC campuses currently have a master of accounting program, although UC Berkeley and UC Davis each have proposals under system review for a master of accounting program.
   • University of Southern California has masters of accounting program.
   • Several California State University campuses offer masters programs in accounting.
15. List any related program offered by the proposing institution and explain relationship.

- None exist

16. Summarize employment prospects for graduates of the proposed program. Give results of job market survey if such have been made.

- A partial list of employers currently hiring students with a Bachelor of Science, Business Administration with an accounting concentration from UCR that would continue to be prospects should a be offered include:
  - KPMG
  - PriceWaterhouseCoopers
  - Ernst & Young
  - Deloitte & Touche
  - McGladrey & Pullen
  - Genske Mulder
  - Squar Milner
  - County of San Bernardino
  - The Walt Disney Company
  - Moore, Stephens, Wurth
  - Southern California Edison
  - Wells Fargo Financial

- Based on experience of other programs, it is expected that most AGSM graduates will have multiple job offers.

17. Give estimated enrollment for the first 5 years and state basis for estimate.

- We estimate entering enrollment of at least 20 students increasing to 40 entering students within the first few years.

- There were 56 seniors with accounting as a concentration for Fall 2010 with a grade point average of 3.2 or better.

- Based on feedback from these students, it is expected that at least half of graduates such as these would opt for the program.

- The State of California (and most other jurisdictions) require or will require 150 semester hours of coursework to be licensed CPAs.
18. Give estimates of the additional cost of the program by year in each of the following categories: FTE Faculty, Library Acquisitions, Computing, Other Facilities, Equipment. Provide brief explanation of any of the costs where necessary.

- Other than additions to FTE Faculty that would be needed regardless of this program, there should not be any additional costs in each of the categories above.

19. How and by what agencies will the program be evaluated.

- The program will be evaluated by the AACSB at UCR's next accreditation review. It will also be in conformance with the AICPA's general guidelines for Master's programs in Accounting, Auditing, and Assurance.
December 8, 2009

Michael L. Moore, Chair
Department of Accounting and Information Systems
School of Business and Anderson Graduate School of Management
University of California, Riverside
Riverside, California 92521

Dear Professor Moore,

I am writing with great pleasure to express Ernst & Young’s (E&Y’s) continued support for the ongoing advancement of the A. Gary Anderson School of Management (AGSM) and its efforts to launch a successful Master of Science in Accounting and Assurance (MAcc) program at the University of California, Riverside (UCR). E&Y, a leading global professional services firm providing assurance, tax and advisory services to a broad array of clients throughout the world, provided the funding for the 2020 Student Workshop that was one of the catalysts for the development of this proposal.

The rigors of the accounting profession are increasing, and the level of technical and academic training necessary to fulfill our professional duties has increased substantially. The requirements for licensure as a certified public accountant are increasing in many jurisdictions, including California, and will generally require an additional year of academic study. We only hire candidates who have the academic coursework that enables them to qualify for licensure in California, and we expect an employee to be licensed in the states in which they provide service to their clients. The proposed MAcc program would provide students with the academic coursework to pursue licenses as certified public accountants just as the requirements imposed by California and other states are increasing.

The current economic environment has created significant challenges for businesses in all industries. Our clients have looked to us as advisors to facilitate critical decisions that are impacting the future viability of their businesses. Through our assurance services, we continue to play a critical role of maintaining confidence in the global capital markets by ensuring that investors are provided with complete and accurate financial information to make informed investment decisions. We take this responsibility very seriously, and it requires us to attract and retain the best professionals available in order for us to successfully deliver on our promise to investors. The current economic conditions, and the associated impact on the companies that we serve, underscore the importance of our responsibility to the investor community.
In addition to the challenges brought about by the current economic conditions, the impending transition to international financial reporting standards (IFRS) in the near future will create new challenges for businesses and our profession. Changing from the U.S. accounting rules to the new global rules will be an unprecedented challenge for our clients and the investor community. It will require the implementation of new accounting systems and management decision-making tools beyond the obvious changes to financial reporting and accounting. We see an increasing demand for qualified candidates in our profession with the skill set to handle these evolving challenges.

Given these drivers, we are truly at a transformational time in our industry. Accounting and information systems will take on a larger role in future of business decisions. The rigors of the profession will only increase and as a result, this will continue to be a high growth industry. We will need to hire more talented, highly-trained college graduates. Currently, the University of Southern California (USC) is the only major research university that offers a graduate accounting degree in Southern California. The supply of adequately trained talent has lagged demand for many years, and the need for this talent has never been greater in the current circumstances. UCR is uniquely qualified to meet this need for accountants and information systems graduates, and the offering of a graduate degree in accounting would enhance the reputation of UCR in Southern California and would meet this ever-growing need.

UCR has one additional strength that can be further leveraged by the development of the proposed MAcc program. E&Y has identified inclusiveness as our major transformational priority in the long-term. Attracting and retaining outstanding professionals with diverse backgrounds and experiences are key to our strategy. UCR clearly excels in inclusiveness and, as one of the most diverse campuses in the country, is positioned to meet one of our firm’s highest priorities. It also positions UCR to forge its future, as inclusiveness and diversity are key initiatives for many other high-performing organizations worldwide.

For these reasons, I am enthusiastically supportive of the efforts of AGSM leadership as it works to support the business community in Southern California with a graduate degree in accounting.

Warmest Regards,

Andrew J. Sale
Partner, Assurance and Advisory Business Services

cc: David W. Stewart, Dean
Anderson Graduate School of Management
December 7, 2009

Dear Professor Moore:

I am writing this letter of support for the initiative at the University of California, Riverside A. Gary Anderson Graduate School of Management (AGSM) to create a Master of Science in Accounting and Assurance (MAcc) program.

Demand for quality graduate education in accounting is on the rise. This is due in part to the recent substantial equivalency regulation passed in the State of California requiring CPA candidates to meet a five-year university education requirement. Currently the University of Southern California (USC) is the only major university offering an accounting graduate degree in Southern California. The current shortage of qualified accountants now and in the foreseeable future will create many opportunities for graduates from the proposed AGSM program.

The MAcc program proposal is testimony to AGSM's forward-looking vision and commitment to the business community. The resulting program and students graduating with a Master of Science in Accounting and Assurance (MAcc) answers an important call. The MAcc program will also have an important trickle-down effect by answering regional demand by businesses seeking value-adding accountants. Firms like mine will reap the benefits of recruiting graduates equipped with the excellence needed to help our companies succeed in the accounting industry.

I support AGSM's leadership as it works to meet the growing needs of the accounting profession in Southern California and throughout the West Coast.

Sincerely yours,
Squar, Milner, Peterson, Miranda & Williamson, LLP

Craig A. Weaver, CPA
Partner-In-Charge, Tax Services
Michael L. Moore  
Chair, Department of Accounting and Information Systems  
A. Gary Anderson Graduate School of Management  
University of California Riverside

Dear Professor Moore:

It is with great pleasure that I write this letter of support for the initiative at the University of California, Riverside A. Gary Anderson Graduate School of Management (AGSM) to create a Master of Science in Accounting and Assurance (MAcc) program. I have been waiting for over 20 years for the college to develop an accounting degree and I look forward to this important step forward and am anxious to meet the highly qualified accounting students that UCR will produce.

Demand for quality graduate education in accounting is on the rise. This is due in part to the recent substantial equivalency regulation passed in the State of California requiring CPA candidates to meet a five-year university education requirement. Currently the University of Southern California (USC) is the only major university offering an accounting graduate degree in Southern California. The current shortage of qualified accountants now and in the foreseeable future will create many opportunities for graduates from the proposed AGSM program.

The MAcc program proposal is testimony to AGSM’s forward-looking vision and commitment to the business community. The resulting program and students graduating with a Master of Science in Accounting and Assurance (MAcc) answers an important call. The MAcc program will also have an important trickle-down effect by answering regional demand by businesses seeking value-adding accountants. Firms like mine will reap the benefits of recruiting graduates equipped with the excellence needed to help our companies succeed in the accounting industry.

I am wholeheartedly in support of AGSM’s leadership as it works to meet the growing needs of the accounting profession in Inland Southern California and beyond.

Sincerely yours,

Joseph D. Bari, Principal

Cc: David W. Stewart, Dean
November 2, 2009

Michael L. Moore, Chair
Department of Accounting and Information Systems
Anderson Graduate School of Management
University of California Riverside
Riverside, CA 92521

Dear Professor Moore:

I support the proposal by the University of California Riverside A. Gary Anderson Graduate School of Management (AGSM) to create a Master of Science in Accounting and Assurance ("MAcc") program.

The MAcc program will provide for the needs of several constituencies: students seeking to enter the accounting profession (and especially those seeking a license as a Certified Public Accountant), the accounting firms that are the major initial employers of accounting graduates, and the regional business community that demands accountants who are well-educated, critical thinkers. This program will equip its graduates with the excellence needed to succeed.

Accounting is a highly-regarded, highly-competitive, highly-diverse, generally well-compensated profession that many students seek to enter. They can do so only after obtaining a comprehensive university education that allows them to focus on course material that qualifies them for the profession and enables them to become positive and creative forces in the community.

Demand for quality graduate education in accounting continues to rise. This is due in part to the substantial regulation recently passed in California that requires future CPA candidates to meet a five-year university education requirement. The growth in accounting demand also reflects the need by businesses, government, and the not-for-profit sector, in addition to firms engaged in public accounting, to deal accurately and correctly with a vast canvas of increasingly complex issues. Professionals indoctrinated in the accounting discipline are well-suited to meet these demands, and the need for them will create many opportunities for graduates of the proposed AGSM program.

The MAcc program proposal reinforces AGSM's forward-looking vision and
Michael L. Moore  
November 2, 2009

commitment to the business community in general to and the Inland Empire in particular. In addition to providing potential future business leaders, this program will also help answer demands by regional businesses seeking value-adding accountants.

Currently, the University of Southern California is the only university, other than several campuses of the California State University system, offering a graduate accounting degree in southern California. Clearly, AGSM's MAcc will provide a viable alternative and an outstanding source of future accountants.

As a practicing CPA for over 50 years, I look forward to this important step forward and support AGSM's leadership as it works to meet the growing needs of the Inland Southern California and beyond.

Yours truly,

Sheldon Richman

Sheldon Richman, B.S., J.D., C.P.A. and attorney, was a partner of Deloitte & Touche for more than 25 years, where he had significant client and professional assignments. Now retired from Deloitte, he has also served as the executive vice-president of a large importer of motor vehicles and the vice-president finance and administration of a southern California integrated real estate developer-operator. Richman continues to consult with businesses on a variety of matters and has been a Lecturer in Accounting in both the UCR undergraduate program and the California State University Fullerton MAcc program.
MA Accounting, Auditing and Assurance Proposal--Responses to Graduate Division Comments

Below are the responses from the Graduate Division to this proposal. Please let me know if you have any questions concerning any of the comments. Thanks.

Page 4, 1st paragraph, remove "fifth" from last sentence.

This has been removed.

Page 7, middle of 1st paragraph "The fifth year...". Delete reference to "fifth."

This has been deleted

Page 12, paragraph 1 states "Students admitted to the program will have an academic profile similar to those students admitted to other master's level programs in AGSM." It is not clear what is meant by this statement, and not sure that others will understand what is meant.

Our current criteria have been added

Page 12, paragraph 5, last sentence states "The School of Business Administration anticipates no need for additional full-time or part-time administrative support for this program." Since no new hires are anticipated, exactly what staff will be responsible for the administrative support of this program?

We have added a section that specifically spells this out

Page 13, paragraph 3 states "Candidates must complete 48 units to earn the degree. Of the 48 units, 24 units are required". This should be reworded to say: "Candidates must complete 48 units to earn the degree. Of the 48 units, the following 24 units are required ..."

This was changed to conform to your suggestion.

Page 14, paragraph 1 and 4: Not sure why these paragraphs are here on minimum residence, grading and acceptable progress. Those statements are in the Catalog and do not belong in a program proposal. They should be removed.

These were removed

Page 14, paragraph 2 is poorly written and has information that is not applicable. It should be rewritten to say "Plan II (Comprehensive Exam). The program is intended to conform to Plan II. Forty-eight units are required; 24 are in graduate core course work and the others are elective units. None of those may be in 291, 297 or 299 units. Every candidate must take a comprehensive exam.

Page 14: do they need to state normative time? There is boiler plate language near the top and a statement about 2 years which does not seem to apply to a one year program.

These two suggestions have been incorporated in the proposal.

Page 32, date that program is to be started should be changed to September 1, 2012.

This was done but with a caveat that if it is feasible we would like to launch program 9/1/11.

Page 35, second to last paragraph: Remove the statement that refers to the five year program.

This was removed.
March 16, 2011

Graduate Council
University of California, Riverside
Riverside, CA 92521

RE: Master of Arts in Accounting, Auditing and Assurance

Dear Members of the Council:

I am writing to endorse the proposed Master of Arts in Accounting, Auditing and Assurance. This is an important professional degree that has the potential to significantly differentiate UCR’s Business School within the UC System and raise the reputation of both the School and Campus. The Accounting Profession now requires five years of college course work, the so-called 30-hour or 45 quarter-hour rule, to qualify for the CPA examination. We have students who already remain on Campus and delay graduation in order to meet this requirement. This program provides a means for students to complete the additional hours required to qualify for the CPA examination while also completing a master’s degree. The School will also be able to charge program fees for the masters program, which will provide another stream of revenue for the School.

UCR’s School of Business Administration is already a significant provider of graduates to the workforce in accounting. The proposed program will make our undergraduate program more attractive and also make our graduates more attractive to organizations that hire accountants.

I enthusiastically support the program.

Sincerely,

David W. Stewart
Dean