

# **Program Elimination Proposal: Master of Science in Accounting (MSA)**

## **Summary**

This is a proposal to eliminate the Master of Science in Accounting program as a part of a restructuring of the graduate programs in business and offer instead an accounting concentration in the Master of Business Administration (MBA) program.

The University of Maine undertook a wide review of its degree programs in 2009-2010. Then President Kennedy formed the Academic Program Prioritization Working Group (APPWG) and charged it with evaluating and prioritizing all UMaine academic programs, stating that “the goal of this process will be strong support of our highest priority degree programs funded by a reduction in those ranked as our lowest priorities” (President’s Charge to APPWG). In its final report, APPWG recommended that the College of Business, Public Policy and Health make a “college-wide effort to streamline curricula, reduce course offerings and eliminate low enrollment minors.” Consistent with this charge, the Maine Business School evaluated all programs and majors and determined that the MSA’s low enrollments justified its elimination and consolidation into an accounting concentration within the Master of Business Administration program. Also, the MSA program could not be continued with the current numbers of accounting faculty without jeopardizing AACSB accreditation for the University of Maine.

## **History**

The MSA program was established about 10 years ago in response to a change in the requirements for the Certified Public Accountant (CPA) exam. At that time, this professional certification started requiring 150 credit hours of acceptable academic work for candidates to sit in for the exam. Our expectation was that most of the accounting graduates (about 50 per year) would prefer to get advanced training in accounting and better prepare for the CPA exam. Thus we designed a specifically targeted, 30 credit MSA program.

This expectation did not materialize, for three reasons. First, the 150 hours requirement does not specify that candidates need to have a Master’s degree in accounting or indeed more accounting classes at all. Thus they often fill in this requirement with coursework from fields other than accounting or business that may be less expensive or perceived as less demanding. Second, accounting firms in general have been reluctant to subsidize graduate study leading to a CPA. Instead, they expect that graduates gain the CPA certification on their own, which places cost pressure on them. And third, the CPA Institute revised the rules in the mid-2000’s once again to allow candidates to take the exam prior to completing the 150 hours; now they need only have the 150 hours by the end of the certification process.

## **Process**

When CBPPH was asked to streamline curricula and reduce course offerings, the MBS faculty decided to roll over the MSA program into a concentration in the MBA program. A proposal was prepared by the MBS Graduate Committee, in extensive consultation

with the accounting faculty, which was then approved by the full MBS faculty. The new MBA concentration keeps all graduate accounting courses except one, thus providing an opportunity for students who are interested in a graduate degree to still specialize in accounting and prepare for the CPA exam. At the same time, accounting classes are more inviting to other MBA students, potentially expanding enrollment. This simplifies the scheduling of courses and administrative processing. Students who would previously enroll in the MSA now can, and many do, enroll in the MBA with an accounting concentration. They get a broader business education and eventually a more recognized graduate business degree.

### **Impact**

No faculty were retrenched or reassigned by this program restructuring.

Historical enrollment data are included in the Appendix. Students are only minimally impacted by the elimination of the MSA program because they can pursue an MBA with a concentration in accounting. This program satisfies the knowledge requirements for a career in accounting as well as meets the credit and knowledge requirements for the CPA exam.

### **Program Quality**

Program quality was not an issue in this program restructuring. As explained, all but one of the courses in the MSA program are still offered in the MBA program within the concentration in accounting.

The University of Southern Maine launched a Master of Science in Accounting program at about the same time that we did. They no longer offer that program either.

### **Centrality to the Mission of the University**

The elimination of the MSA program will not negatively impact the University of Maine mission or that of the Maine Business School. Indeed, it furthers these missions by eliminating a problem for accreditation that was identified by the peer review team. Currently, the accounting faculty in MBS are at the bare minimum for the number of academically qualified faculty that is acceptable to AACSB. Offering a specialized graduate program carries an expectation of a greater number of such faculty, which we cannot afford to meet.

### **Cost of Instruction, Research, and Public Service, and Other Costs**

The program restructuring does not entail significant changes in the cost of instruction, research, and public service.

### **Net Cost Savings**

The net cost savings are minimal, as all but one of the MSA classes continue to be offered. Administrative costs related to scheduling and advising of students in a separate graduate program are reduced, though it is difficult to quantify these savings.

Appendix: Five-Year Summary of Program Enrollments

Academic Year	Majors	Degrees
2005-2006	17	12
2006-2007	13	8
2007-2008	22	16
2008-2009	12	6
2009-2010	13	8