

# AACSB INTERNATIONAL CONTINUOUS IMPROVEMENT REVIEW REPORT

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NAME	ABBREVIATION
Accounting Society	AS
Administrative Support Assistant II	ASA II
Administrative Support Coordinator	ASC
Beta Alpha Psi	BAP
California Society of CPAs	CalCPA
California State University, Fullerton	CSUF
Center for Corporate Reporting and Governance	CCRG
Department Personnel Committee	DPC
Ernst & Young	EY
Faculty Development Center	FDC
Forum for Corporate Directors	FCD
Guaranteed Accounting Program 4+1	GAP 4 + 1
Information Systems and Decision Sciences	ISDS
Irvine Valley College	IVC
Master of Science in Accountancy	MSA
Master of Science in Taxation	MST
Mihaylo Career Services	MCS
Meet the Firms	MTF
PricewaterhouseCoopers	PwC
Retention, Tenure, Promotion	RTP
Supplemental Instruction Program	SI Program
Southern California Accounting Research Forum	SCARF
University of California, Irvine	UCI
Volunteer Income Tax Assistance	VITA



## SECTION 1: ENGAGEMENT, INNOVATION AND IMPACT

### A. Engagement

- Now in its 17th year, the Center for Corporate Reporting and Governance (CCRG) has become the premier academic resource for financial reporting and corporate governance education in Orange County, California. Annual conferences and summits hosted by CCRG in the past five years include:
  - The SEC “Hot Topics” Conference every September, now in its 17th year, provides comprehensive updates from standard setters at the Securities and Exchange Commission (SEC), Financial Accounting Standards Board (FASB) and Public Company Accounting Oversight Board (PCAOB). The conference is attended by more than 500 audit committee members, CFOs, auditors, accountants, lawyers, academics, financial professionals and those involved in the financial reporting process.
  - The Haskell & White Academic Conference: Blending Theory with Practice, now in its 10th year, is also held each September. It provides opportunities for academics to engage with experienced researchers and network with the practice community. Attendees are scholars from around the world. The invited keynote presentations in the past three years were:
    - ◆ State of the Auditing Profession by Wayne Pinnell, managing partner at Haskell & White LLP.
    - ◆ State of the Accounting Profession by Rashad Abdel-Khalik, editor of the *International Journal of Accounting* and professor of accounting at the University of Illinois at Urbana-Champaign.
    - ◆ State of Accounting Research Regulation by Gary Previts, editor of *Research in Accounting Regulation*.
  - Presented in partnership with the Forum for Corporate Directors, the Executive Compensation Summit, now in its eighth year, is held each November. This event focuses on key executive compensation issues and is designed to prepare compensation committee members, directors, CEOs and other C-level executives for the upcoming proxy season.
- The department is engaged with the business community through its Accounting Advisory Board, which meets twice annually. The board provides feedback on our curriculum and fundraising strategy. The board includes partners and managers of national, regional and local firms, as well as executives from public and private businesses.
- The Adopt a Firm Program brings faculty and professionals together to advance student learning experiences. Faculty update their adoptee firms on curriculum and program changes, and the firms share information on what they are seeking in interns and new hires. The program was praised for its impact in Southern California in the 2016 *Orange County Register* article available at the following link: <https://www.ocregister.com/2016/01/27/csuf-connecting-students-faculty-with-accounting-firms/>.
- Recurring annual meetings with the accounting firms each fall and spring are held to reinforce connections with professional practice. Feedback from the profession helps shape our curriculum, pedagogy and research. In 2017-2018 alone, faculty group visits were made to eight Orange County firms.
- Our department hosted the Southern California Accounting Research Forum (SCARF) in 2013 and 2018. This forum aims to foster scholarship, professional development and collegiality among regional academics. At the 2018 forum, attending accounting faculty included those from CSU Fullerton, Cal Poly Pomona, Chapman University, USC, CSU Long Beach, CSU San Marcos and UC Irvine.

- The department also engages with the professional and academic communities by hosting numerous workshops and speaker events. Examples during the reporting period include:
  - On Sept. 14, 2017, the California Board of Accountancy held its annual board meeting at CSUF, which included a presentation to students and faculty on the CPA examination and licensure requirements.
  - In fall 2017, EY and Deloitte made presentations on fundraising under the new Tax Reform Act and increasing student success, respectively. In attendance at the EY presentation were donors and then CSUF President Mildred García.
  - CSUF accounting faculty engaged with other universities through short-term teaching sessions during summers and winters in Vietnam, China, Finland, the United Kingdom and Germany. Among the participating faculty members was Professor Vijay Karan, who taught at the Foreign Trade University in Hanoi, Vietnam, in January 2014 and June 2017. Another was Lecturer Neil Kuritzky, who taught at the Foreign Trade University in the summers of 2013 and 2018; Duy Tan University in Danang, Vietnam in summer 2014; and JAMK University of Applied Sciences in Jyväskylä, Finland in summer 2015. Professor Myungsoo Son taught at Yonsei University in Seoul, Korea in fall 2015.
- The department invites academic speakers and hosts faculty from other universities.
  - Visiting professors hosted by the Department of Accounting have included Stephen Wheeler from CSU Sacramento, Xinyi Zhang from Capital University of Economics and Trade in China from fall 2016 to summer 2017, Mete Karayel from Afyon Kocatepe University in Turkey in 2013, Myungsjun Oh from Korea National Tax Service from fall 2011 to spring 2013, and Robert Rieg from Aalen University in Germany in summer 2016. Invited research presentations included those from Tharindra Ranasinghe from Singapore Management University on Jan. 21, 2016, and Rashad Abdel-Khalik from University of Illinois at Urbana-Champaign on Sept. 18, 2014.
  - Our faculty are engaged with the profession as members of such professional organizations as the American Accounting Association (AAA), Institute of Management Accountants (IMA), The Institute of Internal Auditors (IIA), American Institute of Certified Public Accountants (AICPA), ISACA, FCD and Financial Executives International (FEI). Our faculty-practitioners maintain professional certifications that include CPA, certified internal auditor (CIA) and certified management accountant (CMA). They are also engaged in professional development through their participation in such professional continuing education platforms as Deloitte University, Ernst & Young Academic Resource Center (EYARC), PwC Accounting and Tax Symposium, Audit Bootcamps, and AIS Bootcamps.
- The Meet the Firms events each September and February provide our students with critical face-to-face networking and recruiting opportunities with the largest accounting firms and employers of accounting professionals in Orange County. The event has grown from approximately 500 students and 30 exhibitors at the beginning of the review period to more than 900 students and 50 exhibitors in 2017.
- Each semester, the awards banquets of Beta Alpha Psi (BAP) and Accounting Society (AS) provide an opportunity for our outstanding alumni and students to be recognized by local firms and our department. Partners and recruiters from the Big Four, other national firms and several local companies sponsor the event and provide scholarships.
- BAP/AS hosts guest speakers from the local business community, who share practical experiences and knowledge with faculty and students. More than 70 meetings were organized in the 2017-2018 academic year alone.
- The Accounting EXPO and Accounting Fest are annual events that present networking opportunities and panel discussions involving representatives from public and private accounting firms. More than 600 students attended the Accounting EXPO in 2017.



- The department actively supports the Volunteer Income Tax Assistance (VITA) program. In total, from 2015 to 2017, more than 300 volunteers provided nearly 9,000 combined hours of labor and completed more than 2,300 tax returns.
- The department has organized a case competition each year since 2013. Professionals from Deloitte & Touche serve as judges. Winning teams are announced during the awards banquet.

## B. Innovation

- The department, after consultations with its advisory board and stakeholders, has taken steps to integrate data analytics in the curriculum. Examples include:
  - ACCT 407 – Accounting and Data Analytics, a new course to be offered in fall 2018, which will provide hands-on experience on the use of data modelling tools, data mining, and data visualization and analyses.
  - ACCT 503 – Seminar in Contemporary Accounting Problems was taught jointly with the Department of Information Systems and Decision Sciences in spring 2018, which supplemented instruction by covering topics such as bitcoin, blockchain, and the use of data visualization tools for accounting and business decision making.
  - ACCT 597 – Capstone Project was revamped to include two formats, an academic pathway and a professional pathway. Beginning in fall 2018, the course will include practice-oriented exercises involving Tableau.
  - A new concentration in accounting and business analytics was approved by the Academic Senate in spring 2018. The curriculum will provide students with tools that cover descriptive, diagnostic and predictive analytics for solving a variety of complex business problems.
  - A new course on tax analytics is under development for launch in fall 2019.
  - Training was provided to all faculty members on Tableau and SAP data analytics software programs through three workshops held between 2015 and 2018.
  - In spring 2018, Lecturer April Morris was designated as the department's Tableau Specialist faculty member. In March 2018, she received a certificate of completion for Tableau Intermediate Data Visualization and Dashboarding. Her responsibilities include serving as a Tableau instructor for several undergraduate and graduate courses.
- The department launched new courses after discussions with our advisory board and accounting firms. An all-day tax retreat in fall 2017 helped identify gaps in our tax program, resulting in significant changes to improve the quality of our offerings. Following are examples of new courses that were approved as a result:
  - ACCT 415 – Accounting Ethics for Professionals. This new course has been offered since spring 2015. It was developed to fulfill the new licensure requirements for certified public accountants (CPA) in California.
  - ACCT 579 – Accounting for Income Taxes (ASC 740) is to be offered in fall 2018. It addresses how companies should account for and report the effects of taxes based on income.
  - ACCT 581 – Accounting Methods and Periods. In addition to a tax analytics course, the department is considering proposing this class, which will examine issues related to the allocation of items of income and deduction to the proper taxable year, including adoption of tax year-end definition of method of accounting; the annual accounting concept; cash, accrual and installment methods of accounting; time value of money; and uniform capitalization rules.



- In addition to the new courses noted above, the following broader updates have been implemented or are in progress.
  - The GAP 4+1 Program guarantees completion of a B.A. in business administration with an accounting concentration in four years, with an additional one-year master's degree extension option. The program is a collaboration with Irvine Valley College, a local community college assigned to provide the first two years of education. The 2016 cohort was the first, with 28 students.
  - Significant changes have been made to the M.S. in accountancy and M.S. in taxation programs. Starting in 2017, both programs have changed admissions-related requirements to be more in line with similar programs across the country. The GMAT or GRE requirement is now waived if a student's GPA is at least 3.3 and the student has relevant work experience. New courses were added after consultations with the advisory board and with stakeholders during a tax retreat.
  - An M.S. in accounting and finance will be offered as a new degree program, subject to approval by the Academic Senate. This degree is designed to provide education for students in advanced theories and applications in both accounting and finance.
- During the review period, the department also introduced numerous pedagogical innovations, including the following:
  - **Short-duration courses.** We offer selective 300- and 400-level courses in seven-week modules (with class meetings twice weekly from 7 to 9:45 p.m.) in the spring semester, so students with internships or full-time employment can take the courses without interrupting their work schedule during this busy time of the year.
  - **A faculty team-teaching model.** We introduced this in ACCT 307 – Accounting Information Systems and ACCT 308 – Concepts of Federal Income Tax Accounting. The team teaching model was also implemented in collaboration with the Department of Information Systems and Decision Sciences for ACCT 503 and with valuation practitioners for ACCT 445 – Valuation.
  - **Incorporating high-impact practices in the classroom.** As part of the tenure review process, faculty are encouraged to participate in the Faculty Development Center's workshops and obtain certifications in the use of high-impact practices.
  - **Leveraging technology.** We offer ACCT 402 – Auditing remotely from London, which is instructed by an EY audit manager and alumnus using Zoom video conferencing. This technology is also used in ACCT 503 for “zooming in” guest speakers, such as Melanie Swan from Purdue University, who discussed blockchain and cryptocurrencies. Starting in fall 2018, two of our tax classes (ACCT 579 and ACCT 573 – Seminar in Property Transactions) will also use Zoom for its guest speakers.
  - **Faculty Mentoring Program.** Under this program, a mandatory first meeting is required of newly-declared accounting students. Each accounting major has an assigned faculty member, who meets with their mentees throughout their course of study at CSUF. Initial mentoring rates have increased from 29% in spring 2017 to 80% in fall 2017 and 72% in spring 2018.
  - **Addressing bottleneck courses.** We use flipped classrooms for ACCT 201A – Financial Accounting and ACCT 201B – Managerial Accounting. The Mihaylo Tutoring Center and other tutoring services on campus are used to assist students using cases to apply concepts learned in courses. An assessment is performed on the common exam results.

## C. Impact

Examples of our impactful scholarly activities include:

- Six faculty members have published in A+ or A journals, with a total of seven publications in such journals during the review period. Three additional publications appeared in A- journals.
- Not including the above, the faculty have published in approximately 30 blind peer-reviewed journals (i.e., B journals).
- At least five published papers of our faculty have been cited by outside researchers in the field, for a total of more than 50 such instances. The 2011 study by Guo, Yuan, Archer and Connelly, “Understanding non-malicious security violations in the workplace: A composite behavior model,” which was published in the *Journal of Management Information Systems*, has been cited 262 times.
- Approximately 60 presentations of faculty research have been made at conferences and events during the review period. Of these, approximately 15 were made at the annual meetings of the AAA. Another 10 were made at the section and regional meetings of the AAA.
- Professor Ephraim Smith has made presentations to the California State Assembly (a hearing of the Assembly Select Committee on Higher Education) and to the California State Senate (a public hearing of the Senate Education and Budget Subcommittee Accountability Hearing, State Senate).
- Faculty serving on editorial boards include:
  - Professor Paul Foote serves on the editorial board of the *Journal of Business Forecasting*.
  - Professor Vivek Mande served on the editorial board of *Research in Accounting Regulation* until 2017.
  - Professor Fatima Alali served on the editorial board of *The International Journal of Accounting Research* (2013-2015) and as an ad-hoc reviewer.
- Service on external boards has also impacted the quality of the accounting education we provide. Fatima Alali is a member of the CalCPA Accounting Principles and Assurance Standards Committee. Vivek Mande is on the California CPA Society’s Accounting Education Committee. He also serves on the advisory boards of Irvine Valley College, Saddleback College, Orange Coast College and Cypress College. Associate Professor James Gong is on the board of the IMA, OC chapter.
- In recognition of their research, professors Vivek Mande, Myungsoo Son and James Gong received professorships of \$35,000 each annually for three years from EY, PwC and KPMG, respectively. Professors Wei Jiang, Richard Lu and Fatima Alali received research fellowships of \$25,000 each from White Nelson Diehl Evans and Moss Adams, respectively.
- Ephraim Smith has co-authored five books on federal income taxation. In 2017, Smith and his co-authors published the 34th edition of *CCH Federal Taxation: Basic Principles* and the 26th edition of *CCH Federal Taxation: Comprehensive Topics*, both published by Wolters Kluwer.
- Professors Myungsoo Son and James Gong received a \$29,000 competitive grant to fund changes to the ACCT 597 capstone class and the Ethics Symposium.
- In recognition of impactful teaching, faculty members Kirstin Li, Jie Zhou, Wei Jiang, Myungsoo Son, James Gong, I-Ling Wang and Walied Keshk received several teaching awards from EY and Moss Adams of \$10,000 each annually.

- Professor and Chair Emerita Betty Chavis and Lecturer Randy Hoffman were recognized by the AAA and CalCPA for their design of the flipped classroom format for ACCT 201A and ACCT 201B.
- Vivek Mande and Betty Chavis have published Accounting for Share-Based Compensation, a professional portfolio that is part of Bloomberg's Tax Financial Accounting Resource (BNA). Based on the high demand for this guidance, BNA has asked the authors to update the portfolio in 2018.

In alignment with our mission, our faculty have also published in high-impact practitioner journals, including the *Journal of Accountancy*, *Internal Auditing* and the *CPA Journal*. Other examples of the impact of faculty on practice/community include:

- CCRG has published research bulletins on audit fees, executive compensation and directorships in Orange County. These bulletins are disseminated to our advisory board and alumni, as well as accounting and law firms.
  - "Audit Fees Trends," published in 2013, was discussed at the quarterly meeting of the Audit Committee Roundtable—a forum of audit committee members of public companies in Orange County. This study was also requested by Deloitte OC, which sought 25 copies.
  - "Trends in Executive Compensation," published in 2014, was discussed at the Executive Compensation Summit of the Forum for Corporate Directors.
  - "OC Boards of Directors" was published in 2016. Gibson & Dunn requested 25 copies for their bulletin.
  - The *Orange County Register*, the leading newspaper in the county, reported on the three aforementioned studies.
  - Center Director Vivek Mande has been interviewed or cited in more than 25 news and news-related outlets, including the *Orange County Register*, *Orange County Business Journal*, *San Diego Business Journal*, *Compliance Week* and the *Audit Committee Insight*.
- The CCRG SEC conferences provide CPE for professionals and academicians. CCRG is registered with the National Association of State Boards of Accountancy (NASBA) as a provider of CPE.
- The Haskell & White academic conference has grown to attract academics from top schools. Papers by Devin Shantikumar and Elizabeth Chuck, both published in *The Accounting Review* (TAR), were recipients of the Best Paper Award at our conference.
- The department is a sponsoring member of Forum for Corporate Directors (FCD), a reputable corporate board forum in Orange County.

Our faculty have impacted business practices by providing consulting services. A selection of such consulting activities includes:

- Lecturer Bahram Hatefi, who specializes in forensic and fraud audits, has taught a three-day workshop and provided training on the 2014 Basel Policy on The Internal Audit Function in Banks to banking professionals in Tehran, Iran in 2015, where he also provided training about aspects of insurance fraud to a group of Iranian insurance companies.
- Lecturer April Morris' consulting work includes advising on how to market to and reach target customers using accounting software packages.
- Professor Christopher Petruzzi has provided tax planning for individual clients. He also managed a fund for Paloma Partners, a family of hedge funds. He holds four U.S. patents related to portfolio management, trading securities and audits of financial fiduciaries.

- Lecturer Neil Kuritzky consulted for Mia Rose Products in 2013 and 2014, acting as part-time CFO and human resource manager. His consulting work includes reviewing and adjusting monthly financial statements and giving strategic advice. He also consulted for Magna Optica & Medica, advising them on entry into new international markets such as the Middle East and Latin America.
- Director Vivek Mande is a consultant for IASeminars, which provides U.S. GAAP training to companies around the world. He has taught executives and clients in various locations in Europe and Asia. He also advises IASeminars on course delivery.

Examples of our program's impact on student success and career readiness include the following:

- Several of our alumni have joined Ph.D. programs. Examples include:
  - Jenna Feagin D'Adduzio '12 (M.S. accounting), Ph.D. from University of Georgia, expected 2019.
  - Eman Momeni '10 (M.S. accounting), Ph.D. from University of Isfahan, 2017. Now a lecturer at the University of Isfahan.
  - Shan Wang '10 (M.S. accounting), Ph.D. from University of Oregon in 2015. Now an assistant professor at Loyola Marymount University.
  - Rong (Irene) Zhong '11 (M.S. accounting), Ph.D. from University of Missouri – Columbia in 2015. Currently an assistant professor at the University of Illinois at Chicago.
- Student achievements and recognitions include:
  - Jocelyn Lee '19 (accounting) received a \$10,000 merit-based scholarship from the PCAOB in the 2017-2018 academic year.
  - Jose Menendez '19 (accounting) received a \$10,000 merit-based scholarship from the PCAOB in the 2018-2019 academic year.

Other notable scholarships bestowed by outside entities include a \$5,000 scholarship from RSM, \$3,500 from the Tax Executives Institute and \$3,000 from Financial Executives International (FEI). Additionally, more than \$50,000 in scholarships has been granted from private sources.

- Career successes include alumni who have received the *Orange County Business Journal* CFO of the Year award, been appointed to the national board of a global accounting firm, or have become partners in accounting firms or founders of CPA firms and businesses. Significant alumni achievements include:
  - Michael Martinson '05 (accounting), CFO of Ambry Genetics, received the CFO of the Year award given by *Orange County Business Journal* and CalCPA in 2017.
  - Jon Smith '02 (accounting) was promoted to partner at EY during the review period.
  - Joe Johnson '90 (MBA) was one of three partners elected to the board of BDO USA LLP during the review period.
  - Ryan Schluttenhofer '14 (accounting) was promoted to deals manager for PwC in New York City.
  - Barbara Kelley '84 (accounting), who owns her own accounting firm, Kelley Associates, was featured in the 2013 *Orange County Register* article available at the following link: <https://www.ocregister.com/2013/12/20/alumna-barbara-kelley-on-starting-her-business/>.
  - Vic Hausmaninger '64 (accounting and finance) is the founding partner of HBLA Certified Public Accountants Inc., an Irvine-based CPA firm offering business advisory and consulting services, strategic financial planning, executive mentoring, auditing, tax support, and tax planning and compliance services.

- Manuel Ramirez '88 (accounting) is chairman of the board of RJI International. He was appointed by Governor Arnold Schwarzenegger as a member of the California Board of Accountancy in 2007. In January 2010, Ramirez was elected president of the California Board of Accountancy.
- Chris Schmidt '81 (accounting) was elected chairman and chief executive officer of Moss Adams LLP, a role he will hold until June 30, 2022.
- Greg Brunette '73 (accounting) is the proprietor of Gregory S. Brunette Accountancy, a successful Orange County accounting firm.
- Kenneth W. Guchereau '74 (accounting) is the president of Guchereau Company, a successful real estate development firm.
- Charles Constanzo '12 (M.S. accounting) was named one of the highest scoring students nationally on the CPA exam in 2014.
- Our graduates are highly sought after by employers throughout Orange County:
  - More than 60% of our graduates have had jobs in accounting or related fields prior to or upon graduation.
  - More than one-third of our students have participated in internships prior to graduation.
  - Our students constitute the single largest group of hires in several accounting firms, including EY, PwC, Grant Thornton, RSM and White Nelson Diehl Evans.
  - There are large numbers of our graduates in local accounting firms and businesses. For example, 143 of our alumni work for EY. Eight of these are partners. Eleven of the partners at White Nelson Diehl Evans are alumni.
  - Employer surveys indicate that nearly all are likely to hire more CSUF students and graduates in the future.

## SECTION 2: SITUATION ANALYSIS

### A. What historical, national, local and other factors shape the accounting academic unit's mission and operations?

Founded in 1957 by an act of the California Legislature, Cal State Fullerton is the largest campus in terms of student population in the California State University (CSU) system, with more than 40,000 students in fall 2017. The school is located in Orange County, one of the most diverse and vibrant areas in Southern California. The student body is reflective of the diversity of Southern California: Approximately 20% of the students are Asian, 40% Hispanic, 20% white and 20% of other ethnic groups. In fall 2017, a record number of 69,939 people applied to the university. This included 45,394 applications from entering freshmen and 24,545 from transferring students. Due to budgetary, space and other limitations, many thousands of qualified students were unfortunately denied admission to the university.

With more than 9,000 enrolled students, the Steven G. Mihaylo College of Business and Economics is the largest accredited business school in California and third largest in the nation. It is named after Steven Mihaylo, who in 2008 donated \$30 million to the College of Business and Economics. This transformative gift elevated the reputation of the institution and helped better prepare our students for the workforce. Part of the donation was used to establish endowed professorships and implement student-learning initiatives. Due to the accomplishments of our graduates, the business school enjoys a strong reputation in Southern California. Additionally, by hosting many highly visible events, the college has become an integral part of the local community.

The college's Department of Accounting houses one of the largest undergraduate accounting programs on the West Coast, with more than 1,400 currently enrolled accounting majors. The size of the program provides the department opportunities to be flexible in scheduling classes and allows for more variety in accounting course offerings. The department is separately accredited by AACSB International, which alone sets it apart from other programs in Orange County. Only two other schools in Southern California have this dual accreditation.

The department's location in Orange County also presents unique opportunities to our students and faculty. The county is home to some of the most successful companies in the nation. In 2017, the Los Angeles-Orange County economy reached \$1 trillion in gross metropolitan product, making it the second largest metropolitan area in output in the United States, trailing only New York-New Jersey. With a countywide population of more than 3.2 million – the sixth-largest in the U.S. – there is a substantial local corporate presence that includes several Fortune 500 companies, including The Walt Disney Company, Ingram Micro, First American Corporation, Broadcom Inc., Western Digital Corporation and Pacific Life Insurance Company.

Due to the vibrant business environment and the strong demand for accounting services, all of the Big Four accounting firms have offices in Orange County and recruit heavily from Cal State Fullerton. Additionally, mid-tier accounting firms, industrial firms and governmental agencies also actively participate in recruiting events hosted by the department and vie for our graduates. With more than 30% of our students being first-generation college students, our graduates are known for their maturity, perseverance and work ethic.

The department has a history of maintaining close relations with the business community, holding regular meetings with businesses and accounting firms throughout the year for discussing curricular issues and recruiting practices. Several partners and senior management from large corporations are on the advisory board of the department and provide valuable input.

The funding for the California State University has shifted dramatically from state funding to student tuition and fees. Although the demands on the university have increased over the years, state funding to support the university has decreased. Prospective students also express concerns about committing to state institutions where evaporating resources result in uncertain course offerings and time-to-degree challenges. As of 2016-2017, state investment per student was \$8,843. This number reflects a slight rebound since the Great Recession, but it is still below the amount invested per student 30 years ago, if adjusted for inflation. In response, the university, Mihaylo College and the Department of Accounting have increased their efforts to raise funds from private sources.

The department's budget is approximately \$5.3 million, most of which is for faculty salaries. The faculty and staff are under union contract, which sets a maximum salary that the school can offer to new members. This restriction has created difficulties for the department in its hiring efforts as it competes with institutions that pay significantly higher salaries to their new accounting professors.

Despite this, the department has been fortunate to hire outstanding faculty members who are committed to teaching, research and providing service to the university and the professional community. Many of our faculty have published articles in top-tier journals. They also have received research and teaching awards from Mihaylo College and public accounting firms. Although there is a research expectation that is similar to that of research-based institutions, faculty members view their teaching responsibilities as their first priority and actively participate in student activities.

## B. What are the accounting academic unit's relative advantages and disadvantages in reputation, resources, sponsors and supporters?

While facing challenges in the competitive higher education sector, the Department of Accounting is well-respected in the Southern California business community, particularly in Orange County. The department is comprised of high-quality faculty who are dedicated to enhancing student learning and building a strong relationship with the local accounting profession.

### Advantages

Since the establishment of CSUF's business school in 1959, the college has remained committed to program quality, balancing theory and practice, and expanding outreach and visibility. As a result of these efforts, the college's relative advantages related to reputation, resources, sponsors and supporters include:

**AACSB International Accreditation.** The department is accredited by AACSB separately from the college as a whole. This is a clear advantage over other local schools. Students often cite such accreditation as one of the key factors that they consider when applying to colleges. We aim to maintain the high level of academic quality that is required by the standards of the AACSB. In meetings with representatives of the firms, community colleges and high schools, the department distinguishes itself from programs at other local universities by citing its accreditation status.



**High-quality and diverse faculty.** The department is comprised of high-quality faculty with diverse backgrounds in cultural heritage, education and business experience. Our faculty have graduated from prestigious Ph.D. programs at such institutions as University of Illinois at Urbana-Champaign, University of Texas – Austin, UCLA, University of Minnesota, University of Florida, Northwestern University and USC. Our faculty have been productive in research, publishing in high-quality journals such as *Contemporary Accounting Research* (A+); *Review of Accounting Studies* (A+); *Journal of Management Information Systems* (A+); *Journal of Accounting, Auditing and Finance* (A); *Journal of Information Systems* (A); and *Auditing: A Journal of Practice and Theory* (A), among others. In an effort to build stronger relationships with local practitioners, our faculty have also have published numerous articles in practice-oriented journals and magazines such as the *Journal of Accountancy*, *CPA Journal*, *Internal Auditor*, *Internal Auditing*, and *Strategic Finance*, among others. The diverse cultural, educational and professional backgrounds of our faculty help the department have a better rapport with our diverse students, foster stronger professor-student relationships and better prepare students to meet the challenges of globalization.

**Strong relationships with professional communities.** The department has and continues to build a strong relationship with the local community. The department organizes an academic conference every year through the Center for Corporate Reporting and Governance (CCRG). We also collaborate with local universities to host an annual accounting conference, the Southern California Accounting Research Forum (SCARF). The department hosted the 2018 SCARF conference, which featured many high-quality research papers and drew strong attendance from 10 local universities. On the practitioner side, we organize two annual conferences: an SEC reporting conference and an executive compensation conference. Both conferences are highly respected by the practitioner community and attract a large audience of C-suite professionals.

**Strong relationships with and support from alumni and local accounting firms.** The department has cultivated very strong relationships with the local accounting firms. We visit and hold regular meetings with the firms in order to have broad discussions on current trends in accounting education and practice. In addition to a regular exchange of ideas, many accounting firms provide funding to the department in the form of professorships, fellowships and scholarships. With strong continued support from the practitioner community, the department awards more than 30 scholarships each semester. Our alumni also support our students by coming back to the campus and advising our students on life-long learning, job search skills and future career development.

**Diverse student body.** The department attracts a diverse body of students with very different life experiences, academically and professionally. Indeed, the department (and the college and university) is truly a mini “global village,” where students have the opportunity to learn from each other, and more importantly, understand, appreciate and respect different cultures. Such a vibrant, mini global community is also possible because of our equally diverse faculty.

**Leadership in programs.** The department has developed a strong competitive advantage by offering the only M.S. in taxation (MST) program based in Orange County. We have recently revamped the program. The department also has taken steps to integrate technology and data analytics into its curriculum.

**State-of-the-art facility and technology support.** Thanks to support from the college's alumni, the department is housed in the college's state-of-the-art building, Steven G. Mihaylo Hall. This facility has been vital to the improvements that we have made in our research and teaching activities. With respect to faculty and student research, we have sufficient funding for many widely used databases through continued subscription to the Wharton Research Database Service (WRDS).

## Disadvantages

**Competition from the University of California (UC) system.** Due to state regulations, our university has largely been classified as a teaching university. As a result, there is a perception that the CSU system is of lower quality when compared to schools in the UC system. Consequently, a challenge for the department has been to recruit the best and brightest students.

**Commuting impact on student engagement.** The university has a large population of commuter students. Due to the heavy traffic on California freeways and the dispersion of students over a relatively large geographic area, daily commuting can have a negative impact on attendance and performance. Getting students to participate in on-campus activities, enabling faculty to engage students outside of the classroom, can be a challenge.

**Lack of control of budget.** As a state-funded school, the university's budget is subject to the control of the legislature and state government. The funding issues trickle down to the department, which in turn can have a negative impact on student activities as well as on faculty research and teaching activities.

## C. What internal, environmental or competitive forces challenge the accounting academic unit's future?

Outside entities and constraints challenge the operating environment of the Department of Accounting. For example, the state of California has been reluctant to invest in higher education. Also, the state funding mechanism allocates less per CSU student compared to the allocation for the UC system. The California State Legislature also significantly limits the authority of the university to set tuition. Last but not least, the CSU faculty union sets a ceiling for faculty salaries, which makes it difficult to offer a competitive pay to attract faculty members from the top research schools.

Although the Department of Accounting has the reputation of providing the highest quality accounting education in the area, the department faces competition locally. For example, the Paul Merage School of Business at UC Irvine has recently begun to offer a master's of accounting degree program. The UCI master's program offers generous scholarships to the same students that we are trying to attract or retain. While the CSUF Department of Accounting offers more than 30 scholarships for students, many of which are open to graduate students, the amounts are not as attractive as those offered by UCI.

In addition to competition from UCI, the department's graduate degree in accountancy also faces the challenge of reduced enrollments. Many students are choosing to fulfill their 150-hour requirements for CPA licensing by taking classes at community colleges, mainly due to cheaper tuition rates and easier grading criteria.

In light of the competition, the department has taken steps to effectively differentiate itself from UCI programs and the programs offered by community colleges. Our most notable distinguishing feature is that working students or students with significant working experience find CSUF to be a more viable option due to our flexibility with scheduling and the quality of courses taught by tenure track or full-time professors rather than adjunct faculty or Ph.D. students. Another distinguishing feature is that we are the only program in the area with a focus on accounting analytics.

## D. What opportunities exist for enhancing the accounting academic unit's degree offerings?

We engage major stakeholders in thoughtful discussions on enhancing our program quality and distinguishing our programs from our competition. One main theme that has emerged from this is a recognition of our location in a vibrant and entrepreneurial geographic area. Accounting firms, ranging from the Big Four to family-owned operations, are represented in Orange County. Accounting professionals affiliated with those firms are supportive of our program and engage with our department.

These highly qualified practitioners help us design course offerings and offer suggestions to keep our course content current. Some of them even assist by teaching advanced classes either by themselves or by teaming up with our faculty. Through these professional interactions, the department has determined that the application of data analytics in our accounting curriculum is important. To that end, we are collaborating with the college's Department of Information Systems and Decision Sciences to offer a dual-emphasis accounting degree that focuses on data analytics. In addition, we have designed new courses and revamped our curriculum in several areas.

To distinguish our master's program from community college course offerings, the department is contemplating offering a specialized master's in accountancy program. The program would incorporate a curriculum that is current and provide students with skills that are demanded by potential employers. The program's goal would be to attract students who want to improve their job prospects rather than those who simply want to fulfill the CPA licensing requirements. The department has taken steps to make the firms aware of this new direction and plans to revamp its curriculum.

Due to the globalization of businesses, the demand for higher education in the United States has increased tremendously over the last decade, and Orange County has always been a popular destination for international students due to its good natural climate and vibrant economy. Therefore, the department plans to leverage this by developing a curriculum that would attract international students. The department is in the process of negotiating contracts with other universities to host exchange scholars and to send our faculty to teach at other universities.

## E. Please confirm the degree programs listed in the scope of accreditation

- B.A. in business administration with concentration in accounting
- M.S. in accountancy
- M.S. in taxation

## SECTION 3: PROGRESS UPDATE ON CONCERNS FROM PREVIOUS REVIEW

- A. “The University, the College, and the Department expect significant enrollment growth in the Business and Accounting programs offered at the Irvine Campus. The College should develop a strategic plan and appropriate initiatives to ensure that AACSB standards for faculty sufficiency and deployment are met at the Irvine campus for each program should the enrollment growth occur at the Irvine campus.”**

### Update

The Cal State Fullerton facility in Irvine has been designated as a CSUF Center (hereafter “the Irvine Center”) to appropriately reflect the intended use of these facilities. Two of the Mihaylo College Centers of Excellence have established a permanent presence at the Irvine Center, while other such centers plan to host events to better serve the business community in South Orange County. The largest area of growth for the college at the Irvine Center has revolved around the physical expansion for housing the college’s Startup Incubator and the local chapter of the Small Business Development Center (SBDC). The second location of these centers in Irvine is expected to allow for robust partnerships with a variety of industries.

The Irvine Center serves several hundred undergraduate and graduate students each year. Some students choose to take a few classes in Irvine because it is closer to their homes or to their work. Overall, however, the undergraduate cohorts during the last five years have only taken 1.7% to 2.3% of their credit units at the Irvine Center. The rest of their units are completed at the Fullerton campus. To facilitate student success, the academic advisor at the Irvine Center provides an average of 500 individual advising sessions per semester. Graduation check workshops are offered four times each semester and probation workshops are offered twice per semester.

The Irvine Center services students enrolled in the GAP 4+1 program. As indicated in other areas of this report, the GAP 4+1 is a small program (with fewer than 25 students) that is largely serviced by three designated accounting faculty, all of whom qualify as scholarly academics. These professors are Vivek Mande, Wonik Choi and James Gong. Additionally, active professionals from the accounting firms teach in the M.S. taxation program. To ensure that students have access to the same resources, supplemental instruction (SI) is separately offered at the Irvine Center for intermediate financial accounting courses (ACCT 301A and ACCT 301B). The accounting department is within 5% of the 60% threshold (55.6%) for faculty sufficiency related to teaching (Std. 5) (See Appendix A.4).

With regard to other activities, such as student organizations and recruiting, the Irvine Center is not treated as an entity distinct from the campus at Fullerton. The strategic plans developed for the college and department also apply to the Irvine Center. These strategic plans do not include a vision for offering complete degree programs at the Irvine Center. Upper division 400-level courses are largely offered only at the Fullerton campus. Designated GAP 4+1 advisors April Morris and Wonik Choi inform students of new courses offered at Fullerton, opportunities for participation in student clubs and recruiting activities. For instance, 100% of the GAP 4+ 1 cohort was present at the fall 2017 Meet the Firms event.

***B. “Under current CBE policy on intellectual contributions in determining faculty member AQ status, it is possible to be classified as AQ without a peer reviewed article. As the Department revises its faculty classification policy to comply with the new AACSB 2013 standards, the Department should consider establishing a rule for the minimum number of peer-reviewed journal articles.”***

### Update

Mihaylo College underwent an in-depth program review as part of its maintenance of accreditation review cycle in fall 2013. In response to concerns indicated in the accreditation report, the college adopted new faculty qualification standards. See the Mihaylo College Accreditation Report, Appendix 3.1 and Appendix 3.2 for more information on this. The two appendices list various faculty activities and associated points for determining faculty qualification status. Specifically, two peer review publications, plus service activities are required for maintaining scholarly academic (SA) status. To ensure publication quality, the college has also developed criteria for identifying B-level journals (See the Mihaylo College Accreditation Report: Appendix 3.3 for more on this). The Department of Accounting has adopted the standards of Mihaylo College as a whole.

## SECTION 4: STRATEGIC MANAGEMENT AND INNOVATION

### A. Summary of the College's Strategic Plan

In 2012, the university launched an institution-wide strategic planning process. Through town hall meetings involving internal and external stakeholders, presentations to the Council of Deans, the Academic Senate and the Philanthropic Board, and extensive solicitation of electronic feedback, the university's plan was reviewed and revised. The plan (University Strategic Plan 2013-2018), presented in April 2013, crafts a vision that responds to our mission regarding the preeminence of learning with four goals and 15 objectives broadly addressing student success, faculty and staff diversity and university finances. The current Mihaylo College Strategic Plan (2013-2018) was developed in alignment with the university's strategic plan. Mihaylo College's vision and mission statement and a five-year strategic plan were then finalized and presented to the faculty and staff in May 2013. The college strategic plan consists of four goals and 16 objectives.

#### Mihaylo College Vision and Mission Statement

We leverage the diversity and entrepreneurial spirit of Southern California to produce globally aware business leaders through innovative teaching and high-quality applied research.

#### Mihaylo College Strategic Goals

**Goal 1:** Strengthen Student Success Programs

**Goal 2:** Enhance Community Engagement

**Goal 3:** Continue Academic Excellence through Faculty and Staff Recruitment and Development

**Goal 4:** Enhance Financial Resources

### B. Mission Statement and Summary of Strategic Plan or Framework

The Department of Accounting has its own strategic plan, which outlines its mission, goals, strategies, tactics, measurements and outcomes.

#### Department of Accounting Mission Statement

***Through excellence in teaching, a forward-looking curriculum, a culturally diverse environment, applied collaborative research and valuable alliances with the business community, we offer accredited accounting programs that develop globally aware business leaders with practical knowledge in the field of accounting.***

The mission statement was revised in April 2012 as part of the department's strategic planning process. The process consisted of various exercises completed by all stakeholders. One statement presented at the first meeting was: "I'll be proud of the department in five years if ...." This exercise allowed everyone to express ideas about the shared purpose, values and measures of success for the department. All stakeholders, including every full-time faculty member, participated in the revision of the mission. Our new mission statement notes the importance of diversity and the global environment in which our students will be participants. It also recognizes the value of applied research, underscoring the importance of the impact academic research can have on the accounting profession.

On May 24, 2016, the mission statement was again extensively reviewed by all faculty to ensure its alignment with the university and college mission and goals. No changes were made to the mission statement, and it was approved by the faculty. The statement is reviewed biennially to ensure alignment with the university, college and department mission and goals (See Appendix B.1).

## C. Strategic Management Planning Process and Outcomes

The department embarked on a significant strategic planning activity in 2012 by hiring an outside consulting company, Academic Leadership Associates, to aid in the development of a strategic plan, to identify appropriate goals for a noteworthy accounting program, and to create a pathway for meeting these goals. Faculty, students, external stakeholders and staff were invited to participate in this exercise, which served to re-energize the department and its stakeholders and resulted in the prioritization of strategic initiatives for the next five years and beyond. The planning process started in January 2012 and concluded in April 2012. An online community page was created in TITANium for all participants to review required tasks, assignments, forms and memos. As each task group completed its assignments, the documents were uploaded to the community page. This was the first time that all of the accounting program's stakeholders met together as a single group and worked in partnership to develop a plan for moving the department forward.

The departmental strategic plan, as reviewed by the college's dean and associate dean, is in congruence with the University Strategic Plan and College Strategic Plan. A table detailing the department's goals, action plans for meeting the goals and major outcomes is provided in Appendix B.2.

### The Department of Accounting's strategic plan goals for 2013-2018 are to:

1. Develop and deliver innovative AACSB-accredited accounting programs to prepare students to enter the global workforce.
2. Increase graduation rates and prepare students for successful accounting careers.
3. Hire, mentor and retain high quality diverse faculty.
4. Increase departmental resources through fundraising and interaction with the business and professional community.

The university is currently finalizing its 2018-2023 strategic plan. When the 2018-2023 University Strategic Plan is made available, the department will again review its plan and goals to ensure congruence and alignment.



**The Strategic Planning Process:** Twice annually, the department organizes all-day faculty retreats (at the start of the fall and spring semesters), during which time strategic goals and plans are set and reviewed. During the fall semester retreat, the department chair divides faculty into four task forces to review goals, strategies and action items needed to fulfill the department's mission. The four task forces consist of academic programs, people, scholarship and external relations. Additionally, each fall semester, the chair of the accounting department meets with the dean and associate dean to review the department's plans and report on progress made since the last review.

In developing its strategic plan, the department proactively seeks input from external constituent groups. For example, on a twice annual basis, the department obtains input from its Accounting Advisory Board. The department also solicits input from the accounting firms in its annual meetings with them, and the department informally obtains information from recruiters. The information received from the external groups is then incorporated into our strategic planning process at our faculty retreats.

**Key improvements in strategic planning and outcomes since the last review (see Appendix B.2 for details):**

- Completion of a comprehensive departmental strategic plan.
- Adoption of a new department mission statement.
- Assignment of a faculty career advisor for every accounting student. All faculty members are involved.
- Development of new courses to reflect changes in accounting and taxation to make the program more relevant.
- Increased involvement of faculty in professional interaction with national and Orange County firms.
- Support by faculty for the new student mentoring program.
- Increased success by faculty in research publications in top journals.
- Implementation of a roadmap for the new 150-hour licensure requirement for California CPA candidates.
- Substantial growth in attendance in the CCRG conferences.
- Requirement of accounting-related analytic assignments in all courses beginning spring 2018.
- Increased outreach to national and local firms in Orange County to market the graduate-level taxation professional program to increase student enrollment.
- Increased outreach to raise money for scholarships and fellowships.
- Changes to the advisory board fee structure and composition.

## D. Intellectual Contributions, Impact and Alignment with Mission

Our faculty engage in scholarly research that is impactful. Their research is aligned with our mission, which is to provide high-quality research that is applied, collaborative and impactful to the profession. The department uses the college's ranking of journals for demonstrating research quality and for rewarding faculty. The college uses a research task force (each department is represented), which determines the criteria for ranking journals into five categories (A+, A, A-, B and C). These criteria are revisited by the task force every five years. A second committee, the College Research Committee, evaluates faculty publications in journals that are not on the list. The process used for reviewing these "exception cases" is disseminated to faculty and made available to them on our internal network, TITANIum Communities. The criteria used by the college and the list of all of the accounting department's journals with their ranks are provided in Appendices B.7 and B.8.

### Impact of Academic Research

During the review period, our faculty have published in A+, A, A- and B journals. In just the past five years, faculty members have published in *Contemporary Accounting Research*; *Review of Accounting Studies*; *Auditing: A Journal of Practice & Theory* (two articles); *Journal of Information Systems*; *Journal of Accounting, Auditing and Finance* (two articles); *Journal of Accounting and Public Policy*; *Advances in Accounting* (two articles) and many others. Over the review period, the number of publications (Appendices B.3 and B.4) by category is:

**Table 4.1 – Number of Publications by Journal Category Over the Review Period**

JOURNAL CATEGORY	COUNT
A+	1
A	6
A-	3
B	29

The department dedicated significant time categorizing journals and establishing a point system to incentivize faculty to publish in high quality academic journals. The actions taken appear to have borne fruit as the quality and quantity of publications since our last review have significantly increased.

Evidence of the impact of academic research also is found from other indicators such as citations.

Examples include:

- Guo (2013) "Security-related behavior in using information systems in the workplace: a review and synthesis." *Computers & Security*
  - Cited 88 times
- Mande, and Son (2013) "Do Financial Restatements Lead to Auditor Changes?" *Auditing: A Journal of Practice and Theory*
  - Cited 50 times

- Guo, Yuan, Archer, and Connelly (2011) “Understanding non-malicious security violations in the workplace: A composite behavior model.” *Journal of Management Information Systems*
  - Cited 262 times
- Lee, Mande, and Ortman (2004) “The Effect of Audit Committee and Board of Director Independence on Auditor Resignation.” *Auditing: A Journal of Practice and Theory*
  - Cited 156 times
- Lee, and Mande (2003) “The Effect of the Private Securities Litigation Reform Act of 1995 on Accounting Discretion of Client Managers of Big 6 and Non Big 6 Auditors.” *Auditing: A Journal of Practice and Theory*
  - Cited 193 times
- Ely, and Mande (2000) “Income Smoothing and Discretionary R&D Expenditures of Japanese Firms.” *Contemporary Accounting Research*
  - Cited 79 times

Our faculty have also presented their research in national conferences, regional conferences and brown bag sessions within the department. For the review period, the number of our faculty presentations (Appendix B.5) is:

**Table 4.2 – Number of Presentations by Type Over the Review Period**

PRESENTATIONS	COUNT
National Conferences	17
Regional Conferences	14
Research Workshops	26

### Impact of Our Faculty’s Applied Scholarship

In keeping with our mission of applied scholarship, our faculty have published in journals relevant to practice, including the *CPA Journal* and *Internal Auditing*. Over the review period, the number of publications in practitioner’s journals is as follows:

**Table 4.3 – Number of Publications in Practitioner Journals Over the Review Period**

JOURNAL	COUNT	PUBLISHER	CIRCULATION (APPROXIMATE COUNT)
CPA Journal	2	The New York State Society of CPAs	30,000
Internal Auditor	1	The Institute of Internal Auditors	96,000
Strategic Finance	1	Institute of Management Accountants	60,000
Journal of Accountancy	1	The American Institute of CPAs	400,000

Other examples of applied scholarship that have been impactful are:

- Professor Ephraim Smith has co-authored five books on federal income taxation. In 2017, Smith and his co-authors published the 34th edition of *CCH Federal Taxation: Basic Principles* and the 26th edition of *CCH Federal Taxation: Comprehensive Topics*, both of which are published by Wolters Kluwer. In addition, he co-authored *Capital Gains after the Taxpayer Relief Act of 1997*, a guide for accounting practitioners, published by Commerce Clearing House Inc. Smith has also published a tax software package and manual used by accounting students, which has been published by Commerce Clearing House Inc.
- Professors James Gong, Vivek Mande and Myungsoo Son have published two issues of a practitioner publication, the *Orange County Bulletin*, which concerns corporate governance issues, including audit fees, CEO compensation and boards of directors, for public firms in the county. These studies have been distributed to various local firms and discussed in seminars of the Forum for Corporate Directors (FCD), a prestigious club consisting of C-suite executives and directors of OC firms.
- Professors Vivek Mande and Myungsoo Son have published a study on the boards of directors in Orange County. The law firm Gibson Dunn and Crutcher and the PricewaterhouseCoopers office in Irvine requested copies of this study. The results of this study were featured in both the *Orange County Register* and at the Executive Compensation Conference hosted by the Forum for Corporate Directors at the Pacific Club in Newport Beach.
- Professor and Director Vivek Mande and Professor and Chair Emerita Betty Chavis have published a professional portfolio entitled *Accounting for Share-Based Compensation*, which is part of Bloomberg's Tax Financial Accounting Resource. The portfolio provides a detailed analysis of the rules on share-based compensation contained in FASB Accounting Standards Codification (ASC) Topic 718, (formerly the Statement of Financial Accounting Standards 123(R), Share-Based Payment). The portfolio has been purchased by numerous libraries around the world and by subscribers to BNA resources. Based on the high demand for this guidance, BNA has asked the authors to update the portfolio in 2018.

### Impact of Pedagogical Research

The department is also dedicated to providing quality research in pedagogical research, which is consistent with our mission of being a teaching institution. Our faculty have published for example a case study about CVS Pharmacy in the *Journal of Accounting Education*, which is used by the author in the classroom. The study by Assistant Professor Ken Guo and Professor Wei Jiang on SQL coding study is used in Guo's ACCT 307 courses. The instructor uses a mini-case to demonstrate how data analytics and SQL tools can solve accounting problems. Students are encouraged to think critically about the presence of potential fraud and use SQL coding to analyze data and provide evidence to support their conclusions. Professor Fatima Alali's co-authored case study about the Foreign Corrupt Practices Act is used at Montclair State University in New Jersey and in Cal State Fullerton's ACCT 402 and ACCT 505 courses to enhance student understanding and application of an international bribery act and its consequences. After a discussion, students prepare summaries on auditors' and managements' responsibilities.

As seen in **Appendix A.1**, a substantial number of our faculty have contributed intellectually to the activities of the department. A total of 86% (18 out of 21) of all full-time, tenure-track faculty have engaged in research activities over the five-year period. Of the 21 tenure/tenure track faculty, 10 (47.6%) have been hired within the period, and of those newly hired, six (60%) are recent Ph.D. graduates. In addition, tenure-track and non-tenure track faculty, both full-time and part-time, have contributed to our collection of intellectual contributions in diverse ways, including by presenting at conferences and to other groups, serving on an editorial board, reviewing articles for journals and conferences, serving as moderators and discussants at national and regional conferences, participating in seminars, and writing cases and reviewing textbooks.

## E. Financial Strategies and Allocation of Resources

During this AACSB review period, the department chair retired, resulting in the election of a new chair, Vivek Mande. This event fostered a renewed focus on the financial strategies for the entire department. During the review period, financial support from the state steadily declined. Consequently, the department has increased its efforts to raise funds from private sources.

The department has been mainly supported by funds for professorships provided by the accounting profession and alumni. We use private funds to augment salaries paid to professors, provide student scholarships and fund curriculum and operational needs such as marketing materials and submission fees to journals.

Starting in fall 2018, the department will adopt a “pay to play” policy for its advisory board. Also in fall 2018, the CSUF president will kick off a campaign to raise \$5 million to upgrade the department’s status to a School of Accountancy.

The department’s broad plan to raise funds from the accounting firms and other private sources consists of the following:

1. Increase engagement with the profession
2. Increase engagement with alumni
3. Dedicate more internal resources for fundraising
4. Engage the advisory board for fundraising

Examples of some of the actions and outcomes that relate to the review period are:

**Table 4.4 – Actions and Outcomes During the Review Period**

FINANCIAL STRATEGY	YEAR	SELECT ACTION	OUTCOMES
1. Increase Engagement with the Profession	2013-present	<b>Broadened CCRG's goals</b> and objectives to share research with the business community.	Dean's office increased funding to CCRG. \$50,000 is provided annually. Three research studies focused on Orange County were published.
	2016-present	<b>Adopt a Firm</b> program was broadened to build relationships with mid-tier and local accounting firms.	Scholarships for students increased, e.g., RSM increased scholarship from \$500 to \$5,000. More guest speakers from the firms visited classrooms.
2. Increase Engagement with Alumni	2013-2018	Annual breakfast or lunch meetings with the major accounting firms.	Obtained support for the EY professorship; faculty fellowships, including Moss Adams Research Fellowship; and five Mihaylo College accounting fellowships.
	2015-2016	<b>Accounting Circle</b> created for graduates to give them alumni benefits, depending on their levels of contribution.	Alumni fund created.
3. Dedicate More Internal Resources to Fundraising	2017-2018	Engagement with Enrique Gonzalez-Salgado, the college's senior director of development.	Standing monthly meetings with chair.
	2017-2018	<b>Director of External Relations</b> – a position created for the Department of Accounting. Lecturer Barry Gershenovitz, a retired EY partner, will fill this position.	Twice monthly meetings with the chair. The chair and director will schedule meetings with all accounting firms in the Orange County that appear in <i>Orange County Business Journal's Book of Lists</i> .
4. Engage the Advisory Board for Fundraising	2017-2018	Board to solicit firms in Orange County and their contact for supporting department.	Three-tier pay-to-play fee system put in place (\$5,000 for large accounting firms, \$2,500 for local firms and \$1,000 for individuals).

The funding for the Department of Accounting from the state and college is shown below. All figures, except for percentages, are in U.S. dollars.

**Table 4.5 – Funding for Department of Accounting: 2012-2017 (All Figures are in U.S. Dollars)**

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Personnel Costs</b>	3,828,592	4,261,046	4,923,243	4,906,403	5,072,103
<b>Operating Expenditures</b>	312,833	359,838	424,376	413,289	285,752
<b>Total</b>	<b>4,141,425</b>	<b>4,620,884</b>	<b>5,347,619</b>	<b>5,319,692</b>	<b>5,357,855</b>
<b>Percentage Change</b>		<b>11.6%</b>	<b>15.7%</b>	<b>-0.5%</b>	<b>0.7%</b>

### Continuing Financial Resources Include the Following (See Table Below):

- One annual professorship at \$35,000 provided by EY.
- One annual research fellowship at \$25,000 provided by Moss Adams.
- Annual Excellence in Teaching award of \$10,000 to \$50,000 provided jointly by EY and Moss Adams.
- Annual support for the CCRG academic conference – \$10,000 – from Haskell & White.
- Net revenue in excess of expenses from the CCRG conference – \$50,000.
- Annual solicitation letter to all alumni to provide resources for faculty and student development. The normal total contribution is \$20,000 or more annually.
- Continued state support for programs.
- Continued support from the college endowment for faculty release time, research grants and other purposes.
- Continued student scholarship donations – \$50,000-\$60,000 annually.

**Table 4.6 – Financial Support for Strategic Initiatives (All Figures are in U.S. Dollars)**

INITIATIVE	START DATE	FIRST YEAR COST OR REVENUE	CONTINUING ANNUAL COST OR REVENUE	SOURCE OF FUNDS
Support for Center for Corporate Governance	7/1/2012	50,000	50,000	College-Allocated State Funds
Revenue Management Programs	9/1/2016	13,700	15,000	Chancellor's Office-Allocated State Funds
Campus Partner and Self-Support Programs	9/1/2016	70,000	80,000	University Extended Education Allocated Funds
Faculty Fellowships and Research Grants	7/1/2012	25,000	50,000-100,000	Private Donations and Endowments
Student Scholarship Support	7/1/2012	5,000	50,000-60,000	Private Donations and Sponsorships
Accounting Alumni Support and Other Funds	7/1/2012	10,000	50,000	Private Gifts

**Appendix B.6** has a listing of balances in the departmental fund accounts from private sources. New financial resources are desired for the following reasons:

1. Approximately \$20,000 is needed annually for incorporating innovative pedagogy to enhance student intellectual development and analytical skills with a global perspective.
2. An annual amount of \$20,000 from externally generated development funds is needed to create and expand our brand awareness and quality of interaction with external constituencies.
3. Approximately \$150,000 is needed for additional faculty fellowships, databases and faculty support.



4. Approximately \$10,000 is needed annually for marketing and advertising our programs.
5. Approximately \$50,000 is needed in additional annual scholarships and awards.

The department intends to partner with alumni and the advisory board to create activities and events that will help identify funding opportunities and enhance the department's reputation in the community. The following are new sources and initiatives to increase outside funding for the 2018-2020 time period:

- Secure five-year commitments from alumni annually for research or teaching awards.
- Continue the Accounting Circle for alumni and friends as a major fundraising initiative for faculty research and development activities. Our goal is to raise \$50,000 annually.
- Secure commitments from Big Four and local firms for faculty research fellowships/professional experiences and student scholarships. We are providing targeted communication for each firm. Our minimum goal is \$25,000 annually per firm.
- Secure funding from the advisory board in the form of pay to play fees.
- Endowment initiative for a School of Accounting, with a goal of \$5 million.
- Endowment initiative for three additional professorships, with a combined goal of \$3 million.
- Endowment initiative for student scholarship and fellowships, with a goal of \$2 million.

## F. New Degree Programs

1. A B.A. in business administration with a joint concentration in accounting and business analytics has been approved at the college level.
2. An M.S. in accounting and finance has been given preliminary approval.

## SECTION 5: PARTICIPANTS: STUDENTS, FACULTY AND PROFESSIONAL STAFF

### A. Students

Table 5.1 – Enrollment Trends

	2013/14	2014/15	2015/16	2016/17	2017/18
Junior	285	290	367	401	419
Senior	872	890	864	893	926
M.S. in Accounting	161	170	189	160	117
M.S. in Taxation	72	87	87	74	55
<b>Total</b>	<b>1,390</b>	<b>1,437</b>	<b>1,507</b>	<b>1,528</b>	<b>1,517</b>

Table 5.2 – Department, College, University and Regional Demographics – Fall 2017

	AMERICAN INDIAN	BLACK	HISPANIC	ASIAN	PACIFIC ISLANDER	WHITE (NON-HISPANIC)	UNKNOWN	MULTI-NATIONAL	INTER-NATIONAL
Accounting N=1,490		<1%	22.8%	39.1%	<1%	15.2%	4.1%	3.4%	14.4%
MSA			5.12%	78.63%		12.82%	0.85%	2.56%	
MST		1.81%	20.00%	54.54%		10.90%	5.45%	7.27%	
Mihaylo College N=9,091	<1%	1.43%	32.71%	20.50%	<1%	18.48%	4.03%	4.05%	11.40%
CSUF N=40,439	<1%	1.98%	40.78%	20.81%	<1%	20.37%	4.10%	4.18%	7.81%
*Orange County (2016) N=3,172,532	1.1%	2.1%	34.3%	20.4%	<1%	41.1%	<1%	3.4%	

The accounting program at CSUF is one of the largest in the country, with more than 1,400 accounting students in the graduate and undergraduate programs. The student population is diverse: 39% are Asian, 22% are Hispanic, 15% are non-Hispanic white and 24% are other ethnicities. The diversity of our student body is our strength. It also reflects broadly the demographics of Orange County, which has large Hispanic-American and Asian-American populations. Additionally, a large Asian percentage within our student body is partly due to our program's strong reputation in China and other Asian countries.

The undergraduate program has shown steady growth in enrollment over time. However, the graduate programs have shown a decline after peaking in the 2015-2016 academic year. This is largely due to three factors: 1) the number of students applying to CSUF from China has decreased, 2) the number of students choosing to fulfill the 150-hour requirement without a master's degree has increased, and 3) the department faces increased competition from UCI, which has launched a new M.S. in accountancy program. Responding to this downward trend, the department has held consultations with its advisory board and other internal and external stakeholders. Broadly, the strategy for the department consists of: 1) increasing focus on the M.S. in taxation, which mostly draws domestic students, and 2) creating a niche/specialized M.S. in accounting program with an emphasis on data analytics that is technology-focused.

As tax services in Orange County accounting firms are growing faster than audit services, there is an opportunity for us to grow the M.S. in taxation program. The department has taken significant steps to revamp and market this program. At our fall 2018 faculty retreat and fall 2018 board meeting, consideration will be given to restructuring our M.S. in accountancy program into a specialized program.

### Career Advising Center

Mihaylo Career Services helps prepare Mihaylo College accounting and business students to transition from college to careers (See Appendix D.1). Throughout the year, Mihaylo Career Services offers several accounting-focused programs to connect students with summer leadership programs, internships and jobs. Twice each semester, Mihaylo Career Services hosts Public Accounting Recruiting Sessions to bring awareness to students about the recruiting cycle. They also coordinate events that connect students with the industry, including Accounting Fest, Accounting EXPO and Meet the Firms

Importantly, Mihaylo Career Services coordinates our on-campus interview program (OCI program) for accounting firms seeking to hire our students. As agreed to by recruiters of the accounting firms, Mihaylo Career Services schedules employer interviews with our students over a two-week period each fall and spring semester. In fall 2017 for example, there were 10 accounting firms that participated in this program, including all Big Four firms, Moss Adams, Grant Thornton, RSM, BDO, White Nelson Diehl Evans and HCVT. Additionally, as part of the OCI program, during each spring semester, career services arranges for several accounting firms to interview students for their summer leadership programs (SLP). In spring 2018, the firms on campus for the upcoming SLPs were PwC, EY, BDO, Moss Adams, Deloitte, KPMG, HCVT, Marcum, White Nelson Diehl Evans and RSM. Finally, Mihaylo Career Services coordinates with the university-wide Center for Internships and Community Engagement (CICE) for placing students in internships.

## Internships and Recruitment of Accounting Graduates

Student internships can be obtained through CICE or directly from employers (See Appendix D.5). Under this program, employers who list positions for internships first undergo screening by CICE to ensure that the position is suitable for our students and provides learning opportunities (note: This program does not govern internships that students obtain directly from employers, independently of the university.).

**Table 5.3 – Students Completing Internships with CICE**

Year	NUMBER OF INTERNSHIPS			TOTAL
	Bachelor's	Master's-Accounting	Master's-Taxation	
2013	10	0	0	10
2014	58	2	2	62
2015	93	18	1	112
2016	95	18	5	118
2017	76	13	4	93

During each semester, about 20 students enroll in our internship class (ACCT 495), a non-letter-graded class for both undergraduate and graduate students.

Our students also have opportunities to study and intern abroad. For example, we have an accounting study and intern abroad program at Aalen University in Germany. Internship placements are made in the Big Four firms in Stuttgart, Germany. In 2017, one of our students,

Ada Fu '18, took advantage of this opportunity, interning at EY. In 2018, 23 accounting students participated in study abroad programs in Spain, Germany, UK, France, Mexico, Greece, China, Brazil and South Korea, up from 22 in 2017. Our exit surveys of seniors and graduating M.S. students show that, in aggregate, approximately one-third of our students participated in internships prior to graduation (See Appendix C.5). The department has not separately tracked these numbers for the undergraduate, M.S. in accountancy and M.S. in taxation programs.

Job placement is tracked by Mihaylo Career Services. In 2017, of our 543 graduating students across all accounting programs surveyed, 358 responses were received, of which 160 (45%) had accepted job offers in their field, with 198 (55%) having no such offers. For the M.S. in accountancy specifically, 68 students were surveyed and 36 responses were received, of which 17 (47%) had accepted offers. For the M.S. in taxation program, 30 students were surveyed and 14 responded, of which 10 (71%) had accepted offers (See Appendix D.1). The data on employment is affected by a large number of international students, who return to their home country for employment and are thus often not tracked.

Our exit surveys of graduating seniors and master's students shows an increase in the aggregate number of students (65% in spring 2017 and 47% in fall 2017) having full-time jobs in accounting or related fields prior to graduation (See Appendix C.5). The department has not separately tracked these numbers specific to the three degree programs offered by the Department of Accounting.

Employment information from the accounting firms is obtained from data provided by recruiters and partners, upon request from the chair. The following data was obtained for 2017-2018. In many of these firms, the single largest cohort of recruits have come from CSUF. For these two years (2017 and 2018), combined recruiting statistics provided by a select group of firms are as follows:

Table 5.4 – Firm Recruiting Statistics

NAME OF FIRM	NUMBER OF INTERNSHIPS	NUMBER OF OFFERS MADE	NUMBER IN SLP OR OTHER PROGRAMS	NUMBER OF SCHOLARSHIPS GIVEN	AMOUNT OF SCHOLARSHIPS
<b>BDO</b>	7	10	11	4	\$6,000
<b>Deloitte</b>	13	5	13	4	\$2,000
<b>KPMG</b>	10	18	17	4	\$2,000
<b>RSM</b>	12	31	20	2	\$5,500
<b>EY</b>	29	30	19	4	\$2,000
<b>PwC</b>	13	22 (2017 only)*	24		\$4,000
<b>HCVT</b>	4	7	11	3	\$3,000
<b>White Nelson Diehl Evans</b>	7	7	11	1	\$500
<b>Grant Thornton</b>	7	NA	9	4	NA

\*Data from 2018 is not available

The success that we have had in connecting graduates with employment in the field is, in part, due to the large number of alumni working in various positions in Orange County accounting firms and companies. In EY alone, there are 143 accounting alumni in the firm's Los Angeles and Orange County offices. Some of our graduates are also in business as CFOs, controllers and treasurers. For example, Joe Johnson '90 is on the national leadership board of BDO, Chris Schmidt '81 is the CEO of Moss Adams, Neal West is the chief accounting officer of Kaiser Aluminum, and Michael Martinson '05 (winner of the *Orange County Business Journal* CFO of the Year award in 2017) is the CFO of Ambry Genetica.

We conduct surveys of our alumni three and five years after their graduation. However, as the response rate to our surveys is low, we are cautious in using this data (See Appendix D.3 and D.4).

Data provided below was obtained directly by the chair in 2018 from a select group of firms. The number of CSUF alumni in their employment is below:

Table 5.5 – Number of CSUF Alumni in Accounting Firm Employment

NAME OF FIRM	ASSOCIATE/SENIOR ASSOCIATE	MANAGER/ SENIOR MANAGER/ SUPERVISOR	DIRECTOR / MANAGING DIRECTOR/PARTNER
<b>BDO</b>	14	5	6
<b>Deloitte</b>	NA	NA	NA
<b>KPMG</b>	34	19	4
<b>RSM</b>	18	13	7
<b>EY</b>	Did not report	135 (staff and managers)	8
<b>PwC</b>	NA	NA	NA
<b>HCVT</b>	21	4	2
<b>White Nelson Diehl Evans</b>	19	3	11

## B. Faculty and Professional Staff Sufficiency and Deployment: Faculty Management and Support

At present, the Department of Accounting has 23 tenure-track faculty and seven full-time lecturers. During fall 2017, there were 26 part-time faculty members and 16 in spring 2018. Of the part-time faculty, six teach in the M.S. in taxation program. Of the tenure-track faculty, eight were hired in the last two years. The department is seeking to hire two more tenure-track faculty for the 2018-2019 academic year.

Our faculty are diverse ethnically and academically, which has strengthened our program and our ties to the Orange County business community.

### Faculty Management

Faculty personnel-related activities are directed by the university's Faculty Personal Policies and Procedures - [UPS 210.000](#). Workload and incentives are managed through Mihaylo College's assigned time policy, college research grants and other formats. Faculty evaluations are managed through the RTP process. See the college-wide AACSB report for more details.

The department has its own personnel standards (See Appendix E), which set expectations for research, teaching and service. Research is evaluated based on a point system. The department's standards are being revised with regard to points needed for research to obtain tenure. The department voted in fall 2017 to reduce the points from 50 to 45. Service is expected for tenure.

### Faculty Governance

The department has a solid shared-governance structure. Faculty, both full-time and part-time, vote (through the university electronic voting system) to elect the chair of their department for a three-year term. Thus, faculty have a meaningful voice in determining the leadership of the college. In fall 2017, the department voted overwhelmingly to place a tenure limit of six years for the chair. To assist the chair, the department has a vice-chair, who serves a one-year term. The department has a constitution and six standing committees, which cover undergraduate curriculum, graduate curriculum, search, personnel, assessment and student affairs. The chairs of the six standing committees form an executive committee. The duties and responsibilities of each committee are defined in the constitution. We have three coordinators, one each for our M.S. in taxation and M.S. in accountancy programs and one for external relations. Each of these coordinators receives a course release. Additionally, we have the following ad-hoc committees covering part-time instructors, the website and student success. Since 2017, the part-time instructor committee has held an annual retreat to communicate the department's policies and expectations for teaching. The website committee ensures that our webpages communicate our programs effectively to viewers. The student success committee was formed to explore ways for improving student success and graduation rates.

## Faculty Support

Faculty receive support for their research and professional development from a variety of sources throughout the university. Outside of research, the university has a Faculty Development Center that provides in-person and online resources that help our faculty incorporate new academic technologies and teaching techniques in their classrooms. Please refer to the college-wide AACSB report for details.

In addition, the department provides support to tenure-track faculty and full-time lecturers by funding select conference trips, journal submission fees, memberships to the American Accounting Association (AAA) and other professional organizations, and access to various databases. The department also supports professional development by funding attendance at professional events, seminars of local chapter of professional organizations such as the Institute of Management Accountants (IMA), and select training events such as the five-day SAP workshops and Tableau certifications.

## Faculty Recruitment

Faculty recruitment is a year-long process, beginning each spring semester with a formal request from the department to the dean. Our search committee and other faculty begin the recruiting process at the annual AAA meetings in summer. Candidates are invited during the fall and spring semesters. The department values high-quality research, communication skills and diversity in making selections.

## Departmental Faculty Awards

Mihaylo College celebrates academic freedom by recognizing faculty scholarly and creative accomplishments through awards. At the university level, the campus has increased incentives; reassigned time; and recognition for research, creative activities and scholarship to enhance the university's reputation as a model public comprehensive university. See the college-wide AACSB report for more details. The accounting department separately rewards scholarship and innovation in curricular and instructional activity. The department's fundraising activities have increased significantly in 2017-2018 and more funds are expected in the near future. The department's awards include:

**Moss Adams Research Fellowship:** This \$25,000 award recognizes and honors a faculty member in the department who has accumulated the most research points in the last three years. This award was not given in spring 2018 but will be given in fall 2018.

**EY Professorship:** This \$35,000 award is given to the director of CCRG in recognition of the faculty member's extraordinary contribution to elevating the prestige of the department.

**EY Teaching Fellowship (2013-2017):** Recognizes a full-time faculty member for high-quality instruction with a \$10,000 fellowship. This award was not given in 2018.

**Mihaylo Accounting Fellowships:** These awards, amounting to a total of \$50,000 annually, are given to faculty who significantly elevate the quality of instruction by bringing real-world experience or analytics into their instruction. Individual awards are \$10,000, given to five faculty members in total.

**PricewaterhouseCoopers Fellowship:** The purpose of this \$25,000 fellowship is to recognize research. This was awarded twice during the review period.

### Professional Support Staff

The department's support staff consists of Ms. Sarah Radcliffe, our department administrative support coordinator (ASC II), and Ms. Kaitlin Simnitt, our administrative assistant (ASA II). To assist them, the department employs two student assistants, who work in the office for 20 hours each week during the semester and 30 hours per week during the summer, winter intersession and other non-class periods. In addition, the department has one student assistant (10 hours per week) who is devoted to assessment activities, and two to three student assistants in the CCRG office, who work 20 hours per week during the semester and 40 hours per week during the summer, winter intersession and other non-class periods. These students also assist Radcliffe and Simnitt as needed, such as with proctoring exams or assisting with videoconferencing courses. The department staff are further supplemented by the college support staff and teams for many activities such as marketing/web development, budgets, fundraising and alumni relations.

Broadly, the staff support the department in the following areas: students, faculty, chair and vice-chair, events and conferences (external and internal) hosted by the department, maintaining the website, producing the annual report, correspondence and meetings with firms and donors, and administrative compliance and related duties. While our staff are efficient and effective, given the large number of students and external and internal events hosted by the department, staff resources can be thin at times. In the future, we would like to have a dedicated employee on the department level for tracking career placements, developing new employment opportunities for our graduates and creating an alumni network. At present, these tasks are performed at the college and university levels.

**How the staff support faculty and the chair:** Radcliffe facilitates class scheduling conducted by the chair and vice-chair and handles all expenditures for the department and CCRG. She is responsible for entering the class schedule and classrooms into the system. She communicates the teaching schedules to the faculty, secures rooms when there are changes and initiates contracts with newly hired faculty, especially those hired on a part-time basis. Departmental meeting dates are communicated to the faculty and she records the minutes. She also handles all paperwork and arrangements regarding catering or dining at outside events and our departmental meetings, as well as guest travel to campus. Radcliffe also keeps the chair's calendar and is the point of contact for our faculty and for external audiences or university personnel who want to meet with the chair or with whom the chair wishes to make an appointment. She assists faculty in securing rooms for brown bags, answering questions about their travel, teaching schedules and cancellation of classes.

**How the staff support students:** Simnitt is our main point of contact for students. She answers questions from students who call or come to the office; assists them in dropping or adding classes; and directs them to their advisors, mentors, graduate program administrators or the CPA advisor as necessary. She also directs students who have concerns about their grades to the chair and ensures all faculty turn in their syllabi with their office hours at the beginning of the semester. All textbook orders to the bookstore are also processed by Simnitt. Additionally, she is in charge of producing our annual report and keeping our website updated. Other duties include preparing thank you letters for donors, ordering plaques for awards, assisting with photocopying, and grading ACCT 201A – Financial Accounting and 201B – Managerial Accounting, common exams, which are maintained for assessment purposes.



### Staff Hiring, Staff Development and Staff Evaluations

The department uses the campus-wide automated recruitment management system for hiring staff and management positions. More information on this system may be found at this link: <http://hr.fullerton.edu/documents/Guidelines/Employment/RecruitmentGuide.pdf>. This process ensures we hire applicants who contribute to the university's vision and strategic goals. At the university and college levels, there are various development resources to support professional staff. Staff evaluations follow the process provided by the university. All permanent staff members are evaluated annually following the staff Performance Evaluation Guidebook, which may be found at this link: <http://hr.fullerton.edu/documents/guidelines/PE-guidebook-rdi.pdf>. See the college-wide AACSB report for a full description of policies on hiring, development and evaluations.

### Staff Awards

Based on performance, monetary awards are given to staff members annually at the college level (see the college-wide AACSB report for more on this). The department celebrates our staff and student assistants by giving them a Christmas bonus from collections from all faculty members, both full- and part-time. We plan to formally recognize our staff with awards at our annual banquet beginning in fall 2018.

## SECTION 6: LEARNING AND TEACHING

### A. Curricula Management and Development

Since the last accreditation review in 2013, the Department of Accounting has made significant changes in our undergraduate and graduate curriculum. The drivers for these changes are findings from our assessment activities, discussions at faculty meetings and retreats, recommendations from our Accounting Advisory Board and other stakeholders, and external factors affecting accounting education generally. Table 6.1 provides a high-level summary of the major changes in our curriculum, the primary external drivers of these changes and how these changes are aligned with the learning goals of our program. Additional information is presented below.

#### Changes to the Undergraduate Curriculum

In spring 2015, we added a new course, ACCT 415 – Accounting Ethics for Professionals, which discusses the philosophy, economics and behavioral theories of ethics, and the role of ethics in accounting and other professions in which accountants work. It also covers the regulation of ethics, corporate compliance and professional ethics code, and the professional responsibilities in the practice of financial reporting and tax. This course was developed to fulfill the new licensure requirements for certified public accountants (CPAs) in California, which went into effect at the beginning of 2017.

Also in spring 2015, we developed a new course, ACCT 408 – Problems in Taxation, as an advanced undergraduate tax course. This course targets undergraduate students who desire to obtain additional tax knowledge beyond the required core tax course that is mostly focused on individual taxation. ACCT 408 covers tax research, corporate taxation, partnership taxation, S corporations, transfer taxation, gift taxes and accounting for income taxes.

Starting in 2016, we began offering a single online summer course section of ACCT 301A – Intermediate Accounting. In fall 2016, we changed the course title of the existing ACCT 405 course to Forensic Accounting and Fraud Examination, so that this course would be recognized by the Anti-Fraud Education Partnership initiated by the Association of Certified Fraud Examiners. The course title change allows our students to work towards a certification in the forensics and fraud prevention industry.

In fall 2017, we developed a new course, ACCT 407 – Accounting Data Analytics, which will explore the technology and practice of data analytics as it pertains to accounting professionals. This course uses emerging technology to show the practice of data analytics in the real world and covers the three major areas of data reporting, data visualization and predictive analytics. This course was developed in response to demands from the profession as further discussed in the following paragraph and in Standard A7.

In spring and fall 2018, we began incorporating data analytics elements in all core courses at both the undergraduate and graduate levels. We also approved a new dual concentration in accounting and business analytics, to begin in fall 2018, which is intended to provide students with strong foundational knowledge for

applying analytics in the fields of accountancy and business. The curriculum will provide our students with tools relating to descriptive, diagnostic and predictive analytics for solving a variety of complex business problems. This concentration is intended to open employment opportunities in consulting, risk assessment and other areas outside of the traditional accounting field.

In addition, in spring 2018, in response to feedback from our advisory board, we began requiring that the Financial Accounting Standard Boards (FASB) codification be covered in all intermediate accounting classes (both ACCT 301A and ACCT 301B).

### Changes to the Graduate Curriculum

During this accreditation review period, there was a decline in enrollment in the two graduate programs. This was due to a decrease in enrollment by foreign students, student ability to meet the 150-hour CPA rule through non-CSUF courses, and regional competition with UC Irvine's new graduate program in professional accounting.

With the election of a new department chair, a departmental review was made to determine the future of the graduate programs. The department's efforts were directed to the marketing of the graduate programs, modernization of academic curriculum to match the accounting workplace skill sets and topics, and eliminating bottlenecks that discouraged application to our graduate programs. Effective spring 2019, depending on relevant work experience, students will not be required to take the GMAT or GRE to be accepted (certain restrictions apply). Department task force teams are doing additional work to determine whether there are online instruction opportunities for tax-related graduate courses. Additionally, beginning in spring 2018, a campaign was set in motion by the department chair to aggressively market the graduate programs to working professionals at national and regional accounting firms in Orange County and recruit qualified leaders from the firms to teach as lecturers in the taxation program.

Other changes in the graduate curriculum are as follows:

- In spring 2014, we developed the Accounting Summer Academy for students entering the M.S. in accountancy program who did not have an undergraduate business or accounting degree. Ordinarily, these students would need to take at least a year's worth of undergraduate core accounting courses prior to starting their graduate accounting education. The academy would allow these students to complete all undergraduate core accounting courses in a single summer, thereby reducing the time to complete the full graduate accounting program to 18 months. Due to insufficient enrolment, the program has not been offered to date.
- In fall 2016, we reclassified (with curriculum changes) the undergraduate ACCT 470 – Tax Research, Practice and Procedures as ACCT 571 – Tax Research, Practice and Procedures, a graduate-level course that would also satisfy the graduate writing requirement.
- In spring 2017, we developed a new degree program – an M.S. in accounting and finance, which began in fall 2017. This degree is designed to provide analytic tools and current theories focused on accounting, finance and corporate governance to qualifying students who aspire to become a chief financial officer or hold a similar C-suite position. It is intended for students interested in pursuing careers in corporate reporting, budgeting and financial management.

In fall 2017, the M.S. in accounting program added ACCT 570 – Seminar in Taxation of Corporations and Shareholders (Corp I), as a required course rather than an elective. This change increased the required units for this graduate program from nine to 12 and decreased the elective units from nine to six. Additionally, the program has proposed that the existing required course, ACCT 506 – Seminar in Professional Accounting Communications, satisfy the university writing requirement. This course covers the compilation and composition of accounting reports and client presentations relating to accountant working papers, client engagement letters, management advisory reports and prospectuses.

The M.S. in taxation program added ACCT 408 – Problems in Taxation as an accepted elective for the graduate program, subject to graduate-level work needed to earn commensurate credit. The program increased the elective units from nine to 12 units and decreased the non-accounting business elective units from nine to six. We also eliminated ACCT 580 – Seminar in Taxation of S Corporations, LLCs and LLPs, as this course content was combined with that of ACCT 583. This resulted in a change to the course title for ACCT 583 to Seminar in Taxation of Flow-Through Entities, which best describes the topics covered in the now combined course.

In fall 2018, following an all-day tax retreat, we developed a new course, ACCT 579 – Accounting for Income Taxes (ASC 740), to cover the key provisions of Accounting Standards Codification (ASC) 740, Income Taxes. This course is designed for students to learn to apply the principles of ASC 740 in preparing income tax provisions and recording the current and deferred tax expenses. Specific topics will include current and deferred tax provision, temporary and permanent differences, valuation allowance, impact of changes in tax laws and rates, uncertain tax positions, business combinations, stock-based compensation, interim periods, and disclosures.

## B. Program Goals and Assessments

The department has established a system for developing and assessing learning goals to ensure continuous improvement in student learning. For the academic years from 2013 to 2017, the following learning goals were used to assess the graduate and undergraduate programs.

### ***B.A. in Business Administration, Concentration in Accounting***

1. Understand concepts related to:
  - a. Financial accounting and reporting
  - b. Cost accounting
  - c. Income taxes
2. Identify key issues, think critically and apply analytical solutions to situations related to:
  - a. Financial accounting and reporting
  - b. Cost accounting
  - c. Income taxes
3. Exhibit effective written communication skills.
4. Identify ethical dilemmas and suggest appropriate courses of action for resolution.
5. Demonstrate knowledge of current and emerging technology applicable to the accounting profession.

***M.S. in Accountancy (MSA)***

1. Think critically and apply conceptual solutions to advanced accounting issues.
2. Design and execute effective research related to accounting topics.
3. Demonstrate effective written communication skills appropriate for the accounting profession.
4. Demonstrate effective oral communication skills appropriate for the accounting profession.
5. Suggest an appropriate course of action to resolve ethical dilemmas related to accounting issues and the accounting profession.
6. Work effectively as part of a team.

***M.S. in Taxation (MST)***

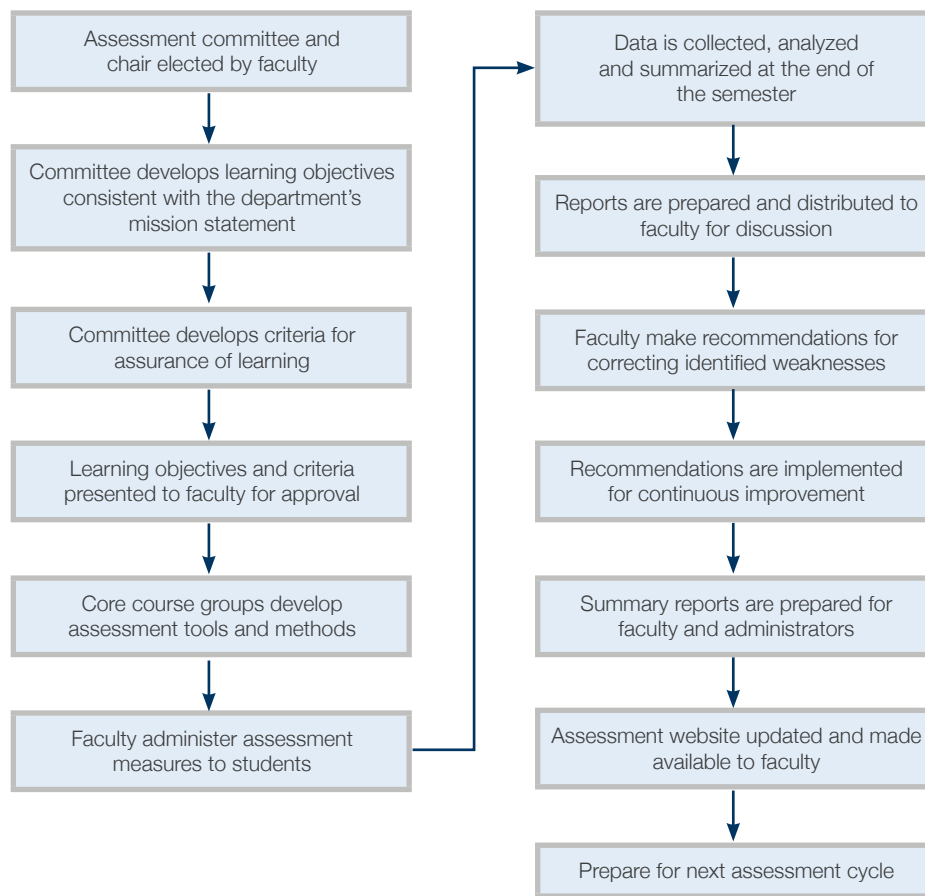
1. Demonstrate and apply a practical and conceptual understanding of tax knowledge to advanced tax issues.
2. Identify relevant information, think critically and apply analytical solutions to advanced tax issues.
3. Generate appropriate solutions to tax problems through effective tax research.
4. Demonstrate effective written communication skills appropriate for the accounting profession.
5. Demonstrate effective oral communication skills appropriate for the accounting profession.
6. Suggest an appropriate course of action to resolve ethical dilemmas related to tax issues and the accounting profession.
7. Work collaboratively and effectively on advanced tax issues as part of a team.

The assessment committee is responsible for setting learning goals and reviewing them twice annually. In 2017, significant changes were made to the existing learning objectives. To reflect the increasing importance of integrating technology throughout the program as specified in Standard A7, a new learning objective was added for assessing student data analytics skills. Another change was the addition of a key trait for assessing the student's ability to conduct FASB codification research. This change was based on recommendations from the Accounting Advisory Board. The revised learning goals will be assessed during the next accreditation cycle. Appendix C.2 lists the new set of learning goals for the academic years from 2018 to 2022.

Each learning goal is assessed every other year. Although the assessment committee has the primary role for guiding assessment activities, the department ensures a high level of faculty participation in all aspects of assessment. The assessment process is planned, coordinated and monitored through master plans, which include the calendar schedule, assessment methods and tools, and the status of each learning goal. These plans for the most recent assessment cycle are included in Appendix C.3. Assessment results are disseminated to and reviewed by all attending faculty at the fall retreats. To close the loop, faculty work in groups to identify weak areas of student learning and discuss action items for improvement for each learning goal. The proposed action items are then implemented in the following two-year cycle. The flowchart below summarizes the key steps in the direct assessment process.

**Figure 6.1 – Key Steps in the Direct Assessment Process**

Faculty work in groups to identify weak areas of student learning and discuss action items for improvement for each learning goal. The proposed action items are then implemented in the following two-year cycle. The flowchart below summarizes the key steps in the direct assessment process.



The table below displays some of the major changes to our program that resulted from this assessment process. The assessment of results relating to our learning goals in combination with external forces led to these changes (Appendix RAW). With regard to the M.S. in taxation program, for example, we noted that several of our learning goals were not met. This led to a discussion with our external stakeholders and in turn resulted in a major overhaul of the program.

**Table 6.1 – Major Changes Resulting from the Assessment Process**

ASSESSMENT OF LEARNING GOAL	MAJOR PROGRAM/CURRICULUM CHANGES	EXTERNAL CHANGE DRIVERS
<b>B.A. in Business Administration, Concentration in Accounting</b>		
<b>BA SLO No. 1a</b> Understand concepts related to financial accounting and reporting	New course offering of ACCT 445 – Valuation Concepts and Topics for Accounting	Suggestions from advisory board; discussions at faculty retreat
<b>BA SLO No. 1b</b> Understand concepts related to cost accounting	Use of a data analytics expert to teach this topic across all ACCT 302 sections	Faculty feedback. AACSB Standard A7
<b>BA SLO No. 1c</b> Understand concepts related to income taxes		
<b>BA SLO No. 2a</b> Identify key issues, think critically, and apply analytical solutions to situations related to financial accounting and reporting	New course offering of ACCT 445 – Valuation Concepts and Topics for Accountants	Suggestions from advisory board; discussions at faculty retreat
<b>BA SLO No. 2b</b> Identify key issues, think critically and apply analytical solutions to situations related to cost accounting	Use of a data analytics expert to teach this topic across all ACCT 302 sections	Faculty feedback. AACSB Standard A7
<b>BA SLO No. 2c</b> Identify key issues, think critically and apply analytical solutions to situations related to income taxes		
<b>BA SLO No. 3</b> Exhibit effective written communication skills	Expanded coverage and assessment of FASB codification	Suggestions from advisory board. Input from visits to the accounting firms
<b>BA SLO No. 4</b> Identify ethical dilemmas and suggest appropriate courses of action for resolution	New course offering of ACCT 415 – Accounting Ethics for Professionals; hosting of Accounting Ethics Symposium	Educational requirements for CPA licensure
<b>BA SLO No. 5</b> Demonstrate knowledge of current and emerging technology applicable to the accounting profession	New course offering of ACCT 407 and ACCT 507, covering accounting data analytics; integration of data analytics throughout undergraduate accounting courses; team-teaching of data analytics in ACCT 503 – Seminars in Contemporary Accounting Problems; development of a new dual concentration in accounting and business analytics	Suggestions from advisory board; discussions at faculty retreat; AACSB Standard A7

Table 6.1 – Major Changes Resulting from the Assessment Process (Continued)

ASSESSMENT OF LEARNING GOAL	MAJOR PROGRAM/CURRICULUM CHANGES	EXTERNAL CHANGE DRIVERS
<b>M.S. in Accountancy (MSA)</b>		
<b>MSA SLO No. 1</b> Think critically and apply conceptual solutions to advanced accounting issues	Redesign of ACCT 597 to involve practitioners in developing research guidelines and to blend theory with practice; new course offering of ACCT 535 – Corporate Governance Theory and Practice	Suggestions from advisory board; faculty feedback
<b>MSA SLO No. 2</b> Design and execute effective research related to accounting topics	New course offering of ACCT 535 – Corporate Governance Theory and Practice	Suggestions from advisory board; discussions at faculty retreat
<b>MSA SLO No. 3</b> Demonstrate effective written communications skills appropriated for the accounting profession	Use of a new course for assessment	Discussions at faculty retreat
<b>MSA SLO No. 4</b> Demonstrate effective oral communication skills appropriated for the accounting profession	Restructuring of ACCT 597 capstone course. Involve accounting professionals in the student presentations of their capstone project	Suggestions from advisory board; faculty feedback
<b>MSA SLO No. 5</b> Suggest an appropriate course of action to resolve ethical dilemmas related to accounting issues and the accounting profession	New course offering of ACCT 415 – Accounting Ethics for Professionals; hosting of Accounting Ethics Symposium	Educational requirements for CPA licensure
<b>MSA SLO No. 6</b> Work effectively as part of a team	New course offering of ACCT 535 – Corporate Governance Theory and Practice	Suggestions from advisory board; discussions at faculty retreat
<b>M.S. in Taxation (MST)</b>		
<b>MST SLO No. 1</b> Demonstrate a technical understanding of and application of advanced tax knowledge	Development of a new course – ACCT 579 – Accounting for Income Taxes; revamping of tax curriculum. Building a bench of strong faculty from the accounting firms. Using Zoom technology to deliver curriculum	Input from tax retreat involving all faculty teaching tax. Input from visits to five accounting firms
<b>MST SLO No. 2</b> Identify relevant information, think critically and apply analytical solutions to advanced tax issues		
<b>MST SLO No. 3</b> Demonstrate effective written communication skills appropriate for the accounting profession		
<b>MST SLO No. 4</b> Demonstrate effective oral communication skills appropriate for the accounting profession	Redesign of ACCT 597 capstone class. Involve accounting professionals in the student presentations of their capstone project	Suggestions from advisory board; faculty feedback
<b>MST SLO No. 5</b> Suggest an appropriate course of action to resolve ethical dilemmas related to tax issues	New course offering of ACCT 415 – Accounting Ethics for Professionals; hosting of Accounting Ethics Symposium	Educational requirements for CPA licensure
<b>MST SLO No. 6</b> Demonstrate advanced research skills using appropriate	Redesign of ACCT 597 to involve practitioners in developing research guidelines and to blend theory with practice	Suggestions from advisory board; faculty feedback



Appendix RAW has all of the assessment reports by assessment period, program and learning objective. Key aspects of these reports include the course and method chosen for the objective, assessment results and closing-the-loop action items. Student learning is measured using a variety of methods, including embedded multiple-choice questions, short essay questions, cases, research projects and peer evaluations. Typical closing-the-loop recommendations include increasing the coverage of a specific topic; adding in-class, take-home or online exercises; and assigning additional cases for practice. Before each semester begins, these recommendations are communicated to all instructors who teach the courses that will be assessed in that semester. At each monthly faculty meeting, time is allotted for a discussion of steps that have been taken for implementing the recommended action items. We provide in Appendix RAW a tabulation of all the direct assessment results and close-the-loop recommendations over the five-year accreditation cycle. Note that action items are not available for the assessment reports for the period from fall 2016 to spring 2018, as these will be discussed at the 2018 fall retreat.

To obtain insights into the learning outcomes, we performed a trend analysis for each learning goal using assessment data from the three two-year-cycles from fall 2012 to spring 2018. The analyses are presented in Figures 1-3 of Appendix C.1 for the undergraduate, M.S. in accounting and M.S. in taxation programs, respectively. For the vast majority of learning objectives, our students have achieved expectations and their performance has trended upward over the three assessment periods. There are a few exceptions to this generally upward trend. First, the pass rates for two learning objectives, BA SLO No. 2b (critical thinking skills and analytical ability related to cost accounting) and BA SLO No. 4 (appropriate course of action for the resolution of ethical dilemmas) have declined over time, although both are still above the department's target of 65%. While we plan on discussing this finding at our fall 2018 retreat, we believe that the decline is due to the fact that the degree of difficulty of the assessment questions and the level of complexity of the case assignments used to assess the two learning goals were increased during this period.

Secondly, the percentages on MST SLO No. 3 (written communication skills) and MST SLO No.5 (appropriate course of action for resolution of tax-related ethical dilemmas) in the most recent two periods have fallen below the department target of 75% for the M.S. in taxation program. A possible reason for this is that in the past four years, there has been a turnover in the instructors teaching ACCT 571—the course for which these two learning objectives are assessed. To address this issue, we have taken initiatives to build a bench of strong faculty from the accounting firms to teach the tax courses in the MST program.

The department has also developed a comprehensive set of indirect measurement tools, including exit and other surveys, and CPA exam performance data. Examples of surveys include exit surveys for graduating students, employer surveys of recruiting firms and alumni surveys. In 2014, the assessment committee revised and streamlined the survey questions in an attempt to reduce the amount of time required for completing the surveys. Starting in 2015, the department also began conducting surveys of alumni at three, five and 10 years following graduation. The survey reports and CPA performance results are shared with faculty regularly at meetings. The department has not tracked these metrics separately for undergraduate and graduate programs.

Appendix C.3 provides the summary reports on the various surveys and other indirect measurements by time period. The exit survey asks graduating students to report on their internship and employment status, rate their academic experiences, and offer suggestions for quality improvement. About 38% of our graduating students have completed an internship, of which 46% have received a resulting job offer. The employment rate for our student body averages 63%, with a majority of them (62%) working in accounting firms. The students cite academic reputation (83.59%), networking opportunities (81.94%), and accessibility of faculty (80.27%) as the top three reasons for their satisfaction with our accounting program. Our students also indicate that the program help them the most in developing teamwork skills (81.73%), business ethics awareness (81.31%), problem-solving skills (80.38%) and quantitative

skills (80.22%). An employer survey is conducted annually to seek feedback from recruiting firms regarding the performance of our students. The survey shows that the ability to analyze and interpret financial data (80.6%), ability to use technology necessary for accounting practice (81.8%), and effective teamwork skills (81.6%) are among the highest rated education qualities of our students. Nearly all employers indicate that they are likely to hire more CSUF students in the future.

Also included in this appendix are reports on the three- and five-year alumni surveys that are designed to track progress over a longer time horizon. The CPA exam performance reports are included in Appendix C.5. These reports are broken down by comparable peers, California peers, aspirant peers and CSU schools to facilitate the comparison of the performance of CSUF accounting students with that of other schools. With regard to our California peers, in the most recent year for which data was available, our students are on par with those from UCI and outperform those from Cal State Long Beach. Comparing our performance with other Cal State universities, our students outperform all of them with one exception. However, we are trailing our aspirant peers and comparable peers. We plan to discuss this at our faculty retreat. In preliminary discussions, we have noted a decrease in the number of accounting students seeking to pass the CPA exam because of opportunities in tax and advisory services where employers do not require their staff to obtain CPA certification.

## C. Quality of Instruction

The college and department work closely with the Faculty Development Center to provide teaching development opportunities to faculty. The center provides a wide range of individualized and group training opportunities. These include course design principles, effective syllabus preparation, teaching techniques, mentoring, learning communities, and other pedagogical strategies and practices, with an emphasis on high impact learning. The center's New Faculty Program is designed to provide pre-tenure Cal State Fullerton faculty with the opportunities to enhance their understanding of evidence-based teaching practices, interact and share ideas with colleagues, and build a portfolio of teaching knowledge that can be used as part of their tenure portfolio. Furthermore, the department regularly hosts practitioners and area experts to update faculty on the newest trends including accounting and regulatory updates. Participation in these opportunities contributes positively to the year-end assessment of faculty teaching. The school and department both actively focus on enhancing the teaching quality through innovative course design. The Fullerton program was launched in 2013 as part of the CSU Proven Course Redesign Program to redesign 44 courses facing bottlenecks and low success rates. The course redesign program was part of the CSU Graduation Initiative overseen by Accounting Professor Ephraim Smith.

As part of the Fullerton program, accounting faculty Betty Chavis (emerita), Glen Hatton and Randy Hoffman redesigned the courses covering financial accounting and managerial accounting in an effort to reduce the repeat rate of the two lower-division accounting courses. They replaced a passive learning environment with an active and collaborative learning methodology through flipped classrooms. This innovative method resulted in a decline in the repeat rate from 43% to 21% and increased the final examination scores by 25%. This achievement has been recognized with the 2015 Jim Bulloch Award for Innovation in Management Accounting Education at the American Accounting Association (AAA) meeting. Furthermore, to keep up with the rapid development of big data and data analysis, the department has increased the number of practitioner and expert presentations to equip the faculty with the newest data and data techniques to be used in the classroom. All full-time faculty members have received training in the use of Tableau and Zoom. The department has also sent three faculty members to get advanced training in Tableau and SAP Cloud Analytics. The department has provided funding to faculty to attend the Deloitte University and PwC Accounting and Tax Symposiums to stay updated on the most recent developments in the accounting profession.

## SECTION 7: ACADEMIC AND PROFESSIONAL ENGAGEMENT

### A. Student Academic and Professional Engagement

The Department of Accounting is committed to the continuous improvement of student engagement, in both academic and professional matters. With more than 3 million residents, Orange County is the sixth largest county in terms of population in the United States. Our business community's three key attributes – size, diversity and entrepreneurial spirit – allow us to offer a variety of professional engagement opportunities to our students.

#### 1. Student-Run Organizations

The two primary student-run organizations are the Accounting Society (AS) and Beta Alpha Psi (BAP) (Appendix F.1). With nearly 700 members, the Accounting Society has more members than any other student organization on campus. The college's chapter of BAP (the national accounting honor society) is a student-run professional honor organization. The chapter's culture demands a superior rating, which they plan for accordingly. Due to the number of hours required, almost every member participates in a leadership role, such as event chair, committee chair or officer. For each of the five years covered by this report, our Beta Theta chapter has earned a superior rating, far surpassing the number of hours required to achieve this rating.

#### a. The SEC “Hot Topics” Conference

The two student organizations work side-by-side to provide more than 70 events each semester (Appendix F.2). Their governing boards meet before the start of each semester and plan the two largest and most complex events, Meet the Firms and the Awards Banquet. Additionally, the clubs organize networking events and activities that are focused on preparing students to successfully navigate through the recruiting process. The annual number of these networking events almost doubled during the reporting period, from 33 in 2014 to 65 in 2017 (Appendix F.3). The activities which help to prepare students for the rigorous recruiting process more than doubled during the reporting period, from 16 in 2014 to 40 in 2017 (Appendix F.4). The events, which have been traditionally held each semester during the reporting period, are as follows:

#### ◆ Speaker Meetings

Guest speakers from various public accounting firms are invited to speak about their organizations, working environments, recruitment processes and career opportunities with their companies. Most meetings occur at the university's Titan Student Union on Tuesdays and Thursdays during the lunch hour, with such events occurring virtually weekly during the semesters. Not only did speaker meetings increase in quantity during the reporting period, there was also an increase in the diversity of firms that participated (Appendix F.3):

**Table 7.1 – Student-Run Organization Events**

ACADEMIC YEAR	SPEAKER MEETINGS	PUBLIC / NON-PUBLIC	IRVINE CENTER
2014	33	28 / 5	4
2017	49	42 / 7	9

◆ **Office Tours**

There were 21 office tours in 2014 and 14 in 2017 (Appendix F.5). The decrease is because office tours no longer appear to be part of the recruiting process for the Big Four, but continue to be part of the initial recruiting process for the smaller public accounting firms and non-public companies.

◆ **Office Hours**

Office Hours is a networking event for students to meet one-on-one with recruiters and experienced professionals from CPA firms hosted on campus. In this unique setting, a handful of selected candidates can ask professionals about their firm's culture or advice on being considered for employment, as well as any inquiries regarding practicing in the accounting field. Firms will usually book appointments every 15 minutes during their four- to eight-hour window. The format was created in its current form and first offered during spring 2016. There were 17 Office Hours events held during 2017 (Appendix F.3).

◆ **Mentoring Program**

With the help of experienced students or alumni, members receive advice on how to have a successful recruiting cycle, providing members the opportunity to make new professional relationships, as all our mentors are either employed full-time in the field or are in relevant internships.

◆ **Public Speaking Program**

The program consists of a series of four to six training sessions aimed at preparing students for recruiting events and interviews during the current semester. Each meeting consists of recruiting-modified communication exercises and discussions on various facets of business etiquette.

◆ **Career Workshops**

There are multiple career workshops throughout the semester to assist members. These workshops help members become more competitive by helping them improve their résumés, cover letters and interviewing skills.

◆ **Mock Interviews**

Members attend a series of three meetings, during which they can practice and improve their interviewing skills. Accounting professionals from a variety of firms, including PwC, Deloitte, EY, KPMG, RSM, BDO, Moss Adams, HCVT, White Nelson Diehl Evans, SingerLewak, Frazer and KSJG, donate their time to interview accounting students who are getting ready to go through the actual recruitment process.

◆ **Meet the Firms**

Every September and February, BAP and the Accounting Society host Meet the Firms, the most significant professional networking event of the semester. During the reporting period, this event has grown from about 500 guests and 30 exhibitors to about 700 guests and more than 40 exhibitors. In spring 2018, the event moved to a larger venue. The expansion of the meeting place accommodated more than 50 networking opportunities, with public accounting firms, private sector businesses and government agencies presenting and nearly 900 guests attending.

◆ **Awards Banquet**

The Awards Banquet is a celebrated event hosted by BAP and the Accounting Society every semester. Student organizations recognize the outstanding academic and extracurricular achievements of their members. Scholarship recipients and case competition winners are announced and presented with a plaque by department faculty. A distinguished alumnus is recognized at the banquet.

◆ **Accounting Fest**

The Accounting Fest is an annual event held during the second week of class in the fall semester. The event jumpstarts the fall recruiting season and energizes students and employers alike after the

summer break. It is designed to provide students with an opportunity to learn about accounting firms and their recruiting processes. Local, mid-tier and Big Four accounting firms bring their recruiters and professionals to the event.

#### ◆ Other Activities

Peer-to-peer (also known as New Member Orientation) is a program implemented by the Accounting Society to bring the members and student board closer together. It is also designed to inform members interested in taking leadership positions in the future. The program is a series of three meetings, which are mandatory once the member has responded to the initial invitation. There are also multiple social activities during the semester to give members the opportunity to interact with each other and professionals. Some of the events include visits to Korean BBQ restaurants, the KI Speedway, Knott's Scary Farm and Disneyland, as well as bonfires at the beach, billiards and bowling.

## 2. Department of Accounting Supported Activities

### a. CPA Licensure Information

Accounting Advisory Board, which meets twice annually. The board provides feedback on our curriculum and fundraising strategy. The board includes partners and managers of national, regional and local firms, as well as executives from public and private businesses.

### b. Volunteer Income Tax Assistance (VITA)

The department's participation in VITA dates to the 2007-2008 academic year. The small contingent of CSUF volunteers completed 50 tax returns in its first year. Since then, VITA has helped train hundreds of undergraduate and graduate students in personal tax preparation. For tax year 2013, our VITA group won awards for the volunteers and its innovation at the BAP national convention.

**Table 7.2 – VITA Statistics**

TAX SEASON	VOLUNTEERS	VOLUNTEER HOURS	RETURNS COMPLETED
2017	82	2,414	810
2016	95	2,554	862
2015	147	3,867	650

### c. Accounting EXPO

The event provides students with the opportunity to gain awareness about a wide variety of career opportunities in the field of accounting and hear speakers' perspectives about working in various subsets of the industry. In a panel discussion format, the following topics are featured:

- ◆ Careers in public accounting – an open discussion by partners representing Big Four, mid-tier and local firms.
- ◆ Résumé and interview preparation and tips on the recruiting process – a frank discussion of the challenges and opportunities and personal best practices from professional recruiters.
- ◆ Careers in non-public/government accounting – officials from state and federal agencies discuss some exciting career opportunities.

Past panelists have included executives from major firms, including Deloitte, EY, Grant Thornton, HCVT, KPMG, Moss Adams, PwC, RSM US LLP and White Nelson Diehl Evans, as well as officials from state and federal agencies. Between 600 and 700 students attend the Accounting EXPO, held annually in mid-September.

**d. Case Competition**

The department hosts its case competition during the fall and spring semesters to enhance the visibility of our program and work toward an award in a national case competition organized by Big Four accounting firms. In total, about 200 students and 20 practitioners have been involved in the case competition over the last five years.

**e. Scholarship Program**

Scholarships are presented at the banquet hosted by the Accounting Society and Beta Alpha Psi at the end of each semester. During the reporting period, an average of 20 to 25 scholarships, together totaling between \$20,000 and \$30,000, have been distributed to students each semester (Appendix F.6)

**f. Department's Response to Early Hire Programs of the Accounting Firms**

In response to the expansion of the early hire programs, the department took the following actions to increase its interaction with the accounting firms (Appendix F.7):

**◆ Classroom Presentations**

On a rotational basis since 2013, the Big Four public accounting firms have been invited to make presentations in the large format classrooms of ACCT 201B – Managerial Accounting regarding the summer leadership (SLP) and internship programs. Starting with the 2018-2019 academic year, presentations will be regularly scheduled in ACCT 201B at the end of the fall semester and the beginning of the spring semester

**◆ Extra Credit Incentives**

To expose the lower-division students to career opportunities in accounting, the core accounting courses in the undergraduate program offer a small amount of extra credit for attending the Accounting EXPO.

**◆ Higher Faculty Involvement in Student Organizations**

At the end 2016, a second faculty advisor was added to assist BAP and the Accounting Society.

**g. Mentoring Program**

In fall 2015, the department instituted a mentoring program for all accounting students. After several modifications, the mentoring program has become very effective. The basic elements include:

- ◆ Giving students the flexibility to schedule a meeting with any faculty member with office hours matching the student's availability.
- ◆ Creating a standard package of information pertinent to an accounting major.
- ◆ Providing an initial mandatory meeting with a faculty mentor.
- ◆ Assigning administrative tasks to departmental personnel rather than faculty.
- ◆ Limiting initial meetings to 15 minutes and allowing up to three students to attend. The initial meetings are a quick overview of the information packet, ascertaining the student's goals after graduation and an introduction to the tools which will guide them on fulfilling the state educational requirements for licensure. Additional meetings are held at the request of the student.

#### h. Occasional Opportunitie

These department-supported opportunities have included:

##### ◆ VITA Volunteering in Alaska

The VITA program flew four student officers to Alaska, aiding the rural community of Chevak by filing more than 200 tax returns. The volunteers worked hard, day and night, from Feb. 20-28, 2015. The thankful Cupik tribe welcomed the VITA volunteers as family, inviting the students to go ice fishing and play basketball as friendly gestures.

##### ◆ BAP Chapter Mentoring

The 2015 BAP Western Regional Meeting was a two-day conference held in Las Vegas for various chapters from California, Nevada, Arizona and Hawaii, to gather and share their experiences about what they have done to operate effectively. Students also had the opportunity to showcase their chapters by participating in the best practices competition, sponsored by Deloitte, in which chapters presented and were judged on what goals and strategic initiatives they have achieved with respect to establishing effective chapter operations, creating an international impact and promoting financial literacy.

## B. Faculty Qualifications and Engagement

Based on the AACSB 2013 Accreditation Standards, Mihaylo College developed and implemented new faculty qualification standards in 2014. The new standards are listed in Appendix F.8. The faculty qualification (FQ) table can be found in the Appendix A.2.

1. To be qualified as a scholarly academic (SA) or a scholarly practitioner (SP), two publications are required in addition to five points accumulated from any category found on the AACSB Faculty Qualification (FQ) table as prepared by the college.
2. To be qualified as a practice academic (PA) or instructional practitioner (IP), an accumulation of 20 points is required from any of the categories found on the AACSB Faculty Qualification (FQ) table.
3. Faculty members who do not meet basic criteria for SA, SP, PA or IP will be classified as “other.” As a rule, no faculty member should be in the “other” category.

Discussion: Our faculty meet or exceed the standards as defined, with one exception (See Appendix A.3). The percentage of scholarly academics is 55.9%, which exceeds the AACSB 40% threshold. This is because our senior faculty are active in research, and we have significant numbers of new tenure-track faculty. In the last two years alone, we hired seven new faculty members. We have two scholarly practitioners who have published in the tax area and in forensic accounting. As a result, we also meet the AACSB 60% threshold. With regard to the AACSB 90% threshold, however, we are short by 0.8%, because three tenure-track faculty and one full-time lecturer are classified as “other.” Of the three tenure-track faculty, one faculty member is in the end of our five-year Faculty Early Retirement Program (FERP), while another has been terminated and will not teach beginning in fall 2019. If we exclude these two faculty members, we meet the 90% threshold.

Examples of faculty engagement with the profession are:

#### 1. SEC “Hot Topics” Conference

This conference provides comprehensive updates from members of the Securities and Exchange Commission (SEC), Financial Accounting Standards Board (FASB) and Public Company Accounting Oversight Board (PCAOB). The conference also features panels on key legal and governance issues. Eminent experts discuss financial reporting “hot topics” impacting businesses from the perspectives of lawyers, board members and auditors. The conference is intended for audit committee members, CFOs, auditors, accountants, attorneys, academics, financial professionals and those involved in the financial reporting process.



## 2. Southern California Accounting and Research Forum (SCARF)

SCARF aims to foster scholarship, professional development and collegiality among academics in accounting. Accounting faculty, researchers from numerous Southern California universities and graduate students participate in the forum.

## 3. Haskell & White Corporate Reporting and Governance Conference

The Haskell & White Corporate Reporting and Governance Conference is intended to provide opportunities to academics for engaging with experienced researchers and networking with the practice community. Speakers over the past two years have been from UC Irvine, Georgia State University, New York University, University of Tennessee – Knoxville, Erasmus University – Rotterdam, Cal Poly Pomona and Texas Tech University. All CSUF M.S. in accounting students are invited to attend. Students taking ACCT 597 – Project, the accountancy graduate capstone course, are required to attend. In fall 2017, the ACCT 597 instructors were successful in obtaining a \$15,000 grant to allow for greater student participation in this conference.

## 4. Annual Executive Compensation Summit

Presented in partnership with the Forum for Corporate Directors, this annual event focuses on key executive compensation issues and is designed to prepare Compensation Committee Members, directors, CEOs and other c-level executives for the upcoming proxy season. Select accountancy graduate students are invited to attend.

## 5. Other Examples of Faculty Engagement with the Professional Community

- a. For the five academic years from 2013 to 2017, Lecturer Randy Hoffman served as the moderator for the panel discussion Building a Career in Public Accounting at the Accounting EXPO. The panel consisted of partners from a wide variety of public accounting firms, from the Big Four to regional players.
- b. All of our faculty are required to attend the Meet the Firms and Awards Banquets.
- c. On an annual basis, our faculty visit a few accounting firms in Orange
- d. County to receive updates. Examples of recent group visits are in Appendix F.9.
- e. The Accounting Advisory Board provides strategic advice to the department on its mission, goals, policies and programs. It is composed of professionals from the industry, including public and private accounting firms. Advisory board members also participate in faculty recruitment, fundraising, mentoring and outreach activities.
- f. For the Adopt a Firm Program, faculty members are assigned to accounting firms and act as departmental liaisons for updating the firms on curriculum and program changes. This program was praised for its impact in Southern California in the Orange County Register in 2016. The article may be seen at the following link: <https://www.ocregister.com/2016/01/27/csun-connecting-students-faculty-with-accounting-firms/>.
- g. **Professional Boards.** Involvement in professional boards includes the following:
  - ◆ Fatima Alali is a member of the CalCPA Accounting Principles and Assurance Standards Committee.
  - ◆ Bill Nicely is part of the Western Academic Leadership Forum Executive Committee.
  - ◆ Vivek Mande is a member of Education Committee of the California Board of Accountancy.
  - ◆ Vivek Mande is a member of the advisory boards of Orange Coast College, Saddleback College, Irvine Valley College and Cypress College.
  - ◆ Our department is a member of the Forum for Corporate Directors (FCD).



- h. Professional Certification.** Faculty and departmental engagement with the profession takes many forms. A significant number of our faculty also hold professional certifications, engaging with the industry to remain current. The number of full-time and part-time faculty with CPA or CMA licenses is summarized in the following table.

**Table 7.3 – Faculty with CPA or CMA Licenses**

	FULL-TIME FACULTY		PART-TIME FACULTY	
	CPA	CMA	CPA	CMA
<b>Count</b>	10	2	13	0

- i. Consulting.** A selection of faculty who consult include the following:
- ◆ Bahram Hatefi (forensic and fraud audit)
    - ◇ Taught a three-day workshop and provided training on the 2014 Basel Policy on The Internal Audit Function in Banks and the supervisor’s relationship with auditors for professional bankers in Tehran, Iran in 2015.
    - ◇ Taught a one-day workshop and provided training about aspects of insurance fraud to a group of insurance companies in Tehran in 2015.
    - ◇ Taught a one-day workshop and provided training on financial statement fraud to a group of CPA practitioners in Tehran in 2015.
    - ◇ Taught a half-day workshop and provided training on money laundering prevention in the banking industry in Tehran in 2013.
  - ◆ Vivek Mande is a consultant and trainer for IASeminars, a UK-based firm. In this role, he provides training on U.S. GAAP updates to clients of IASeminars, including senior executives in the accounting function. He has provided training to firms in the UK, Malaysia, China and India.
  - ◆ April Morris has consulted with start-up companies. Her consulting work has included customer-targeted marketing best practices using accounting software packages. This assists young businesses in reviewing and commenting on proposals for pricing, identifying and reviewing insurance coverages, and business structuring issues such as Subchapter S and LLCs, tax strategies website development, and data analytics associated with visitors’ periodic reviews of financial performance relative to budgeted or expected results.
  - ◆ Christopher Petruzzi has conducted tax planning for individual clients, all of whom are current or retired executives in financial services. He also managed a fund for Paloma Partners, a family of hedge funds. He holds four U.S. patents related to portfolio management, trading securities and audits of financial fiduciaries.
  - ◆ Neil Kuritzky consulted for Mia Rose Products in 2013 and 2014, acting as part-time CFO and HR manager. His consulting work includes reviewing and adjusting monthly financial statements and giving strategic advice. He also consulted for Magna Optica & Medica, advising them on the entry into new international markets such as the Middle East and Latin America.

