FACULTY SENATE
State University of New York
College at Brockport
Brockport, NY 14420-2925
(716) 395-2586 (Fax) 395-2246

Resolution #21
1997-98

TO: Dr. Paul Yu, College President

FROM: The Faculty Senate Meeting on: May 11, 1998

RE: ✔ I. Formal Resolution (Act of Determination)
   ✔ II. Recommendation (Urging the fitness of)
      ✔ II. Other (Notice, Request, Report, etc.)
       For your information

SUBJ: MS Programs in Business and Economics (Accounting)

Signed: Anne H. Parsons  Date Sent: 5/14/98
(Anne H. Parsons, Faculty Senate President)

TO: The Faculty Senate

FROM: Dr. Paul Yu, College President

RE: I. Decision and Action Taken on Formal Resolution
   a. Accepted. Effective Date: 9/1/98
   b. Deferred for discussion with the Faculty Senate on 11/1
   c. Unacceptable for the reasons contained in the attached explanation

II. III.
   a. Received and acknowledged
   b. Comment: __________________________

DISTRIBUTION: To Administrative Group – Full
Resolution available in Faculty Senate Office

Distribution Date: 5/20/98 Signed: PDY
(President of the College)
To: All Senators

From: Steve Breslawski  
Chair, Department of Business and Economics

Re: Questions raised about proposed MS programs in Business and Economics

Dear Colleagues,

It is my understanding that a number of questions were raised during the Executive Committee’s discussion of the attached MS program proposal. It is not unreasonable to assume that others reviewing the proposal may have similar questions. Delineated below is my understanding of the questions that were raised, accompanied by explanations or clarifications.

1) Questions related to proposing 30 hour MS programs rather than a full MBA program.
   a. What is the difference between an MS program and an MBA program?
   b. Why are we proposing MS degrees instead of an MBA degree?
   c. Is an MS degree competitive with an MBA degree? (i.e., will they be able to find a job given that they have to compete in a job market where MBA degrees are abundant?)

MS and MBA degrees in business differ in time to completion, scope of material covered, and undergraduate background assumed. MS degrees are typically 30 credit hours and completed in one year. An MBA degree is typically 40-60 credit hours, depending on how many introductory (first year) courses are waived which, in turn, is a function of undergraduate preparation. An MBA degree does not assume an undergraduate preparation in business. MBA classes are populated by individuals with degrees in psychology, English, history, engineering, etc., as well as individuals with undergraduate degrees in business. In contrast, an MS degree in business or accounting assumes a parallel undergraduate degree. The undergraduate training removes the need to cover introductory business topics at the graduate level. As such, an MS program is essentially equivalent to the “last year” of an MBA program.

With regard to the choice of using MS programs rather than an MBA, consider that the primary goal in proposing graduate business programs at this time of our Department’s evolution is to satisfy the 150 hour requirement in accounting, as described in the attached proposal. Further, consider that the anticipated calling population for the proposed programs will have the prerequisite undergraduate training for an MS degree. The proposed MS programs 1) achieve the goal of addressing the 150 hour “problem” that we face, and 2) require far fewer resources than a full MBA program. Put another way, we cannot argue that an MBA program is required. (of
course, if the faculty senate wants to attach an amendment to our proposal, directing the College to fund a full MBA program, we would defer to the wisdom of the senate.

MS degrees in accounting are widely recognized as appropriate for accounting professionals and, in the accounting profession, are generally competitive with general MBA degrees. With regard to the competitiveness of an MS degree in business versus an MBA, the MBA is more widely recognized. The competitive advantage of two identical candidates, one with an MBA degree and one with an MS, typically belongs to the MBA. However, for most of the employers and HR directors that we have talked with, individuals with MS degrees are not disqualified from interview pools and the hiring decision is based primarily on the interview performance and other candidate attributes (scholastic achievement, work experience, etc.). Only where candidates are nearly identical in all other ways does the MBA have an advantage. In some contexts, e.g. getting a graduate business degree to allow advancement in one’s current job, the MS degree may be preferred by students and employers because of the quicker time to completions and reduced costs. We realize, however, careful program marketing and communication of what an MS degree is/means, will be important.

2) Will the program be held at main and/or metrocenter? Why?
We can not afford to staff the programs at two locations. We intend to hold the programs at main campus, since the primary purpose of the exercise is to address the needs of the accounting students, most of whom are traditional students. Further, we anticipate that a number of our better (traditional) business students will enroll in the programs. In summary, a substantial portion of the designed calling population is already out in Brockport, as are the faculty who will be teaching the programs.

3) When does accreditation happen?
We anticipate a site visit by the accrediting body in Fall 1999. This is the implementation date for the new programs. We will probably have to undergo reaccreditation in 2-3 years (rather than the standard 3 years) because of the new MS programs. Our accrediting body requires that programs at all levels be accredited i.e., we can't get the undergraduate program accredited without accrediting the graduate programs.

4) How do you justify the proposed marketing budget?
An appendix of the proposal provides the details of the cost and revenue modeling. Included was a proposed cost of $30,000 in year 1 and $20,000 in year two for promotion and advertising. Some members of the executive committee wanted an explanation of this figure. We base this number on the techniques utilized by other Colleges who successfully launched new MS programs in business and accounting. Further, the requirement is suggested by basic marketing models of consumer behavior. We need to rapidly bring potential students through five stages: awareness, knowledge, liking, preference, convictions, and purchase. In particular, mass media advertising has been shown to be key during the awareness, knowledge, and liking stages of purchase behavior. Even though we seek a (maximum) enrollment target of only 220 students, we need to attack 220 good students if we want to accredit the program and produce successful alumni.
To: All Senators

From: Steven Breslawski  
Chair, Business Administration and Economics

Re: Request for Senate Approval for submitting a letter of intent, MS Programs: Business and Accounting

Dear College,

The Department of Business Administration and Economics seeks Faculty Senate support for submitting letters of intent to SUNY for establishing two related MS programs in Business and Accounting. The primary motivation for establishing graduate programs in our Department is the need to respond to pending changes in the educational requirements for students seeking licensure as Certified Public Accountants (CPAs).

More specifically, the State Education Department recently released a final draft proposal detailing revisions to the educational requirements for CPA licensing. The most striking change is the increase in the number of hours of college education required, from 120 to 150. Hence, the proposed changes have come to be collectively referred to as the 150-hour requirement.

With nearly 200 declared and undeclared accounting majors, our Department needs to take immediate steps to comply with the new requirements. Students entering college in Fall 1998 will be directly impacted, as the new regulations governing entrance to the CPA exam will take effect in March 2002.

Anticipating the proposed changes, we have undertaken considerable effort over the past three years to research possible curricular solutions. In addition to examining the impact of changes in the 39 other states and jurisdictions that have adopted the 150-hour requirement, we spoke with human resource directors, recruiters, and accounting firms to gain insight as to how the market will respond. Our research led us to conclude that:

1. Our accounting program will not survive competitively if we do not comply with the new requirements,

2. An undergraduate solution (150-hours of undergraduate education) will generally not be competitive in the marketplace, and

3. Utilizing existing graduate degrees available at SUNY Brockport (e.g. MPA or Communications) will generally not be competitive with respect to attracting students or employers.

Attached please find the proposal that has already been reviewed by the faculty Senate Graduate Curriculum, Budget, and Executive Committees. To save paper, appendices have not been duplicated. However, full copies of the proposal can be obtained by calling the Department (x2623). Copies are also available in 264 FOB (Dean Elliott's office) and the reserve desk at Drake. I am, of course, available to answer any questions that you might have. On behalf of the Department, I ask for your support and thank you in advance for your efforts in reviewing this proposal.
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(4 courses) of either 1) accounting coursework or 2) elective business coursework, depending on the degree pursued. See Figure 2.

A business (related) or accounting degree is generally required as a prerequisite of program admission to the MS in Business and MS Accounting programs respectively. The restriction in undergraduate background is required to meet both section 52.13 1(a) of the New York Education Commissioner’s Regulations for accounting programs1 and accreditation standard C.1.3.a for general management master’s programs2 set forth by our accrediting body, the American Association of Collegiate Schools of Business (AACSB). The Department is currently in pursuit of AACSB accreditation for its existing undergraduate programs. AACSB requires that Colleges accredit both their graduate and undergraduate programs in business. Thus, our design goals include meeting all relevant AACSB standards for graduate programs in business.

The MS in Accounting is distinguished from the MS in Business by four required advanced accounting courses beyond the six course common core. Three of the four advanced courses are specified for Master’s programs in Accounting in section 52.13 1(b) of the New York Education Commissioner’s Regulations3. Completion of these three courses, in the context of a Master’s degree, allows an individual to obtain the CPA designation after only one year of practice rather than the standard two years of practice traditionally required. The fourth accounting course is required by AACSB accreditation standard C.1.4.b.4.

The structure of the MS in Business program reflects all standards set forth by AACSB for MBA programs. Although the degree awarded in MS in Business and not MBA, the general focus of the MS in Business degree is such that it will be judged against MBA program standards1. Students

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Figure 2: Core and Elective Structure

1 See revised draft regulations, section 52.13, included in Appendix A.
2 "The curriculum should include instruction in the following core areas: financial reporting, analysis, and markets, domestic and global economic environments of organizations, creation and distribution of goods and services, and human behavior in organizations. ... Part or all of this requirement may be completed at the undergraduate level." Standard C.1.3.a in "Achieving Quality and Continuous Improvement Through Self-Evaluation and Peer Review: Standards for Accreditation in Business Administration and Accounting," page 18.
3 See revised draft regulations, section 52.13, included in Appendix A.
4 "Normally, each specialized master's program should require a minimum of 30 semester hours, of which at least 12 should be in the area of specialization. Standard C.1.4.b. in "Achieving Quality and Continuous Improvement Through Self-Evaluation and Peer Review: Standards for Accreditation in Business Administration and Accounting," page 19.
5 "Master's programs that appear by the evidence of publicity, curriculum, or placement records to be preparing students for general management positions will be reviewed against the standards for MBA programs." From Interpretation section of standard C.1.4 in "Achieving Quality and Continuous Improvement Through Self-Evaluation and Peer Review: Standards for Accreditation in Business Administration and Accounting," page 19.
Program Identity

1. Program Name: Master of Science in Business
   Master of Science in Accounting

2. Proposed Award: Master of Science

3. Proposed Beginning Date: Fall 1999

4. Program Overview and Motivation: Proposed is to submit letters of intent to develop two related 30 hour MS degree programs in Accounting and Business. Because of the substantial overlap in curriculum and purpose, the programs are described and offered as a single proposal. (See Figure 1). The primary motivation for these proposals comes from the pending 150-hour requirement for accounting education in New York State. This requirement, which applies to students planning to take the CPA exam in New York State, has been passed by 39 other states and licensing jurisdictions. The State Education Department in October 1997 released final draft legislation, for implementation of the 150-hour requirement in New York State. Adoption in New York is anticipated by the Year 2002. High school seniors entering college in Fall 1998 are directly affected and will require 150-hours of education. For SUNY Brockport, a decision not to respond to and accommodate the 150-hour requirement will eventually mean the loss of the Registered Accounting Degree and the approximately 200 students it attracts. For those not familiar with the 150-hour requirement, a brief exposé is provided in Appendix A. The proposed amendments to the Regulations of the Commissioner of Education are also included in Appendix A.

The motivations for also proposing an MS in Business program, in addition to the MS in Accounting, are 1) to ensure adequate enrollment in core graduate courses, 2) to provide an option more in the spirit of the original motivation for the 150-hour requirement, i.e. to broaden the background of accounting majors in areas of business other than accounting, 3) the relatively low marginal cost of the second program, given significant overlap in the curriculum of the two programs, 4) to provide the Business program with curricular products at the graduate level, consistent with Carnegie designation of the College, which is Master's (Comprehensive) Universities and Colleges I, and 5) to exploit an opportunity to attract additional high-caliber students to the College.

Program Description: Proposed are two 30 credit hour graduate programs with a common core of six courses (18 credit hours). Students completing either degree will complete the core plus 12 hours

Figure 1: Programs Share Core Courses

MS Accounting Courses

MS Business Electives

Common Core

MS Programs Proposal Page 1
pursuing the MS in Business complete the 6 core courses (18 hours) plus 4 elective courses (12 hours). As such, the curriculum structure meets AACSB standard C.1.3.b. A list of elective courses to be developed and offered is included in Appendix B of this proposal. Up to 3 hours of internship credit may be used to satisfy elective requirements. The Department has also identified a number of courses from other SUNY Brockport graduate programs that students may use to satisfy a portion of their elective requirements. See Appendix B, page 3.

The programs of study are directed towards the preparation of two groups: 1) accounting students wishing to obtain an additional 30 hours of education, in order to meet the pending 150-hour requirement; and 2) business students and professionals, already in possession of a business related bachelors degree, seeking to elevate their credentials and assume leadership roles in the business community.

The educational needs of both populations will be met through a course of study consisting of traditional subject-centered courses (e.g. finance, marketing, etc.) that are integrated using themes important to the current business environment. Themes include ethics, international business, the use and application of computers, use of various statistical and mathematical tools, and written and oral communication including presentation.

Program design efforts included a review of Master's degree programs in Business Administration and Accounting at more than 15 major colleges and universities across the United States. Included in the schools surveyed were all institutions in the Greater Monroe County area with similar programs, schools that recently revised and updated their programs to meet American Assembly of Collegiate Schools of Business (AACSB) accreditation requirements and schools that recently implemented an AACSB-accredited degree program. Following this, the proposed program was reviewed by approximately 20 practitioners in the different areas of business and accounting, local employers and human resource managers, the Dean of an AACSB-accredited institution and by several recent college graduates considering entrance into this type of program.

Planning Factors

1. Relationship to the Mission of the Institution: The College Mission Statement includes the following goals:
   - Display an understanding of global interdependence and cultural diversity.
   - Pursue life-long learning.
   - Demonstrate critical thinking.
   - Demonstrate creative thinking.
   - Demonstrate effective communication ability.
   - Demonstrate an ability to apply theoretical and practical knowledge.
   - Prepare for entry into the workplace.
   - Prepare for informed citizenship.
   - Prepare for career advancement.
   - Achieve personal growth and development.

*"The MBA curriculum normally should require at least 30 semester hours beyond the MBA core areas (C.1.3.a). A minimum of 18 hours is required in courses outside the area of specialization, if any."
The proposed programs are designed to be consistent with these aspects of the College mission. The presence of graduate programs in business at SUNY Brockport is consistent with the Carnegie designation of the College, which is Master's (Comprehensive) Universities and Colleges.

With regard to the mission of SUNY, as published in SUNY 2000/Phase II, the proposed programs are structured such that they meet the directive to “meet the needs of both traditional and non-traditional students and to address local, regional, and state needs and goals”. In a later publication entitled Rethinking SUNY, the Board of Trustees also reaffirmed SUNY’s graduate mission in its proposition which states that, “Graduate, professional, and research programs are essential to the mission of the State University and to the economic vitality of New York.” By producing competent business professionals possessing the advanced practical knowledge and skills required for success in a wide variety of professional careers, the proposed MS programs very much support the economic development facet of SUNY’s mission. The Department’s goal of developing two graduate professional programs, that will prepare graduates for advanced careers as business professionals, is in concert with SUNY’s vision.

The programs are designed, and courses will be scheduled, to facilitate either full or part-time study. The needs of non-traditional students are met by offering evening courses. Further the 30 credit hour format of the proposed programs provides a time-efficient plan of study for working adults seeking additional (graduate) business education.

2. Impact on Existing Programs: The impact of the pending 150-hour requirement on our existing accounting programs is precisely what prompted the Department of Business Administration and Economics to make this proposal. Specifically:

- Accounting students at SUNY Brockport have overwhelmingly indicated their preference for degree programs that prepare them to sit for the CPA exam. Undergraduate students at SUNY Brockport have the option of pursuing a registered accounting program, qualifying them to sit for the CPA exam, or a non-CPA accounting track in our Business Administration program. Over the past five years, students have selected the registered program over the non CPA track by a ratio of more than 10 to 1.

- Once the 150-hour requirement for entrance to the CPA exam becomes mandatory in New York State (in the Year 2002), we will not attract undergraduate accounting students unless suitable arrangements are made to satisfy the 150-hour requirement.

- In investigating whether a graduate or undergraduate solution to the 150-hour requirement is appropriate, we could not find evidence that an undergraduate solution would be successful in the career marketplace. Our investigation included review of college responses to the 150-hour requirement as it has been adopted in other states.

With regard to impact of the proposed Masters programs on our existing undergraduate programs, we see the proposed programs as being beneficial in several ways:

- It will enable qualified undergraduate students who are regionally bound, by work, family, and other obligations, to pursue graduate studies in business and/or accounting. While there
are a number of private graduate business education options available in the Rochester area, they are prohibitively expensive for many of our students, particularly first generation college students, minorities, young adults with (sometimes single parent) families, and working students whose part-time status limits their financial aid options. For students who are geographically bound by family and work obligations, attendance at other public institutions offering graduate business programs, e.g. SUNY Buffalo, is not a reasonable alternative.

- Qualified full-time students can complete the programs in a single year, making the programs much more resource benign than a traditional MBA program. An MBA program generally requires two years to complete.

- AACSB accreditation standards require our faculty to interact with business practitioners, on a regular basis, in order to stay current with respect to the problems faced by practitioners in contemporary business organizations. The anticipated influx of students with business and management experience provides an additional opportunity for faculty to meet this requirement. The knowledge gained in this respect is then expected to have a positive impact on content delivered in undergraduate courses.

- The College’s Academic Council has reviewed and sanctioned the proposal, including its staffing plan outlining additional faculty resources consonant with AACSB accreditation standards. As such, we do not anticipate a negative impact on our existing undergraduate programs in business or accounting.

With regard to impact of the proposed Masters programs on existing graduate programs at Brockport, there is some potential for the programs proposed here to cannibalize students from the MPA (Masters in Public Administration) program or the graduate program in Communications. The degree of cannibalization, if any, is impossible to predict. However, should students elect the MS in Business degree over other degrees offered by the College, it is simply an indication that the educational goals of the students are being served. Further, we have included a number of the MPA and Communications courses in our list of elective courses; it is anticipated that enrollment in the MS Business program will generate some demand for MPA and communications courses, reducing any cannibalization effects.

3. Similar Programs at Other Institutions: Because the primary goal is to serve regional needs, particularly those of working students unable to commute to Buffalo or Oswego, we restrict this section to other institutions in the Greater Rochester area. Institutions with graduate business programs include University of Rochester, Rochester Institute of Technology (RIT), St. John Fisher College, Nazareth College, and Roberts Wesleyan College.

With respect to faculty qualifications, our program compares favorably with other area programs, and faculty are demonstrably qualified to teach graduate business courses. As a program pursuing AACSB accreditation, our program must meet robust standards for faculty credentials related to degrees earned, research profile, faculty development, and the percentage of credit hours taught by full-time faculty. Currently, 90% of the Department’s full-time faculty have doctoral degrees. In the previous five years, the faculty has produced approximately 150 journal articles, proceedings, book chapters, and presentations. SUNY Brockport, in addition to the Universities at Albany, Buffalo,
Stoneybrook, and Binghamton, is one of only five SUNY schools recognized by the Journal of Finance for its faculty "expertise and influence". We assert that our faculty qualifications most closely resemble those at RIT, an AACSB accredited program.

The other area business programs each enjoy unique market niches. The University of Rochester ranks among the top 20 business programs in the nation, with entrance requirements (GPA and GMAT) that exclude the vast majority of students who would consider our programs. Further, the tuition ($2,262 per course) is prohibitive high for students of limited economic means who do not qualify for substantial financial aid. U of R attracts a large contingent of traditional and foreign students. U of R does service the needs of adult learners through a highly regarded executive MBA program. However, the EMBA program is not appropriate for the needs of our graduate accounting majors, including our non-tradition students who typically do not have the financial resources, academic credentials, or management experience to qualify them for Rochester's EMBA.

Rochester Institute of Technology offers a traditional MBA and MS degrees in Finance, International Business, and Manufacturing Management and Leadership. The MBA is similar to the proposed MS in Business in that both are general management degrees. However, the MBA includes introductory level courses, allowing individuals without undergraduate degrees in business to pursue graduate business studies. In contrast, our proposed MS degree in Business focuses primarily on students already having a business or accounting background. Because RIT's MS programs are so highly specialized, the MS programs proposed here do not directly compete with RIT products. Further, the RIT tuition rate ($2,028 per course) is again prohibitive for students of limited economic means who do not qualify for scholarships or tuition assistance. SUNY Brockport is fortunate to have a 4+1 MBA program arrangement with RIT, where SUNY Brockport students may waive up to six RIT MBA requirements, thus shortening the cost and time required to earn a degree. However, students waive the six RIT courses covered by the agreement only with a grade of B or better in their Brockport course work. Hence, a significant number of our students, including most of the transfer students from two-year schools, cannot benefit from this 4+1 arrangement. Like U of R, the RIT program attracts a significant population of foreign students.

Roberts Wesleyan has an MS program in Organizational Management. Like our program, the Roberts Wesleyan program facilitates completion by non-traditional students. However, the Roberts program relies on credit for work experience and other related education, as demonstrated through the use of term paper portfolios, to waive some course requirements. The degree-shortened niche of Roberts' program is apparent from their local advertising. The effectiveness of the portfolio strategy, however, is germane to college freshman embarking on a five-year program of study. Our program is more traditional, requiring completion of traditional college graduate courses. In our program, careful course scheduling is used to allow student to complete the program in one year. Our calling population is anticipated to be individuals interested in a more traditional format, including traditional undergraduates and transfer students from the community colleges, and working adults who can not benefit from the portfolio approach of the Robert program. The Roberts Wesleyan tuition is more than double the SUNY rate.

The Nazareth and St. John Fisher programs are comparable in cost to Roberts Wesleyan, and share similar calling populations, including students interested in obtaining a degree from a small, private, denominational college. Fisher utilizes a Friday and Saturday design for specialized programs, e.g., the Master of Science in Human Resource Development. In contrast, our courses will be offered late afternoon and evenings, scheduled in a fashion consistent with the needs of traditional undergraduates but also facilitating the needs of adult learners.
Geographically, SUNY Brockport is located at the western edge of Monroe county, making it a logical and convenient choice for individuals continuing their education who live or work in Orleans county, including the communities of Albion and Medina. For these individuals, SUNY Brockport is approximately 20 miles closer than the other colleges described above.

We seek primarily to address the needs of 1) our own accounting students, 2) students in our undergraduate business administration program, 3) other local SUNY students (e.g. Regents College and Empire State), and 4) students of limited financial means seeking to meet the 150-hour requirement. Consequently, we do not believe that the proposed programs will adversely affect enrollments at other area colleges in a significant way. The student populations that we will serve are not likely to self-select into other area programs.

Need and Demand

1. Need within the SUNY System: The need for 150-hours of education for accounting professionals will be mandated by the New York Commissioner’s Regulations (section 52.13) and, as such, the need for programs that meet these requirements will be very real. For non-traditional students, including individuals who are bound by family obligations, professional responsibilities, and limited transportation, there are no other SUNY alternatives at this time. The closest SUNY institutions with masters programs in business are Oswego or Buffalo (approximately 80 miles from Rochester). Even if students were to choose to commute to Buffalo, their program is not expected to have sufficient capacity for all of the students that would enroll in our program. For example, a recent letter of intent for an MS degree in Accounting from SUNY Buffalo was based on existing resources and thus limited to approximately 35 students per year. In that proposal, the calling population was defined as undergraduate students currently at SUNY Buffalo (numbering in the hundreds), students from SUNY Fredonia, and students from SUNY Geneseo. (SUNY Brockport was not mentioned in the UB proposal). Given the limitations of enrollments suggested by the “no new resources” specified in the proposal, it is clear that the SUNY Buffalo proposal will need to be accompanied by fairly high entrance requirements for students. Effectively, many of our undergraduate accounting majors will not meet the entrance requirements for admission to the MS degree program at SUNY Buffalo.

Therefore, we assert that existing programs in SUNY can not meet the needs identified in this proposal in a way that is reasonably convenient for students in the Rochester area. Further, we assert that this proposal does not represent an unnecessary duplication of SUNY resources. In fact, by allowing some elective credit to be taken from departments at Brockport, other that Business Administration and Economics, we have designed the proposed program to utilize available resources where they exist.

2. Economic Need/Educational Need: Again, because the 150-hour education requirement will be mandated, the educational need can not be disputed. Further, many of our accounting graduates are already at a competitive disadvantage, being unable to sit for the CPA exam in the 39 states and other jurisdictions that have passed the 150-hour requirement. Many states have reciprocal licensing agreements for CPA’s; our students are unable to participate in such agreements.

In September 1997, the Department of Business Administration and Economics completed a self-study in accord with the College’s need for program reviews. The external reviewers, two deans from business schools with graduate business programs, found in their report that “the proposal to offer a new masters degree … is a reasonable solution to the 150-hour requirement”.

MS Programs Proposal
There are some important economic issues addressed by enhancing the population's ability to pursue graduate business education. Over a lifetime, individuals with graduate degrees are likely to earn over one million dollars more than individuals with undergraduate business degrees. The tax implications are obvious. Individuals with advanced education in business are also instrumental in the ability of New York State business organizations to compete. Finally, the ongoing downsizing phenomena at Rochester area employers will result in an increasing number of individuals who, while having years of experience, will need to address outdated educational credential and expertise. The possession of a graduate degree, de facto, become a requirement for many higher-paying management positions. Displaced individuals without graduate degrees face accepting lower wage positions with accompanying negative implications for their ability to pay off debt and contribute to the tax base. We have structured the proposed programs to meet the needs of working individuals.

3. Estimated student demand: Our estimates of student demand are inferred from the experience of a local private institution. Nazareth College recently launched an MS in Business Program and enrolled approximately 120 students in two years; enrollments currently exceed 200. Because the credentials of the Business faculty at Brockport are generally meet the standards set forth by the American Association of Collegiate Schools of Business (AACSB), the College should be able to market the proposed program as being at least comparable in quality to that of Nazareth, which is not AACSB accredited. The tuition differential between Nazareth and Brockport suggests an opportunity to attract at least an equal number of students. The program curriculum, staffing, and enrollment plans detailed in Appendix C assume an enrollment cap of approximately 220 students. Anecdotal input from existing undergraduate accounting and business students and feedback from employers and human resource directors in the Greater Rochester area, as discussed in section 4 below, also support our enrollment forecast of at least 200 full and part-time students. An enrollment model summary and its underlying assumptions are provided in section D.1 below with details provided in Appendix C.

4. Employment of Graduates: The integration of key knowledge and skills required in today's competitive environment, including communication and presentation skills, ethics, international business, and the use and application of computers in solving complex business problems make both programs (Accounting and Business) desirable to students and employers. During the program development phase, employers and human resource managers were asked to review the overall program goals and the specific courses included in the programs. Representatives from organizations including Paycheq, Wegman's, Eastman Kodak, Chase Manhattan Bank, Bonadio and Smith, LLP have commented favorably on our proposed curriculum and the desirability of graduates from programs such as those proposed here, and have expressed a willingness to hire the same.

Current undergraduate students and recent graduates also reviewed the two programs proposed here. Once again, a strong interest was expressed in both the MS in Business and the MS in Accounting. The lower tuition offered by a SUNY school make these programs a feasible option for many students in the Greater Rochester area. Increased awareness of the 150-hour requirement has increased the interest of Accounting majors in these programs. From our discussions of the proposed programs, with existing undergraduate business students in our programs, we anticipate that a number of them will enroll in these programs as they seek to further develop the knowledge and skills introduced in their undergraduate programs at Brockport.
Enrollment and Fiscal Factors

1. Estimate of headcount enrollments, first five years. Estimated fall semester headcount enrollments for the first five years are shown below. The estimates are based on the following assumptions:

- A modest full-time fall admissions target of 20 students in the MS accounting program and 20 students in the MS Business program per year.
- A part-time fall admissions target of 40 part-time students in the MS Accounting program and 46 students in the MS Business program per year. The proportions of part-time students taking one, two, or three courses per semester are modeled as approximately 35%, 50%, and 15%. These proportions are based on the experiences of private school MBA programs in the Rochester area.
- An attrition rate of 10% per semester.
- Spring admissions approximately equal to the attrition rate and limited to available seats.

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>20</td>
<td>22</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Part-time</td>
<td>40</td>
<td>75</td>
<td>86</td>
<td>85</td>
<td>88</td>
</tr>
</tbody>
</table>

Table 1: Program Enrollment By Year of Operation

2. Funding requirements: Funding requirements are based on the above enrollment assumptions and projections, as manifested in the curriculum plan in Appendix B. Operating funding requirements include the costs of staffing, administration, faculty teaching load adjustments in accord with AACSB accreditation standards, promotion, course development, program promotion and recruitment, incremental costs of library acquisitions, office equipment for new faculty, and annual development and (conference) travel expenses for new faculty. Costs shown are the combined costs of the MS Accounting and MS Business, which are substantially intertwined in their curriculum design and staffing. Existing secretarial lines are sufficient to support the program. Similarly, anticipated and existing computer facilities are projected to be sufficient, assuming no presence at MetroCenter. Library acquisitions, in support of the program, and instructional equipment and materials represent the primary genesis of incremental operating costs. Staffing represents the vast majority of program costs. The academic council at SUNY Brockport reviewed the staffing plan.
proposed for this program and authorized us to proceed, with program planning, as per the attached letter of support from Dean Elliot.

Staffing needs are modeled in accord with AACSB faculty size, composition, and deployment standard FD.4.b7. Faculty resource requirements include allocation of three full-time faculty lines at program inception, with a fourth line required if demand forecasts are accurate. Salary costs for a complement of adjunct staff, allocated such that approximately 75% of the credit hours taught are taught by full-time faculty, are also included in program costs. Total estimated operating costs, to be reported in the letter of intent to SUNY, are projected in the table below. These include staffing, administrative, and start-up costs of the program. Cost details and underlying assumptions are detailed in Appendix C.

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Costs</td>
<td>$299,500</td>
<td>$336,000</td>
<td>$292,500</td>
<td>$311,000</td>
<td>$316,000</td>
</tr>
<tr>
<td>Capital Costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 2: Program Costs by Year of Operation

3. **Source of funds**: Tuition represents the primary source of funding available to cover expenses. Technology fees assessed on the students by SUNY Brockport represent a secondary source, but fees are not included in revenue forecasts in the interest of being conservative. Revenue projections are based on the enrollment assumptions above and assume the current graduate tuition rate of $213 per credit hour with 0% increase in tuition rate over five years. Increases in faculty salaries are not included, as funds to cover these costs are incorporated in collective bargaining agreements. Additional details and assumptions from which costs and revenues were derived are given in Appendix C.

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Revenues</td>
<td>$396,294</td>
<td>$562,447</td>
<td>$565,139</td>
<td>$566,809</td>
<td>$586,834</td>
</tr>
<tr>
<td>Internal Reallocation Required (cost)</td>
<td>$299,500</td>
<td>$336,000</td>
<td>$292,500</td>
<td>$311,000</td>
<td>$316,000</td>
</tr>
</tbody>
</table>

Table 3: Revenues vs. Costs by Year of Operation

Funding requirements are of course based on enrollment assumptions. However, program self-sufficiency is fairly robust with respect to enrollments. The table below portrays projected costs and revenues in the advent that enrollments are only 60% of those assumed above. Because staffing requirements are reduced with lower enrollments, both costs and revenues decrease. Details are provided in Appendix C.

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7 To meet AACSB standard FD.4.b, there must exist one FTE faculty for each 300 graduate student credit hours per term, with full-time faculty constituting 75% of the minimum full-time equivalent faculty. At least 60% of the student credit hours in each discipline must be taught by full-time faculty. From *Basis for Judgement, Standard FD.4.b* in "Achieving Quality and Continuous Improvement Through Self Evaluation and Peer Review: Standards for Accreditation in Business Administration and Accounting," page 13.
<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Revenues</td>
<td>$254,085</td>
<td>$369,747</td>
<td>$419,952</td>
<td>$438,986</td>
<td>$454,404</td>
</tr>
<tr>
<td>Internal Reallocation Required (cost)</td>
<td>$245,500</td>
<td>$253,500</td>
<td>$252,000</td>
<td>$257,000</td>
<td>$257,000</td>
</tr>
</tbody>
</table>

Table 4: Revenues vs. Costs: Reduced Enrolments

**Resources**

1. **Library**: The College's Drake Memorial Library is a full-service facility including excellent circulation, reference, and inter-library loan services. The library collection includes approximately 425,000 books, 101,000 bound journals, 1.9 million units of microtext, and, as an official government documents repository, an extensive government documents collection. With respect to holdings related to business, accounting, and economics, there are 36,640 texts, including bibliographical indices. There are 107 journals and 14 business reference collections.

Because of the strong research orientation of the business faculty, the business journal collection in its current state is nearly adequate to support a masters level program, except for the need to augment the journal collection in select areas and to access to databases containing information on corporate performance and activities. Anticipated incremental costs of enhancing the collection to support a graduate program are approximately $10,000 per year, and are included in the cost projections in Table 2. Database such as Compstat with the execucomp and international extension options are representative of needs. The anticipated purchase, by the College, of additional on-line index, search, and full-text services is expected to address any shortcomings in the journal collection and to strengthen access to business related holdings beyond their current level. Because access to new services will be Internet based, ease of access will improve dramatically, both for faculty and students, given the large number of satellite computer laboratories now springing up on campus.

Interlibrary loan and reciprocal use arrangements with area libraries, including University of Rochester and Rochester Institute of Technology, make virtually any required material available to the faculty and students of the program.

2. **Facilities**: Required facilities consist primarily of classroom space and computer laboratories. Classroom space is adequate given that the majority of classrooms on campus are small and will easily support the seminar format often encountered in graduate course-work. With the addition of a second business laboratory in January 1998, there are adequate computer lab facilities in Business, complemented by the Dailey Hall facilities. Given our experience with the non-traditional working students in our undergraduate evening programs, it is anticipated that a majority of the students will have access to either their own computer or one at their place of work.

The three additional full-time faculty lines imply a need for additional office space in Harwell. The location and allocation of space will need to be addressed upon SUNY's approval of our letter of intent and before Fall 1999. New faculty will need computers in year one and will incur expenses associated with professional development and conference travel. Projections for these expenses are included in the detailed cost projections in Appendix C.
Proposed Curriculum: MS in Business

Prerequisite Background (Required for Admission)  
Micro Economics  
Macro Economics  
Management Principles  
Financial Accounting  
Management Accounting  
Principles of Marketing  
Principles of Corporate Finance  
Statistics (through analysis of variance and regression).

Equivalent Brockport Undergraduate Course
- ECN201
- ECN202
- BUS365 or 366
- BUS285
- BUS286
- BUS335
- BUS325
- ECN304

Business Core Courses (18 hours)  
<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC680: Accounting Information Analysis and Application</td>
<td>3</td>
</tr>
<tr>
<td>BUS622: Financial Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS632: Advanced Marketing Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS662: Quality Issues and Methods</td>
<td>3</td>
</tr>
<tr>
<td>BUS672: Strategic Business Planning and Analysis</td>
<td>3</td>
</tr>
<tr>
<td>ECN642: Economic Analysis of the Business Environment</td>
<td>3</td>
</tr>
</tbody>
</table>

Business Electives: (12 hours required for MS in Business degree)  
<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUS623: Portfolio Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS624: International Financial Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS633: International Marketing</td>
<td>3</td>
</tr>
<tr>
<td>BUS636: Marketing Research</td>
<td>3</td>
</tr>
<tr>
<td>BUS645: Seminar in International Business</td>
<td>3</td>
</tr>
<tr>
<td>BUS665: Seminar in Human Resource Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS668: Leadership, Teams, and Motivation</td>
<td>3</td>
</tr>
<tr>
<td>BUS672: Seminar in Finance</td>
<td>3</td>
</tr>
<tr>
<td>BUS675: Seminar in Marketing</td>
<td>3</td>
</tr>
<tr>
<td>BUS666: Project Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS617: Information Resource Management</td>
<td>3</td>
</tr>
<tr>
<td>BUS698: Internship</td>
<td>3</td>
</tr>
<tr>
<td>BUS699: Independent Study</td>
<td>3</td>
</tr>
</tbody>
</table>

In fulfilling their elective requirements, MS in Business students may use up to two approved graduate courses from other departments at SUNY Brockport. A tentative list of approved courses appears below:**

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMC515: Public Communication</td>
<td>HST504: Global History Seminar</td>
</tr>
<tr>
<td>CMC518: Cross-cultural Communication</td>
<td>HST512: Latin America - 20th Century</td>
</tr>
<tr>
<td>CMC572: Group Leadership</td>
<td>HST570: Capitalism and Culture</td>
</tr>
<tr>
<td>CMC573: Theories of Communication</td>
<td>INS538: Global Ecopolitics</td>
</tr>
<tr>
<td>CMC577: Organizational Communication</td>
<td>FRN551: Doing Business in French</td>
</tr>
<tr>
<td>CMC579: Conflict Resolution Through Communication</td>
<td>INS458: Leadership</td>
</tr>
<tr>
<td>CMC592: Theories of Persuasion</td>
<td>INS575: Political Geography</td>
</tr>
<tr>
<td>ED571: Conflict Resolution</td>
<td>PAD644: Supervision Skills</td>
</tr>
<tr>
<td>EDH670: Organization &amp; Admin of Higher Education</td>
<td>PAD653: Ethics in Administration</td>
</tr>
<tr>
<td>EDH673: Finance in Higher Education</td>
<td>PAD674: Financial Administration</td>
</tr>
<tr>
<td>PHE519: Professional Ethics</td>
<td>PAD678: Nonprofit Management</td>
</tr>
</tbody>
</table>

* Courses to be developed and offered periodically if the MS in Business enrollments are consistent with projections.  
** Subject to review of instructor qualification vis-a-vis AACSB standards for faculty qualifications (FD.5.3, attached)
# Proposed Curriculum: MS in Accounting

## Prerequisite Background (Required for Admission)

Successful completion of a regionally accredited Bachelors degree in Accounting is generally required for admission to the MS in Accounting program.

### Business Core Courses (18 hours)

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
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</thead>
<tbody>
<tr>
<td>ACC680: Accounting Information Analysis and Application</td>
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<td>3</td>
</tr>
<tr>
<td>ECN642: Economic Analysis of the Business Environment</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

## Required Accounting Courses: (9 hours required for MS in Accounting degree)

<table>
<thead>
<tr>
<th>Course</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC686: Accounting Theory</td>
<td>3</td>
</tr>
<tr>
<td>ACC688: Federal Income Taxation II</td>
<td>3</td>
</tr>
<tr>
<td>ACC687: Advanced Auditing</td>
<td>3</td>
</tr>
<tr>
<td>ACC690: Seminar in Accounting</td>
<td>3</td>
</tr>
</tbody>
</table>

* With written permission of the Department, students may substitute an approved independent study in accounting (ACC699) or an approved internship in accounting (ACC698).

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1 Alternatively, students possessing a regionally accredited bachelors degree and college training in accounting equivalent to a curriculum set forth in section 52.13 (1) (a) of the New York Education Commissioner’s Regulations, are eligible for admission to the MS program in accounting. Section 52.13(1)(a) describes the undergraduate coursework requirements for entrance to the Uniform CPA exam.