



School of Business
Administration

ACCOUNTING ACCREDITATION

Continuous Improvement Review Report

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Section I: Executive Summary: Innovation, Impact, & Engagement

The mission statement of the accounting division is as follows:

We develop ethical graduates highly qualified for careers in accounting and allied financial services positions in public accounting, corporate, and other organizations. Our programs will be characterized by rigorous curricula offered in a personal learning environment. To advance knowledge and application of accounting theory and practice, our high quality faculty will be involved in a complementary mix of research and contributions to professional practice.

ENGAGEMENT

The accounting faculty employ strategies that result in a high level of student and faculty engagement with the professional accounting community, the academic accounting community, the broader Gonzaga community, and the Spokane/Northeast Washington community. These strategies foster and support teaching excellence, development of rigorous and relevant curricula, a personal learning environment, and faculty contributions to professional practice. In addition, they embrace and support the Jesuit ideals of service, justice, and formation of men and women for others.

Engagement strategies and outcomes are summarized below.

- Gonzaga students have participated in the PwC National Accounting Case Competition for the last two years. In 2014, a team of Gonzaga University students was one of five national finalists.
- Gonzaga students have participated in the KPMG/Seattle University Case Competition for the last two years. In Spring 2016, a team of Gonzaga students won the competition, prevailing over several teams from universities across the Pacific Northwest including Seattle University, the University of Washington, and the University of Oregon.
- Since Fall 2011, Professor Walter Teets has conducted 37 continuing education sessions to groups of accounting and finance professionals throughout the country on such topics as Accounting for Derivative Instruments and Hedging Activities, and SEC Accounting and Reporting. Since joining the Gonzaga faculty in 1994, Professor Teets has given over 200 such presentations.
- For the last six years, Gonzaga's accounting department and Beta Alpha Psi chapter have sponsored an Accounting Career Fair. In Fall 2015, 30 employers attended the fair, including such firms as KPMG, Deloitte, PwC, Amazon, Boeing, BDO, Moss Adams and Grant Thornton.
- The Gonzaga Accounting Advisory Board, which usually meets twice per year, currently has 15 members from organizations such as Deloitte, KPMG, PwC, Nike, Microsoft, BDO and Grant Thornton. Twelve of the members are from public accounting while three are from private industry.
- Over the last two years, Professor Andrew Brajcich taught courses in International Tax and S Corporations as part of firm CPE for Moss Adams, LLP, and Peterson Sullivan, LLP, two mid-market accounting firms in the northwest region. Professor Brajcich also taught an international tax course for the AICPA.
- In 2015, Professors Teets and Brajcich conducted a two-day, on-site presentation on financial accounting and reporting issues as well as emerging tax issues for Volt Information Sciences in Redmond, Washington.
- For the last two years, Professor Brajcich has presented the Annual Income Tax Update to the Spokane chapter of the Accounting and Financial Women's Alliance.

- During 2015-16, Professor Gary Weber taught a day-long course in Taxation of Property Transactions as part of firm CPE for Moss Adams, LLP.
- Eight of the nine full-time accounting faculty have participated in an annual day-long field trip to Boeing Seattle sometime during the last five years. This experience allows faculty to hear what skills are most in demand at Boeing and how Gonzaga can best prepare students for success in that environment.
- Guest speakers from the profession are frequently invited to lecture on a wide variety of topics in a broad spectrum of accounting courses. In the last five years, 54 professionals have spoken in 18 different courses in the undergraduate and graduate accounting programs. Appendix A includes a list of speakers, the classes in which they presented, and the topics discussed.
- Gonzaga students have participated in the Volunteer Income Tax Assistance (VITA) program for the last 19 years, preparing thousands of tax returns for low-income taxpayers in the Spokane area. For 2015 and 2016 alone, Gonzaga students prepared 813 and 840 returns, respectively.
- For 11 straight years, KPMG has partnered with the Gonzaga chapter of Beta Alpha Psi for a day of service at the Vinegar Flats Community Garden, benefitting Catholic Charities of Spokane and St. Margaret's Women Shelter. Over the last three years, Gonzaga's chapter of Beta Alpha Psi has also partnered with Deloitte, Moss Adams, BDO, and PwC for service days serving such organizations as Toys for Tots, JDRC, Second Harvest Food Bank, and the Spokane Lands Council.
- For each of the last seven years, Deloitte and Gonzaga's chapter of Beta Alpha Psi have sponsored an etiquette dinner for accounting students at Gonzaga.
- In Fall 2015, the accounting faculty launched the new Master of Science in Taxation (MSTax) program. This program was created in direct response to feedback from the public accounting firms that recruit on campus, who encouraged the creation of a tax graduate program separate from the Master of Accountancy (MAcc).
- Professor Andrew Brajcich is a member of the board of the Spokane Chapter of the Washington Society of CPAs.
- In 2013, Professor Sara Kern was elected to the Executive Board of the Western Region of the American Accounting Association. Sara served as Program Chair in 2015-2016 and will serve as President of the Western Region in 2016-2017.
- In 2014, Professor Sara Kern served as the Program Chair of the Forensic Accounting section for the American Accounting Association annual meeting.
- Professors Andrew Brajcich and Matt Hoag are members of the Gonzaga Alumni Association Board.
- Professor Andrew Brajcich attended the Grant Thornton Tax Leadership Conference in 2014, while Professor Sara Kern attended the Grant Thornton Audit Leadership Conference in 2016.
- With the exception of the smallest firms that recruit at Gonzaga, the public accounting firms that conduct formal interviews on campus consistently schedule lunch with the faculty during the interview process. These relatively informal gatherings give faculty the opportunity to talk about curriculum, new developments in the profession, and student performance in interviews and on the job.
- Each month, the Accounting Excellence Fund sponsors two students to accompany Professor Cathy DeHart to the dinner meeting of the Accounting & Financial Women's Alliance.

INNOVATION

The accounting faculty continually seek to innovate by creating programs and courses that ensure that Gonzaga graduates are qualified for a broad range of careers in accounting and related fields, and that Gonzaga graduates have skills that are relevant and in demand by employers in the years to come. Key innovations in the accounting programs over the last several years are summarized below.

- In response to the growing demand for highly trained tax professionals, the faculty launched the new MSTax program in Fall 2015. Thirty-two students were enrolled in the inaugural class. The curriculum combines technical coursework with the opportunity for hands-on experience, and is taught by an impressive combination of full and part-time faculty, all with significant practice experience. The program is more fully described in the Strategic Management section of this report.
- For the last six years, Gonzaga undergraduate and graduate students have had the opportunity to participate in the Justice for Fraud Victims Project (JFVP), which was founded at Gonzaga by Professors Sara Kern and Gary Weber. In this innovative project, Gonzaga students investigate actual cases of financial fraud in the Spokane area that are referred to the program by area law enforcement agencies. Cases are only accepted if the alleged victim cannot afford a commercially available forensic accounting exam due to financial constraints. The program also incorporates the work of Certified Fraud Examiners from the area, who serve as mentors for each student team. Thus, the program combines hands-on experience for the students with service to the community.
- Professors Sara Kern and Gary Weber were awarded the 2012 Innovation in Education Award from the American Accounting Association for their work in developing the Justice for Fraud Victims Project. Professors Kern and Weber also won the 2011 Innovative Teaching Award from the Forensic & Investigative Accounting Section of the American Accounting Association as well as the 2010 Mark Chain/FSA Innovation in Graduate Teaching Award presented by the Federation of Schools of Accountancy for their work on this same project.
- Beginning in Summer 2016, Gonzaga graduate tax students have the opportunity to enroll in a course in the MSTax program that allows them to work in the Federal Tax Clinic at the Gonzaga School of Law, assisting low-income taxpayers in the Spokane area who need assistance in disputes with the Internal Revenue Service. This unique program allows graduate tax students to gain valuable hands-on experience by working with law students to serve low-income families in Spokane.
- For the last seven years, Gonzaga's MAcc and MSTax programs have included a course on Financial Accounting for Income Taxes in their core curricula. This course, which was implemented into the curricula based on the recommendation of the public accounting firms that recruit on campus and covers ASC 740 issues, is a rarity in graduate accounting programs. In Spring 2015, Gonzaga faculty assisted faculty from BYU in implementing a similar course, six years after Gonzaga first implemented the requirement.
- Professor Cathy DeHart has passed the Level I Fundamentals of Sustainability Accounting (FSA) exam through the Sustainability Accounting Standards Board. She is one of only three FSA Level II candidates in the state of Washington. She is currently preparing for the Level II exam and should earn her FSA credential by December 2016.
- Professor Walter Teets uses roundtables, similar to those used by FASB and the SEC to solicit feedback from various constituencies, in his Accounting Theory course in order to help students

understand the complexities of the standard development process. Students are assigned to role-play preparers, auditors, or users of financial statements. In those roles, students critique a proposed or recently issued Accounting Standards Update from their assigned perspectives, supporting their critiques using academic papers, Statements of Financial Accounting Concepts, comment letters, and articles from the business press.

- Professor Matt Hoag incorporated the new Hemmingson Finance Lab into his ACCT 367 Financial Reporting course, primarily using it as an introduction to the FactSet application/resource. Students were required to use FactSet to complete a number of financial analysis tasks and reflect/respond to a series of questions.
- Over the last two years, Professors Sara Kern and Matt Hoag, as well as adjunct instructor Marie Rice, have integrated data analytics projects into their Auditing, Information Systems, and Forensic Accounting courses. These projects will be more fully discussed in the Strategic Management section of the report.

IMPACT

The engagement and innovation in Gonzaga's accounting programs described above significantly impact students, faculty, the accounting profession, and the Spokane community. The following summarizes some of the key impacts of the Gonzaga accounting programs.

- For the fifth time in the last seven years, U.S. News & World Report ranked Gonzaga's graduate accounting programs in the top 30 nationally. For the 2017 rankings just released this spring, Gonzaga's graduate accounting program was ranked #16 in the country.
- Gonzaga has had three Elijah Watt Sells Award winners since 2008. Samuel Crosby won the award in 2015, Kiely Strohmaier in 2011, and Sheriann Wirkkala in 2008. All are graduates of the Gonzaga MAcc program.
- For 2014-15, the latest year for which full data is available, the placement rate from the Master of Accountancy program (MSTax was not started until Fall 2015) was 97% AT GRADUATION, while the placement rate from the undergraduate accounting program was 98.7% within six months of graduation.
- Gonzaga student performance on the CPA Exam has been outstanding, with Gonzaga's first-time pass rate ranked #14 in 2012, #29 in 2013, and #16 in 2014 for large accounting programs. For 2015, Gonzaga had a first-time event pass rate of 66.8% (70.6% MAcc), compared to a 55% national average.
- Gonzaga's chapter of Beta Alpha Psi earned Superior status for the 11th straight year in 2015-16.
- Students participating in the Justice for Fraud Victims Project have investigated over 30 cases of financial fraud in the Spokane area since the project's inception in 2010, documenting over \$700,000 of financial fraud. In addition, at least nine schools have adopted the project as of Fall 2015, including the University of Washington, Portland State University, and Marquette University. Based on the latest data available, these universities have investigated approximately 20 cases, documenting nearly \$1 million of financial fraud.
- As part of the Justice for Fraud Victims Project, Gonzaga's Department of Accounting sponsored and hosted the first ever training for area law enforcement personnel entitled "Investigating Financial Crimes – A Primer." Approximately 100 law enforcement personnel from all across the Northwest received training on how to investigate financial crimes.

- The eight tenured or tenure-track accounting faculty have published 32 refereed journal articles and 2 refereed conference proceedings since 2011.
- Accounting faculty have made 51 conference presentations in the last five years, with 38 of them being peer-reviewed.
- Scholarly works of the accounting faculty have been cited 281 times since 2011.
- While at the SEC during the 1997-98 academic year, Dr. Walter Teets prepared a set of cases illustrating how to account for various derivative and hedging situations. He used one of those cases in teaching about derivatives for KPMG through 2012, and continues to use it in advanced financial accounting classes at Gonzaga. In addition, throughout the early 2000s, BDO used one of those cases in their internal training programs relating to accounting for derivative instruments and hedging activities.
- Professor Sara Kern serves on the review board of the Journal of Forensic Accounting Research.
- Professor Cathy DeHart created a video in August 2014 summarizing key ideas from the book *Make it Stick: The Science of Successful Learning*. The video is posted on YouTube so it is publicly available, and she includes a link to the video for all of her classes to view. The video has been viewed over 14,000 times, including over 2,000 views at the University of Notre Dame.
- In Spring 2016, the Washington Society of CPAs expanded their scholarship program to include 40 scholarships at \$5,000 each. For academic year 2016-17, the first year of the program, Gonzaga students won six of the scholarships, tied for most of any university in the state.
- Beta Alpha Psi students volunteer nearly 300 hours per year to tutor sophomores in the principles of accounting course sequence.
- As discussed above under Engagement, Gonzaga students (as part of the VITA program) prepared 813 tax returns in 2015 and 840 in 2016, generating approximately \$1.08 million and \$1.04 million in tax refunds for Spokane area taxpayers.
- Professor Gerhard Barone was awarded an Exemplary Faculty Award in 2015, given to only ten faculty each year across the university. Since 2010, three accounting faculty have been honored with the university award, which represents fully one-third of the accounting faculty.
- Jackie McNulty, a 2013 MAcc graduate, was awarded a \$10,000 PCAOB scholarship for the 2012-2013 academic year.

Section II: Situation Analysis

The University

Gonzaga is a comprehensive, private, liberal arts university of 7,600 (approximately 5,000 undergraduate) students located on 152 acres along the north bank of the Spokane River in Spokane, Washington. Founded in 1887, the university is dedicated to the Jesuit, Catholic, humanistic ideals of educating the mind, body and spirit to create men and women for others. An independent Catholic and Jesuit university governed by a Board of Trustees, Gonzaga is accredited by the Northwest Commission on Colleges and Universities.

The university is ranked the 4th overall best comprehensive university in the West, as well as the 4th best value among colleges with masters programs, by U.S. News and World Report. USA Today ranked Gonzaga as one of the 10 best Roman Catholic colleges and universities in the nation, while Kiplinger's ranks Gonzaga as the 18th best value in the West/Southwest. The university has also been consistently

ranked by Princeton Review as among the nation's best 200 universities for students seeking great academics, outstanding career preparation, and generous financial aid.

The university has experienced over 15 years of significant growth. Since 1997, undergraduate enrollment has grown from fewer than 2,800 students to 5,000 in Fall 2015. Graduate enrollment for Fall 2015 was approximately 2,400, up from approximately 1,600 over this same time period. The growth in enrollments has necessitated increases in support services and facilities. During the past 15 years, the university has built seven new academic buildings or additions, including more than doubling the size of the business school. The university has also built six new residence halls, and greatly enhanced the playing venues for men's and women's basketball, soccer, tennis, and men's baseball. In Fall 2015, the university opened the Hemmingson Center, a 167,000 square foot student center housing the Center for Global Engagement, University Ministry, the Gonzaga Student Body Association, the Center for Community Action and Service Learning and many other student clubs and organizations.

In spite of the growth, Gonzaga has been able to significantly increase the academic profile of students entering the university. For the freshman class that entered Gonzaga in Fall 2015, the average high school GPA was 3.72, the mean SAT 1,199 (math and critical reading only), and the mean ACT 27.

The School of Business Administration

In 1921, Gonzaga opened the School of Commerce and Finance, which was renamed the School of Business Administration (SBA) in 1931. Initial AACSB accreditation of the school's undergraduate and MBA programs was received in 1990. The programs were reaccredited in 1996, 2006, and 2011. In 2009, the accounting programs received initial separate AACSB accreditation and the programs were reaccredited in 2011.

The SBA is housed in the 60,000 square foot technology-equipped Jepson Center. The Jepson Center was originally constructed in 1987. In 2005-06, a major addition was made to Jepson in order to accommodate the growth in enrollments that the university was experiencing. At the same time, several existing spaces were renovated to both enhance the technological features in the building and to update various aspects of the existing structure. The building is currently undergoing a \$250,000 renovation to its lobby and the Wolff Auditorium.

Today, the school houses approximately 1,225 undergraduate business majors and nearly 200 graduate students. The school now employs 41 tenured or tenure-track faculty, an increase from 33 in 2011, all of whom are terminally degreed. In 2015-16, there were also five fixed-term faculty – one each in Accounting, Marketing, Management/Ethics, Economics, and Management Information Systems.

The school offers two majors within the Bachelor of Business Administration (BBA) degree - Accounting and Business Administration, with students having a choice of nine concentrations within the Business Administration major. Concentrations offered include Economics, Entrepreneurship, Finance, Human Resource Management, International Business, Law & Public Policy, Marketing, Operations and Supply Chain Management, and Management Information Systems.

Administratively, the school is organized into disciplines, rather than departments. Each discipline has a discipline lead, who has responsibility for scheduling, hiring adjuncts in the discipline area, etc. Accounting is the one exception, where a Coordinator of Accounting is also appointed. The structure in accounting will be discussed more fully below. The majority of tasks that would normally be performed at

the departmental level, such as reappointment, promotion and tenure, as well as all budget control, are done at the school or dean's office level.

The School of Business Administration enjoys a rich history of high quality students and a faculty unparalleled by any in the Spokane geographic market. It is the only AACSB accredited university in the city of Spokane and only one of two in Spokane County. In 2015, USA Today recognized the School of Business as one of the "Top 10 Schools to Study Business." In 2016, U.S. News & World Report ranked the graduate accounting program #16 in the country, the MBA program #78, and the undergraduate business program #93.

In December 2013, the school went through a significant transition with the retirement of Clarence "Bud" Barnes after he served 33 years as dean. Ken Anderson, Professor of Management, served as Interim Dean from January 2014 until June 2016. After a national search, Ken Anderson was named Dean of the school effective July 1, 2016.

The Accounting Department

The Accounting Department is the only stand-alone division in the school, and the only one with the position of Coordinator. While not technically a department, the accounting division has more structure than any other discipline or group in the School of Business. However, it is important to note that many of the characteristics of a department are not present, such as separate budget authority, and tenure and promotion processes. That said, for simplicity and ease of reference, we will frequently refer to the "Accounting Department" in this report.

The accounting program as a whole is widely regarded as one of the flagship programs in the School of Business Administration and at the university as a whole. The accounting program enjoys tremendous support from the business community. It is one of only two accounting programs in eastern Washington to attract on-campus accounting recruiters from Seattle-based international, national, and regional CPA firms, as well as representatives from several major corporate employers. Gonzaga is also one of only two universities in eastern Washington to offer a Master of Accountancy program and is the only university in eastern Washington or the surrounding area to offer a Master of Science in Taxation program.

The reputation and profile of the department has climbed significantly over the last several years. U.S. News and World Report has ranked the graduate accounting programs in the top 35 nationally for four of the last six years (#31 in 2011, #28 in 2012, #14 in 2014, and #16 in 2017). In addition, the Public Accounting Report has frequently ranked Gonzaga in the top 15 for programs of comparable size.

The growth at the university and school levels has driven enrollment growth in the undergraduate accounting program over the last several years. For Fall 2015, there were 181 declared accounting majors, compared to 86 in 1999. Growth in the graduate accounting programs has also been significant, with 78 students enrolled in Fall 2015 (46 MAcc and 32 MSTax), a significant increase from the 28 in Fall 2002 (the earliest year data is available).

The growth in enrollments has also translated to growth in faculty resources. For 2015-16, the department had 9.0 FTE (**see note below) faculty members, up from 5.0 FTE in 1999-2000. Eight are terminally-degreed, and all but two of these are tenured. In 2013, the department hired a full-time lecturer to handle most of the growth in the principles (200-level) classes and to teach a writing course in

the graduate accounting programs. The most senior member of the department, Eddy Birrer, has announced his intention to retire at the end of the 2016-17 academic year. The department has received permission to recruit for a replacement. As a result, the department is currently in the midst of a search process for a new faculty member who will start in Fall 2017.

The accounting department is led by the Coordinator of Accounting Programs, who also serves as discipline lead and directs the two graduate programs in accounting. The Coordinator of Accounting Programs is responsible for overseeing all curriculum matters, course scheduling, accreditation efforts, organizing Accounting Advisory Board activities, and coordinating all recruiting efforts for the graduate accounting programs. Until Summer 2016, this individual also served as the accounting graduate student advisor. In Summer 2016, most graduate accountant student advising will be shifted to a newly-hired graduate business school advisor.

***It should be noted that Don Hackney, a faculty member who teaches Business Law in the School of Business, is classified as being part of the accounting discipline faculty for administrative purposes only. This means that officially, the “accounting discipline” has 10.0 FTE faculty, exclusive of part-time/adjunct faculty. As a result of this administrative classification, Professor Hackney is included in the School of Business Continuing Improvement Review report as part of the accounting discipline for purposes of faculty sufficiency, productivity, etc. In this report, all data on faculty sufficiency, productivity, etc. will be shown both with and without Professor Hackney since he does not teach accounting specific courses at either the undergraduate or graduate levels.

Strengths of the Accounting Programs

Strong reputation of program

The accounting program has enjoyed a strong reputation for decades, originally due to the leadership of Daniel Brajcich, who retired in 1997 after 50 years of service on the faculty. Since 1997, several highly experienced and committed faculty, notably Kay Carnes, Eddy Birrer, and Gary Weber have led the program. Today, the program is known for producing graduates who have a strong technical background and who are unusually well-rounded, thanks in large part to the broad-based liberal arts education received at Gonzaga. Gonzaga graduates have also typically performed well above average on the Uniform CPA Exam. Traditionally, the majority of the program graduates enter public accounting, although recently more private employers such as Amazon and Boeing have been actively recruiting Gonzaga graduates. In Fall 2015, approximately 20 accounting employers actively recruited on Gonzaga’s campus, including three of the Big 4, with over half of the firms coming from the Seattle area. Gonzaga students are regularly placed in Big 4 offices in Seattle, Denver, Portland, and the San Francisco Bay Area.

Stable and high-quality faculty

The department has been fortunate to attract and retain high quality faculty, dedicated to teaching, research, and service. Of the nine most recent faculty hires (spanning approximately 22 years) five have been tenured, two are in the fifth year of their pre-tenure period, and one is a lecturer beginning her fourth year of service to the university. On average, accounting faculty have taught at Gonzaga for nearly 14 years, with the tenured faculty averaging over 18 years. All but one has previous public accounting experience and all keep their skills current through consulting, participation in professional development activities, and/or interaction with the accounting profession. One member of the faculty, Walter Teets, is a nationally recognized expert on derivatives and the work of the SEC, and is a highly sought-after speaker on such matters. Two faculty, Sara Kern and Gary Weber, recently won three national

teaching/innovation awards: (1) the 2012 Innovation in Education Award from the American Accounting Association; (2) the 2011 Innovative Teaching Award from the Forensic & Investigative Accounting Section of the American Accounting Association; and (3) the 2010 Mark Chain/FSA Innovation in Graduate Teaching Award presented by the Federation of Schools of Accountancy. In addition, Gerhard Barone was awarded a Gonzaga Exemplary Faculty Award in 2015, given to only ten faculty each year across the university. Since 2010, three accounting faculty have been honored with the university award. Lastly, two accounting faculty have been recognized as MBA faculty of the year in the last three years, with Gerhard Barone receiving the award in 2014 and Gary Weber receiving the award for the MBA-AIE program in 2016.

High quality students

The academic profile of Gonzaga's undergraduate accounting majors reflects the overall high quality of students admitted to Gonzaga. Students admitted to upper division business courses in 2015-16 and declaring the accounting major possessed an average cumulative GPA of 3.46. This compares to an overall GPA of 3.08 for non-accounting business students.

Students admitted to the MAcc and MSTax programs are also high-performing. Students enrolled to the graduate accounting programs in Fall 2015 had an average undergraduate GPA of 3.45 and a mean GMAT of 579. This academic profile is consistent with classes over the last several years.

High placement and CPA Exam pass rates

Students graduating from the undergraduate accounting, MAcc, and MSTax programs experience significant success in the job market and on the Uniform CPA Examination. Of students graduating from the undergraduate accounting program during the 2014-15 academic year, 98.7% of survey respondents seeking work were employed six months after graduation. This compares to 97% for domestic student MAcc graduates in the same year. Graduates of both programs also perform well above average on the Uniform CPA Examination. In 2015, Gonzaga accounting students had a first-time event pass rate of 66.8%, while MAcc graduates had a first-time event pass rate of 70.6%. This compares to a national average of 55%. Further, Gonzaga's first-time event pass rate ranked #14 in 2012, #29 in 2013, and #16 in 2014 for large accounting programs across the nation. Gonzaga has also had three Elijah Watt Sells winners since 2008.

Established successful MAcc program

The Master of Accountancy program was developed in the early 1990s in anticipation of the enactment of the 150 credit hour requirement in the state of Washington. Throughout the 1990s, enrollments were low (fewer than 10 students per year). Since the enactment of the 150-hour requirement in 2000, the program has grown in size and stature. As Fall 2015, 46 students were enrolled in the program, all of whom were pursuing what was previously the Financial Accounting & Reporting concentration due to the separation of the tax concentration into the separate MSTax program. This compares to 18 students in the Financial Accounting & Reporting concentration in Fall 2010, an increase of over 250%. While final enrollment numbers for Fall 2016 are not available, it is anticipated that the MAcc program will enroll between 40 and 45 students in the upcoming year.

In addition to significant enrollment growth, the program has evolved in two other key areas. First, as discussed earlier in the Executive Summary, the MAcc program has been ranked by U.S. News & World Report in five of the last seven years, and is currently ranked #16 in the nation. This recognition and visibility is unprecedented in the history of the program. Second, and not unrelated to the first, the

program is receiving applications from a wider geographic area including the states of Texas, Arizona, Alabama, and Colorado.

New Master of Science in Taxation program

As discussed previously in the Executive Summary, Gonzaga launched the Master of Science in Taxation program in Fall 2015. The rollout of the program has been very successful, with significant support from the professional community and significant interest from prospective students. The success of the program can be seen in the placement results from 2015-16, where only one student graduating in Spring or Summer 2016 was not placed by November of 2015. Interest in the program from prospective students has been so strong that it is anticipated that enrollments will reach between 40 and 45 this fall, an increase of 30% to 40% from the 32 enrolled in Fall 2015. Launch of the MSTax program has further increased the visibility and name recognition of Gonzaga's accounting programs and strategically positioned Gonzaga's programs for continued growth, greater geographic reach, and increased selectivity.

Weaknesses of the Accounting Programs

Lack of operational funds

While the department has been very fortunate to receive two new faculty lines in the last five years, operating funds are relatively constrained. The department receives no operating moneys from the university, other than that designated for marketing and travel in recruiting for the graduate accounting programs. For the MAcc and MSTax programs combined, the annual marketing and travel budget is approximately \$40,000, an amount which was not increased with the launch of the new MSTax program. Thus, the department is dependent on soft moneys generated through fundraising and support from the dean's office to support student and faculty travel, instructional materials, and any other faculty needs. Fortunately, the Dean of the School of Business has been tremendously supportive of the needs of the accounting area, resulting in all needs being met to-date.

Diversity of student body

While approximately 42% of undergraduate accounting majors in Fall 2015 were female, the program does not fare nearly as well in recruiting students of color. Approximately 76.2% of undergraduate accounting majors are Caucasian, which is slightly higher than the percentage across the entire School of Business (72.6%) and the university as a whole (72%). Diversity in the graduate accounting programs is similarly limited, with approximately 77% of the students self-reporting as Caucasian for Fall 2015.

This has long been an issue at Gonzaga, and a point of discussion for the university community. To a large extent, Gonzaga reflects the lack of diversity in Spokane, where 2015 census data indicate that over 89% of the population is Caucasian. The current university president has made increasing student diversity a priority and has made great strides in this area. For instance, students of color made up 26% of the entering class in Fall 2015, compared to 18% in Fall 2010.

Limited course offerings

Since the early 2000s, the department has offered only three possible electives for undergraduate accounting majors: Advanced Federal Taxation, Advanced Financial Accounting, and U.S. GAAP and IFRS. In addition, there have only been three accounting electives ever offered in the MAcc program, and all were cross-listed courses with the undergraduate equivalent (Advanced Federal Tax, Advanced Financial Accounting, and the Forensic Accounting Lab). The small number of electives is the result of faculty

resource constraints. While the faculty lines approved in 2011 and 2012 helped alleviate some staffing concerns, it did not allow the accounting area to increase the number of electives.

For reasons of topical coverage discussed more fully later in the Strategic Management area of this report, the accounting faculty recently increased the required number of credits in the accounting major from 21 to 24 and eliminated all undergraduate accounting electives effective for the Fall 2015. This change made the need for a broader range of accounting courses less imperative. However, the problem persists in the MAcc program.

Lack of scholarship aid for graduate accounting programs

As the graduate accounting programs have grown, the need for financial aid has similarly increased. These are moneys needed to stay competitive with the scholarship aid being offered to high performing students in competing programs. Currently, the two accounting graduate programs have approximately \$50,000 of scholarship aid available each year. However, with graduate accounting enrollment expected to hit 85 this year, this amounts to less than \$600 per student on average, which is relatively little money for a program that costs nearly \$30,000/year.

Opportunities

Expansion of MSTax program

In just the first 12 months of the new MSTax program, enrollments are expected to grow by over 30%, from 32 in Fall 2015 to approximately 42 in Fall 2016. Interest in the program from prospective students is strong, and the number of firms that recruit tax students on campus is growing. In addition, all firms are reporting a need for an increasing number of new hires in tax. Given this trend, the program's reputation, and our position in the market, there appears to be a significant opportunity to expand the program in the coming years. This growth could come from an expansion of the geographic recruiting reach of the program in order to attract students similar demographically to those enrolled today, a focus on marketing the program to working professionals in the Spokane region, or development of an expanded program featuring alternate delivery methods which could be attractive to students throughout the Northwest.

Forensic accounting specialization

Over the last several years, the accounting department has expanded its course offerings into the forensic accounting area. This was driven primarily by the creation of the Justice for Fraud Victims Project, discussed previously in the Executive Summary. The response to this new program has been outstanding, with several prospective graduate students each year wanting to make this an area of focus in the program. Since 2011, the department has been considering ways that the program could be expanded into a concentration. However, the initiative has not moved forward for several reasons. First, energies have been focused on the launch of the new MSTax program. Second, it is not clear that a market exists for new hires in the forensic accounting field outside of the traditional assurance services area. Lastly, any expansion of the program must come from new resources, both in terms of dollars and faculty commitments.

New School of Business Dean

In Spring 2016, Ken Anderson was named Dean of the School of Business at Gonzaga, replacing Clarence "Bud" Barnes who was Dean for 33 years. This change in leadership created an opportunity to revisit longstanding practices around various administrative policies and the allocation of school resources.

Under Dean Anderson's leadership, the accounting program has received public recognition as the flagship program of the School of Business and has been provided with significant support and resources, allowing the work of the accounting faculty to further build on prior successes.

Underutilized alumni network

Gonzaga alumni tend to be very committed to the institution and its continued success. Many take part in annual fall recruiting efforts on campus with their employers, and they regularly serve as guest speakers in classes or at Beta Alpha Psi meetings. However, the department has traditionally done very little to build a strong alumni network for both placement and fundraising purposes. While the department has recently begun to track alumni, much more needs to be done to strengthen the long-term ties between its alumni and the accounting department.

New faculty hires

Although the stability and longevity of the faculty is a strength of the department as discussed above, the department has hired three new faculty since 2012 and will hire another new tenure-track faculty member to start in Fall 2017 due to the retirement of a senior professor. Thus, over 40% of the faculty in the department in Fall 2017 will be in the early years of their career with Gonzaga. In addition, it is expected that an additional faculty member will retire within the next three to five years. This provides a rare opportunity not only to hire faculty with new and different perspectives, but also to hire the core of future leaders of the department.

Threats

Increasing class sizes

The significant growth in enrollments at the university level has caused accounting class sizes to increase significantly. Upper division accounting courses averaged in the low 30s in the late 1990s. Today, the enrollment of upper division accounting classes is typically between 45 and 55, depending on the year. Further, two sections of each upper division class are now offered, as opposed to the single section of each course offered before 2000. Until the last year or so, this same trend could be seen at the principles (200) level, where nearly every section was fully enrolled at the cap maximum of 45, with several exceeding 45 each year. Due to the offering of additional sections of the 200-level courses, the average class size for Fall 2016 is 36 in the 200-level courses. However, enrollments in the upper division courses remain high, with average enrollments of 45.5 in Fall 2015.

Increase in "service" course offerings

As indicated above, due to the growth of the university's undergraduate population, the number of sections of 200-level principles courses has increased by 67% since 1998. In addition, the MBA program added a financial reporting course approximately ten years ago and a new junior level financial accounting course for those pursuing a finance concentration was added one year later. These additional sections and/or courses entail the use of significant faculty resources in that they require the equivalent of 2.5 FTE faculty in order to staff them.

Increased competition for graduate program

Previously, the University of Washington's (UW) Masters of Public Accountancy program was not open to anyone who had not completed his or her bachelor's degree at the university. However, approximately ten years ago, the UW decided to admit students from other universities, provided that the students had secured an internship with an accounting firm for the winter quarter. Since many of our students are

from the Seattle area, several over the last few years have decided to complete their graduate degree at UW instead of Gonzaga. In this way, they can gain three months of valuable work experience and derive significant financial benefit from working the winter busy season. In addition, many can live at home rather than facing the expense of a rental property in Spokane for a fifth year. This new challenge is particularly important since it is generally the high quality students who have secured these internships.

In addition, Boise State University, the University of Idaho and the University of Oregon have all become more aggressive in recruiting high quality students throughout the northwest. Given that these are all significantly less expensive options for graduate accounting education, these new competitors provide additional challenges to recruiting the highest quality students.

Section III: Progress Update from Prior Accreditation Visit

Pursuant to the accreditation visit in Fall 2011, the visit team made three recommendations for continuous improvement relevant to the accreditation standards. These recommendations are as follows:

- 1. The PRT has some concern that some AC publications are in journals which are not definitively in the discipline. We recommend that the faculty develop a list of accounting journals (this list could be tiered) acceptable for accounting publications and that faculty focus their efforts in this area.***

Actions to date of CIR application: In early 2012, the accounting faculty met to discuss the findings of the peer review team. The faculty reviewed the above recommendation in conjunction with the School of Business guidelines on reappointment, tenure, and promotion, as well as the school guidelines for maintaining AQ status under the 2003 standards. Following this review, the faculty met with the Dean of the School of Business to discuss the recommendation of the PRT and any potential actions to be taken.

School of Business policy permits a faculty member to publish in any peer-reviewed outlet so long as the topic of the article/publication is related to the faculty member's academic area. Thus, the focus at the School level is not on where the article is published, but what is published. In reviewing the recommendation, it appears that the peer review team is suggesting a narrowing of the potential outlets for acceptable research published by accounting faculty. Since this would be a stricter standard than that for other areas in the School of Business, the Dean and the faculty agreed that it would be inequitable to narrow the list of acceptable research outlets for the accounting faculty. This would potentially put the accounting faculty at a disadvantage in regards to reappointment, tenure and promotion. As a result, it was agreed that accounting faculty would be encouraged to publish in accounting-related journals, but only on an informal basis. It was also agreed that in order to keep the spirit of the agreement on an informal basis, no further written policy would be adopted at the school level.

Update: In Fall 2015, the faculty in the School of Business approved a new set of guidelines for classifying faculty under the new AACSB standards. The guidelines award points to faculty members for certain activities, including publication in peer-reviewed journals. In order to encourage cross-disciplinary research, points are awarded to any faculty member for any article in business or economics. Given these new classification guidelines, the Coordinator of Accounting Programs and the Dean have agreed to continue to encourage publication in accounting-related journals, but not to require it or to penalize faculty publishing outside of these journals. For the period 2011-2016, 12 of 32 articles (38%) were published in accounting journals.

2. *The ability to fund faculty development activities is important in maintaining the Area's excellence. A fund has been established but the faculty as a group did not report that they were able to benefit from it for development activities. If these funds cannot be raised from Advisory Board members, additional fundraising opportunities should be pursued.*

Actions to date of CIR application: At the time of the last Continuous Improvement Review, the Accounting Excellence Fund (AEF) had only recently been established. Over the first few years, total fundraising to the fund was between \$5,000 and \$10,000 per year. Over the last two and a half years, three key actions have been taken to increase this fund.

First, the establishment of the Gonzaga Accounting Advisory Board in 2011 has provided opportunities for more significant fundraising. Contributions are required of all board members or their firms, increasing the inflow to the Accounting Excellence Fund.

Second, the Department has entered into an agreement with the Dean of the School of Business such that all undesignated gifts to the School of Business by accounting alumni will be split 50/50 with the Accounting Excellence Fund. Previously, such contributions were used by the Dean for the benefit of all departments across the School.

Third, the Coordinator of Accounting has been working to systematically track alumni and to make contact with these alumni for development purposes. This effort is still in its very early stages, but small amounts of money have already been raised.

Due to the above, the annual giving to the Accounting Excellence Fund has grown to approximately \$25,000 per year. This is a marked increase from 2011.

In addition, the Accounting Department has been able to document that a \$1.5+ million endowed scholarship fund established more than 20 years ago was intended to only benefit accounting majors. With this change, between \$75,000 and \$100,000 of scholarship money will be allocated solely to accounting majors in future years. This will help support accounting students and should strengthen both the undergraduate and graduate accounting programs in the long term.

Update: The table below reflects giving to the Accounting Excellence Fund since the last continuous improvement review:

Year	Contributions to Fund	Ending Balance
2015-2016	\$28,225	\$35,596
2014-2015	\$23,140	\$46,479
2013-2014	\$22,220	\$36,750
2012-2013	\$18,710	\$27,182
2011-2012	\$23,550	\$24,111
2010-2011	\$4,425	\$15,265

Overall giving to the AEF has increased 538% since the 2010-2011 academic year, the time period for the last self-study. Expenditures from the fund have varied between \$12,600 and \$39,100 per year, averaging approximately \$19,100 per year. Most expenditures were for graduate student scholarships and faculty/student travel. In spite of significant expenditures from the fund over the last several years, the AEF has grown from \$15,265 at the end of fiscal year 2011 to \$35,596 at the end of fiscal year 2016, an

increase of 133%. The Coordinator of Accounting Programs is committed to increasing the level of annual contributions to the AEF to \$50,000 per year by fiscal year 2021.

In addition to moneys raised for the AEF, the Accounting Department has received approximately \$12,000 in restricted gifts for the benefit of the Justice for Fraud Victims Project over the last five years. These dollars have been used to purchase hardware and software to support the program, and to pay a portion of the expenses for the law enforcement training session that took place in Spring 2016.

Due to the competitive environment surrounding undergraduate admissions, the university reduced the allocation of dollars available to the graduate accounting programs from the Brajcich endowed scholarship funds from \$75,000 to a minimum of \$20,000 per year. In 2015-16, the actual amount allocated was approximately \$25,000. The MSTax program also secured two \$2,000 scholarships from Moss Adams, LLP to support students in the tax program.

3. *The AC Area has responded to the prior PRT's request that learning goals be pared back. The AC Area should continually review the number of learning goals to ensure that they are sufficient in meeting AACSB Accounting Standard 37.*

Actions to date of CIR application: The Accounting Department has been working on a complete revision of its strategic plan, which will include a revision of its learning goals. It is anticipated that this process will be complete in the spring of 2015.

Update: The accounting faculty have made significant progress in this area. The Assurance of Learning (AoL) plan for the undergraduate accounting program was revised and updated during the 2015-2016 academic year. The revised plan, which is included in Appendix F of this report, will be discussed more fully in the Assurance of Learning discussion. In addition, a fully expanded plan for the new Master of Science in Taxation program was created when that program was initiated. This plan is included in Appendix F of this report. The accounting faculty are in the process of revising the AoL plan for the Master of Accountancy program. This revision will take into account the split off of the MSTax program and will also include some new program goals. It is expected that the revised plan will be finalized in Fall 2016.

Section IV: Strategic Management

Overview

The mission statement of the School of Business Administration is as follows:

"We develop professionally competent and intellectually curious graduates who exemplify the humanistic, ethical, and moral values of a Jesuit institution. We provide a challenging and supportive learning environment, with quality students and faculty marking our excellence. As part of a global environment, we promote relationships with regional, national, and international business and scholarly communities."

The mission statement of the Accounting Department is as follows:

"We develop ethical graduates highly qualified for careers in accounting and allied financial services positions in public accounting, corporate, and other organizations. Our programs will be characterized by rigorous curricula offered in a personalized learning environment. To advance knowledge and application of accounting theory and practice, our high quality faculty will be involved in a complimentary mix of research and contributions to professional practice."

The combined missions of the university, school, and department inform the actions of faculty and students, as well as provide context for program and activities. Gonzaga's accounting program is widely known as one that demands much from students but turns out graduates with a strong ethical grounding and the ability to add immediate value through their employment.

The departmental mission is embedded within an environment where all activities have long been driven by the mission. From student acceptance through curriculum choices, hiring processes, and program review, decision makers consider the mission. Potential employees receive the mission statement along with other human resource materials and discuss it as part of their job interview. It is also a part of student recruiting materials, student and faculty handbooks, the departmental website and university catalogs.

The Strategic Planning Process and Outcomes

School of Business

The Gonzaga University School of Business undertook a significant Strategic Plan revision process between 2012 and 2013. At the request of the then-Dean, the Strategic Mission and Planning Committee (SMPC) was directed to abandon the previous decade-old strategic plan and develop a new framework in collaboration with the entire faculty and staff body.

The revision process began in October 2012 with a series of workshops and retreats that resulted in a comprehensive SWOT analysis of the school. Using this as a foundation for discussion, the faculty and staff and of the school embarked on an 18-month process to develop new strategic goals. This process was finalized in the spring of 2014 with the ratification of the new plan. Specific action items and timelines were also developed at that time. A more detailed discussion of this process can be found in the school's Continuing Improvement Review report.

Accounting discipline

The Accounting Department mission statement and strategic plan were developed in 2008 as part of the accreditation self-study process, although the principles included are ones we had operated by for some time. While the statement and plan were developed by accounting faculty in consultation with the dean, the plan was reviewed by a small group of undergraduate and graduate students and select public accounting employers.

Throughout the last eight years, the plan has provided direction for many of the activities of the Accounting Department. Since the last accreditation visit in 2011, significant progress has been made in achieving most of the goals of the plan. With a new School of Business plan and a new Dean now in place, the accounting faculty will undertake a comprehensive review of the existing plan starting in Fall 2016.

The review process will include both an examination of the progress made in achieving the plan's goals, as well as identification of appropriate changes to the plan based on changes in the internal and external environments. It is expected that the Accounting Advisory Board will play a critical role in the revision process, as will both undergraduate and graduate students.

The full Accounting Department Strategic Plan is included in Appendix C of this report.

Significant Outcomes of the Strategic Planning Process

Over the last five years, significant progress has been made on many areas of the strategic plan. Key improvements since our accreditation review in 2011 are as follows:

Objective I - Curricular & Admission Policy Changes

- In Fall 2015, the Master of Science in Taxation program was launched. This will be discussed in greater detail below in the discussion of new degree programs.
- The Assurance of Learning (AoL) plan for the undergraduate accounting program was revised and updated during the 2015-16 academic year. The revised plan, which is included in Appendix F of this report, will be discussed more fully in the Assurance of Learning section of this report.
- Progress has also been made in revising the AoL plans for the accounting graduate programs. As part of the process for implementing the Master of Science in Tax program, the faculty developed a new AoL plan for that program. This plan is also included in Appendix F of this report. In addition, the accounting faculty are in the process of revising the AoL plan for the Master of Accountancy program. This revision will take into account the split off of the MSTax program and will also include some new program goals. It is expected that the revised plan will be finalized in Fall 2016.
- In Fall 2015, the accounting curriculum for undergraduate majors was revised. This change was driven by CPA Exam results from 2013 that indicated that Gonzaga students performed worse on the Regulation portion of the CPA Exam than any other, with less than 60% passing the first time. As a result, the faculty reviewed the curriculum with regards to topical coverage of tax and determined that one tax course, principally covering individual tax concepts, was not sufficient. In order to provide broader coverage, the faculty voted to require all accounting majors to take both Federal Tax I and Federal Tax II, effective for freshmen entering Fall 2015, the earliest that the change could be effective. Because the accounting faculty also believed that topics covered in Advanced Financial Accounting were crucial to all students, the faculty agreed at that time to require Advanced Financial Accounting in addition to Federal Tax II. This change increased the number of credits in the accounting major from 21 to 24, with all courses now being required. Electives were essentially eliminated from the major.

Prior Accounting Major Curriculum	Current Accounting Major Curriculum
ACCT 360 – Intermediate Accounting I (3)	ACCT 360 – Intermediate Accounting I (3)
ACCT 361 – Intermediate Accounting II (3)	ACCT 361 – Intermediate Accounting II (3)
ACCT 362 – Acct Information Systems (3)	ACCT 362 – Acct Information Systems (3)
ACCT 363 – Cost Accounting (3)	ACCT 363 – Cost Accounting (3)
ACCT 365 – Federal Tax I (3)	ACCT 365 – Federal Tax I (3)
ACCT 464 – Auditing (3)	ACCT 366 – Federal Tax II (3)
3-cr of electives	ACCT 460 – Advanced Financial Acct (3)
	ACCT 464 – Auditing (3)
TOTAL CREDITS REQUIRED: 21	TOTAL CREDITS REQUIRED: 24
Electives:	Students can now take ACCT 466/467 – U.S. GAAP & IFRS (6) as a general elective.
ACCT 366 – Federal Tax II (3)	
ACCT 460 – Advanced Financial Acct (3)	
ACCT 466/467 – U.S. GAAP & IFRS (6)	

- In 2015-16, the accounting faculty adopted a new policy regarding advancement in the accounting major. Beginning with the 2016 university catalog, accounting majors must earn a grade of “C” or better in ACCT 365 (Federal Tax I) in order to progress to ACCT 366 (Federal Tax II). This policy mirrors the policy that has been in effect for ACCT 360/361 (Intermediate Financial Accounting I and II) since 2011. The goal of this policy is to prevent students who are not succeeding in the accounting major from continuing beyond the first semester coursework.
- Beginning in Summer 2016, MSTAX students can enroll in MTAX 685 – Federal Tax Clinic. This course gives students the opportunity to work in the Federal Tax Clinic of the Gonzaga Law School, assisting low-income taxpayers in the Spokane area who are in conflict with the IRS. Students participating in this course will benefit from the real world client interaction and the experiential learning while providing a significant benefit to low-income taxpayers in Spokane.
- MAcc 603, Financial Accounting for Income Taxes, was expanded from two to three credits in Fall 2015 due to feedback from students and the instructor for the course. This feedback indicated that more time was needed early in the semester to provide a short review of corporate income tax concepts and then later in the course in order to implement more comprehensive case studies. Elective credits in the program were reduced from six to five as a result of this change.
- As part of a review of admission policies for the MAcc program in 2012-13, the accounting faculty agreed to waive the GMAT for any applicant from Gonzaga having both a cumulative GPA of 3.5 or higher and an upper division accounting GPA of 3.0 or higher. This policy was put in place (1) to encourage high performing students from these programs to attend Gonzaga and (2) because undergraduate and accounting GPA have proven to be a better predictor of success in the graduate accounting programs than the GMAT. The policy has been very effective in keeping high-performing students to Gonzaga while having no effect on student retention and selectivity. As a result, in 2014-15, the policy was extended to students from any AACSB accredited school.
- During the 2014-15 academic year, the accounting faculty began discussions regarding the integration of data analytics into the accounting programs at all levels in anticipation of meeting Standard 7 of the 2013 AACSB Accounting Standards. Some level of data analysis was already occurring in the curriculum with case studies previously integrated into the curriculum in MAcc 670 (Fraud and Forensic Examination) and ACCT 362 (Accounting Information Systems). Specifically, students were introduced to the IDEA software in MAcc 670 and used the software to detect fraud in a small data set. Similarly, students were using EXCEL to detect unusual transactions or irregularities in a small data set in ACCT 362.

As a result of the discussions during 2014-15, it was agreed that data analytics would be incorporated into the curriculum in a two-step process. First, case studies using analytical tools and techniques would be further embedded in existing courses at both the undergraduate and graduate levels over the next two years. Specifically, data analytics would be embedded in the following courses: ACCT 362 (Accounting Information Systems); ACCT 464 (Auditing); MAcc 670 (Fraud and Forensic Examination); and MAcc 665 (Audit Research and Practice). This process is ongoing and will be fully implemented in 2016-17. In the second step, free-standing courses would be created at both the undergraduate and graduate levels to create a more formal platform for the development of data analytic skills. The process of designing and implementing those courses will be occurring during 2016-17, with an anticipated launch in the 2017-18 academic year.

In order to move forward in the most effective manner possible, accounting faculty have done the following since Fall 2015:

- Professors Matt Hoag and Sara Kern attended the Big Data Conference sponsored by the American Accounting Association in New York City in September 2015.
- Professor Sara Kern attended the IDEA User Conference in Orlando, Florida, in May of 2016.
- Professor Gary Weber attended the Deloitte Faculty Consortium in 2016 entitled, “Big Opportunities, Big Data”.

Objective II - Professional Publications & Certifications

- Professor Cathy DeHart has passed the Level I Fundamentals of Sustainability Accounting (FSA) exam through the Sustainability Accounting Standards Board. She is one of only three FSA Level II candidates in the state of Washington. She is currently preparing for the Level II exam and should earn her FSA credential by December 2016. The eight tenured or tenure-track accounting faculty published 32 refereed journal articles and two refereed conference proceedings since 2011. This is an average of 4.25 peer-reviewed publications per faculty member. More specifics regarding intellectual contributions of faculty are included below.
- The two tenure-track faculty members hired in the fall of 2012 and the Lecturer hired in 2013 are all CPAs who are keeping their licenses current. Four of the nine full-time faculty currently have an active CPA license. One faculty member, Sara Kern, is also a Certified Fraud Examiner.
- The Coordinator of Accounting Programs recently submitted a proposal to allow for reimbursement of up to \$200 per year per faculty member to keep professional licenses current. In addition, the proposal calls for reimbursement of up to 75% of any costs to gain initial professional certification in an accounting related field. The Dean of the School of Business has approved the policy and it is anticipated that it will be in place by September 2016.
- In 2012, the Gonzaga accounting website was updated to include a page of information on a wide array of accounting-related professional organizations, including those that have certifications separate from the CPA.
- Each month, the Accounting Excellence Fund sponsors two students to accompany Professor Cathy DeHart to the dinner meeting of the Accounting & Financial Women’s Alliance.

Objective III - Faculty Development, Quality, and Effectiveness

- In order to support Professor Matt Hoag in his research, the School of Business committed to obtain Audit Analytics in 2012 when he was hired. The university purchased a 3-year initial license and recently renewed that license for another three years. The total cost over the six years is approximately \$27,000.
- In order to support Professor Walter Teets in his professional development activities with regard to his national CPE presentations, the Coordinator of Accounting Programs and the Dean agreed to a 2/4 (fall/spring) teaching load for Dr. Teets. This flexibility allowed him the opportunity to travel more extensively in the fall term. As a result, Walter Teets was able to make over 35 professional technical presentations to accounting and finance professionals throughout the country.
- Accounting faculty members have made 51 presentations at academic conferences since 2011.
- The Coordinator of Accounting Programs has attended the annual Accounting Program Leadership Group meeting and Accounting Accreditation Seminar four of the last five years.

- The approval of the new line for the Lecturer in accounting has allowed the discipline to offer high quality instruction in smaller classes by a permanent faculty member at the 200-level (Principles of Accounting), without relying too heavily on adjunct faculty. Currently, the discipline only employs one adjunct at the undergraduate level on a regular and continuous basis. However, it is expected that this number will increase in the future as upper division accounting courses are capped at a lower level.
- Professor Dan Law attended a two-day Case Method Teaching Seminar at Harvard Business School in March of 2016. This seminar will assist Dr. Law in his use of Harvard Case Studies in his MBA accounting course.
- Sara Kern attended the IDEA User Conference in Orlando, Florida, in May of 2016. This conference will help Professor Kern implement data analytics in her undergraduate and graduate auditing courses.
- Professor Matt Hoag attended the Accounting Information Systems Bootcamp, sponsored by the American Accounting Association, in May of 2016. This seminar will assist Dr. Hoag as he begins to teach the Accounting Information Systems course in 2016-17.
- Professor Andrew Brajcich attended the AICPA Teaching Symposium in Raleigh-Durham, North Carolina, in January 2016. This symposium supports Professor Brajcich's efforts to teach continuing education for the AICPA as well as enhances his Gonzaga teaching skills.
- Professors Matt Hoag and Sara Kern attended the American Accounting Association's Big Data Conference in New York City in September of 2015. Similarly, Professor Gary Weber attended the FSA Deloitte Faculty Consortium in Dallas in May 2016 entitled "Big Opportunities, Big Data." These seminars will assist the accounting faculty in implementing the data analytics required by Accounting Standard 7 in the new AACSB Accounting Standards.

Objective IV - Accounting Program Stature and Ties to Professional Community

- The Gonzaga Accounting Advisory Board (GAAB) was re-formed in early 2011 and has generally met twice per year over the last five years. The Board is most commonly involved in discussions surrounding such topics as curricula, recruiting, and alumni development. The GAAB currently has 15 members. A complete list of members is included in Appendix D of this report.
- Professors Sara Kern and Gary Weber were awarded the 2012 Innovation in Education Award from the American Accounting Association for their work in developing the Justice for Fraud Victims Project. Professors Kern and Weber also won the 2011 Innovative Teaching Award from the Forensic & Investigative Accounting Section of the American Accounting Association as well as the 2010 Mark Chain/FSA Innovation in Graduate Teaching Award presented by the Federation of Schools of Accountancy for their work on this same project. These awards have brought significant recognition to both the university and the department.
- In the last five years, the accounting faculty have invested significant time and energy in order to increase the number and variety of employers that recruit on Gonzaga's campus. Employers that recruit on campus regularly that did not appear five years ago include Grant Thornton, Eide Bailly, Amazon, Anderson ZurMuehlen, and the State of Alaska Division of Legislative Audit. The number of firms that recruit at the Gonzaga Accounting Career Fair has increased from 16 to 30 since 2011.
- In August of 2015, Clark Nuber, a mid-market CPA firm in the Seattle area, invited members of the Gonzaga faculty to "Gonzaga Day" in the Seattle office in order for faculty to learn more

about the firm. Five accounting faculty members attended the five-hour event, intended to build a closer relationship between the firm and Gonzaga.

Financial Strategies/Resources

As a quasi-department within the School of Business Administration, the Accounting Department’s operating budget is combined administratively with that of the School of Business. The Accounting Area receives no separate budget allocation. School of Business operating funds provided by the university are supplemented by unrestricted gifts, restricted gifts, and endowment earnings.

Shown below is a summary of the School of Business’ (SBA) operating budget, SBA faculty budget, and accounting-only faculty budget for the period from academic year (AY) 2010-11, to AY 2015-16. AY 2010-11 is included for comparison purposes only since it was the self-study year for the 2011 continuous improvement review.

Year	SBA Operating Budget	SBA Faculty Budget	Accounting Faculty Budget	Endowment
2015 – 2016	\$210,939	\$5,320,388	\$1,213,711	\$21,251,560
2014 – 2015	\$249,900	\$4,753,415	\$1,182,654	\$20,242,053
2013 – 2014	\$289,833	\$5,143,580	\$1,085,333	\$19,331,889
2012 – 2013	\$317,843	\$5,012,618	\$984,729	\$14,559,732
2011 – 2012	\$292,799	\$5,031,193	\$975,691	\$12,059,068
2010 – 2011	\$242,799	\$4,559,054	\$969,943	\$11,697,311

For more information on the overall School of Business budget, please see the Strategic Management section of the SBA Continuous Improvement Review report.

As can be seen above, the budget for accounting faculty salaries increased from \$969,943 in the last self-study year, to \$1,213,711 in AY 2015-16, the current self-study year. This is an increase of \$243,768. However, the AY 2010-11 budget included approximately \$70,000 of salary for Kay Carnes, who was on phased retirement and fully retired soon thereafter, as well as the salary for her replacement. Eliminating her salary from the 2010-11 budget, accounting faculty salaries have increased approximately \$314,000 over the past five years. Embedded in this increase are the salaries for the two new FTE faculty in accounting – one new Assistant Professor in tax and a Lecturer fixed-term position. This accounts for approximately \$185,000 of the change. The remainder, \$129,000, represents salary increases due to promotions and cost-of-living adjustments. This growth in the salaries of accounting faculty provides some evidence that Gonzaga has been able to continue to pay competitive salaries even through some challenging times.

As described previously in the Progress Update on Concerns from Previous Review, the Accounting Department has a separate Accounting Excellence Fund (AEF) which is used to supplement the operational and endowment funds of the school in order to provide additional graduate scholarships, supplemental travel funds to accounting faculty and students, and moneys for specific accounting-related instructional or research needs. The AEF has been funded with a combination of student, alumni, and faculty contributions.

The table below shows both the annual benefaction to the AEF and the ending balance at the end of each of the last six years.

Year	Contributions to Fund	Ending Balance
2015-2016	\$28,225	\$35,596
2014-2015	\$23,140	\$46,479
2013-2014	\$22,220	\$36,750
2012-2013	\$18,710	\$27,182
2011-2012	\$23,550	\$24,111
2010-2011	\$4,425	\$15,265

Overall benefaction to the Accounting Excellence Fund has been growing over the last five years and has increased 538% from 2010-11, the self-study year for the last continuous improvement review. In spite of significant expenditures from the fund over the last several years, the AEF has grown from \$15,265 at the end of fiscal year 2011 to \$35,596 at the end of fiscal year 2016, an increase of 133%. The Coordinator of Accounting Programs is committed to increasing the level of annual contributions to the AEF to \$50,000 per year by fiscal year 2021.

In addition to moneys raised for the AEF, the Accounting Area has secured additional scholarship money for the graduate accounting programs, thereby decreasing the burden on the AEF. These funds come from two sources. First, the university has agreed to allocate a minimum of \$20,000 per year from the Brajcich Accounting Scholarship Fund to scholarships for graduate accounting students. In 2015-16, the actual amount allocated was approximately \$25,000. Second, the MSTax program has secured two \$2,000 scholarships from Moss Adams, LLP to support students in the tax program.

Supplementing the dollars from the above sources, the Accounting Area has received approximately \$12,000 in restricted gifts for the benefit of the Justice for Fraud Victims Project over the last five years. These dollars have been used to purchase hardware and software to support the program, and to pay a portion of the expenses for the law enforcement training session that took place in the spring of 2016.

Future Strategic Priorities

Three strategic priorities have been identified for the 2016-17 academic year.

1. The accounting faculty will be addressing growing class sizes at the upper division level by creating three sections of each upper division accounting course, rather than the current two. This change will be phased in over two years, starting in Fall 2017. This will reduce course sizes at the upper division level to less than 35 from the current 45 to 50. The Dean of the School of Business is supportive of this change. As a result, additional adjuncts will need to be hired at the principles (200) level. Funding for the additional adjuncts will come from the university adjunct funding pool. For the 2017-18 academic year, it is expected that total additional funding needed will be \$12,480, with \$24,960 needed by 2018-19 (and all future years) once the change is implemented across all upper division accounting courses.
2. Consistent with faculty discussions in 2015-16, the Coordinator of Accounting Programs has developed a proposal for partial reimbursement of professional certification maintenance fees as well as 75% of all initial certification fees for accounting faculty. The policy would be effective for the 2016-17 academic year. This policy is being proposed to encourage the accounting faculty to maintain existing professional certifications and to seek additional ones. The proposal calls for a \$200 cap per year for maintenance fees, with no cap for initial fees. The funding will come from the School of Business Dean's office and the Accounting Excellence Fund. Total funding needed

will be a maximum of \$1,800 per year for maintenance fees. The amount needed for initial certification fees is unknown.

3. In the Spring of 2016, the accounting faculty prioritized the creation of an alumni newsletter as a key desired outcome in 2016-17. This is an important first step in reconnecting with alumni to increase the base of support. In order for this to be accomplished, the Coordinator of Accounting Programs has requested and received an additional 180 hours of graduate assistant time for the 2016-17 academic year. The funding, which will total approximately \$2,700, is being provided from the general graduate assistant budget for the year. This graduate assistant will also be assisting with accreditation efforts.

Intellectual Contributions

Gonzaga has a long tradition as a teaching and service institution and its various mission statements reflect this. The expectation of the SBA and the mission statement of the Accounting Department emphasize that, to be effective in preparing future accountants, faculty must remain highly engaged in the accounting profession and maintain an active program of producing appropriate intellectual contributions. This goal is achieved in multiple ways and all tenured/tenure-track accounting faculty regularly present to student groups, lead CPE for licensed accountants, present at academic conferences, and publish in peer reviewed journals. With the primary mission as a teaching rather than research institution, the endeavors of most faculty are designed for submission to mid-tier and practice-oriented journals.

Table A2.1 provides an overview of the scholarly activities of the accounting faculty. The eight research-active faculty published 32 peer-reviewed articles and two peer-reviewed conference proceedings over the last five years, an average of 4.25 peer-reviewed publications per faculty member. Eliminating the double-counting caused by co-authorships, the number of discrete publications totals 29, or an average of 3.63 per faculty member. In addition, accounting faculty presented at 51 academic conferences (74.5% of which were peer-reviewed), and conducted over 40 continuing education seminars for accounting professionals. Overall, 88.9% of participating accounting faculty produced intellectual contributions, while this percentage dropped to only 76.5% when examining the percentage of all accounting faculty. Thus, accounting faculty intellectual contributions were significant, with all members contributing at some level.

As stated in the strategic plan of the accounting department and consistent with the School of Business mission, the accounting faculty seek to support a mix of theoretical and pedagogical research, as well as contributions to professional practice. The research over the last five years supports this goal. Of the 32 peer-reviewed publications by accounting faculty, 14 are theory-based, 11 are practice-oriented, and 7 are pedagogical/educational. This mix of research reflects the strong commitment of the faculty to the broad array of intellectual contributions that are consistent with the school and departmental missions.

The quality of the intellectual contributions of the accounting faculty can be demonstrated in multiple ways. First, 25 of the 32 peer-reviewed articles (78%) appear in journals that are listed in Cabell's. Of the articles listed in Cabell's, 24 of 25 (96%) appear in journals having an acceptance rate of 50% or less, with 17 of the articles (68%) appearing in journals with an acceptance rate of 30% or less. Lastly, a search on Google Scholar indicates that the publications of the accounting faculty from the last five years have been cited 105 times. Taking a longer view of research quality, all publications of accounting faculty, whether

or not occurring since 2011, were cited 281 times in the period 2011 through 2016. This suggests that the work of the faculty occurring before 2011 was still relevant in the latest five-year period.

Similar to evaluating the quality of intellectual contributions, the impact of intellectual contributions can be demonstrated in multiple ways. One such measure has been discussed above, that is, the number of times intellectual work of the accounting faculty has been cited by other authors. As stated above, the work of the accounting faculty from the last five years has been cited 105 times, while all publications by accounting faculty, whether or not occurring since 2011, have been cited 281 times in the period 2011 through 2016. Beyond these measures, the impact of specific work can be examined. Dr. Law's research on the effects of exhaustion in students, published in 2015 in *The Academy of Educational Leadership Journal*, extends a long line of his research on the effect of burnout and exhaustion on public accounting professionals. This research has contributed to the understanding of the relationship between burnout and turnover rates in public accounting firms. Professor Brajcich's practice-oriented publications in the area of international tax not only assist practitioners' understanding of a topic that is of growing importance and interest, but it also enhances his teaching effectiveness in his international tax course in the MSTax program. Lastly, the publication by Drs. Kern and Weber in *Issues in Accounting Education* (August 2016) detailing the implementation of the Justice for Fraud Victims Project provides a roadmap for accounting educators throughout the country interested in implementing a cutting-edge and award-winning experiential course in forensic accounting.

New Degree Programs

From 2007 to 2014, enrollments in the tax concentration of the MAcc program grew significantly with each passing year. While only one student had declared the tax concentration in Fall 2007, nearly 30 students were enrolled by 2014. As a result of this growth and due to discussions with the Gonzaga Accounting Advisory Board and many of the employers that recruit tax students on campus, the faculty voted to split off the tax concentration of the MAcc program into a free-standing Master of Science in Taxation program. This change was motivated by the marketplace reality that the Master of Science in Taxation (MST) is the recognized graduate degree in taxation.

Throughout 2014 and early 2015, research on the tax curriculum was performed in two ways. First, the curricula of high quality competing programs from the western United States were examined. Second, the Coordinator of Accounting Programs met with tax partners and managers from many of the firms that currently recruit at Gonzaga in order to seek input into the proposed revisions.

In early 2015, the program was proposed and approved by the School of Business Graduate Committee and the school's faculty. The Gonzaga Academic Council approved the program in April of 2015, with the university trustees giving approval in July 2015. Final approval from the Northwest Commission on Colleges and Universities was granted in August 2015.

The program was launched in Fall 2015. All students accepted into the MAcc – Tax program at that time were given the opportunity to migrate to the MSTax. All 32 students agreed to transfer to the new program. Response to the program has been outstanding. By October of 2015, all but one of the Spring/Summer 2016 graduates were successfully placed. Enrollment numbers for Fall 2016 look very strong, with nearly 45 students committed to attending, a 40% increase from 2015.

The proposal for the program is attached as Appendix B to this report. It includes a complete description of the program curriculum.

Section V: Participants-Students, Faculty, and Professional Staff

Overview

Eight full-time terminally-degreed tenured or tenure-track faculty currently teach in the accounting department. Six of the eight are tenured, while two are entering their fifth year of their pre-tenure review. Both are progressing well toward tenure. In addition, there is one Lecturer in the department, who was hired in Fall 2013.

There have been several changes in the make-up of the department over the last five years.

- Kay Carnes, who was on phased retirement through 2011-12, fully retired in the spring of 2012. Kay Carnes was replaced by Marinilka Kimbro, who was hired in the Fall of 2009.
- Matt Hoag was hired in the Fall of 2012 to replace Marinilka Kimbro, who left the faculty in the Spring of 2011.
- Andrew Brajcich was hired in the Spring of 2012, principally to teach tax at both the undergraduate and graduate levels. This was a new faculty budget line added due to the growth of the graduate tax program. While Professor Brajcich does not possess a PhD, he is terminally qualified by virtue of his JD and separate LLM in taxation.
- Cathy DeHart was hired as a Lecturer in the Fall of 2013. This was also a new faculty budget line added due to the heavy course loads and demanding schedules being taught by accounting faculty.

The most senior member of the department, Eddy Birrer, has signaled his intention to retire at the end of AY 2016-17. The accounting faculty have already received an approval to hire a replacement for Professor Birrer. As a result, the faculty will be conducting a search in Fall 2016 with the intent to hire for Fall 2017.

Following is a list of the department's full-time faculty who taught accounting courses during the last two years.

Name	Rank	Year Started GU	Terminal Degree	Part/Class
Gerhard Barone (Tenured)	Associate Professor	2006	University of Wisconsin (PhD)	Participating/SA
Eddy Birrer (Tenured)	Professor	1984	University of North Dakota (PhD)	Participating/SA
Andrew Brajcich (Tenure-track)	Assistant Professor	2012	University of Florida (JD)/University of Washington (LLM in Tax)	Participating/SA
Cathy DeHart (Fixed-term)	Lecturer	2013	n/a	Participating/IP
Matthew Hoag (Tenure-track)	Assistant Professor	2012	University of Tennessee (PhD)	Participating/SA
Sara Kern (Tenured)	Professor	2005	SUNY Buffalo (PhD)	Participating/SA
Daniel Law (Tenured)	Professor	2002	Washington State University (PhD)	Participating/SA
Walter Teets (Tenured)	Professor	1994	University of Chicago (PhD)	Participating/PA

Gary Weber (Tenured)	Associate Professor/Coordinator of Accounting Programs	1995	Arizona State University (PhD)	Participating/SA
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Guidelines for Participating/Supporting Faculty

Faculty members are considered participating if they are full-time professors or lecturers in the School of Business and are contributing to the fabric of the Gonzaga community through teaching, professional development, advising, and academic citizenship.

Faculty members are considered supporting if they are part-time adjunct instructors with little or no engagement with the school or students outside of teaching in the classroom. Part-time faculty members who have duties beyond the classroom may be judged participating if they contribute to the school through professional development, advising, and service to the university.

Accounting Department Faculty Sufficiency

All nine full-time faculty are participating members of the faculty as all are fully engaged in the activities of the accounting programs through their teaching, advising, service, and professional development. Although Cathy DeHart (Lecturer) is not expected to perform research, she is expected to engage in various aspects of professional development. Similarly, all part-time accounting faculty are considered supporting, as none of them engage in non-teaching activities normally required of participating faculty members.

In order to examine accounting faculty sufficiency along multiple dimensions and across each accounting program (undergraduate, MAcc, and MSTax), a separate Table A9-1 has been prepared for accounting overall, for undergraduate only, for graduate programs in total, for MAcc, and for MSTax. All of these tables use data for the self-study year, 2015-16. Panel A of Table A9-1 is shown only as a link to the Business CIR report. It reflects total credits/courses taught by accounting faculty, including Professor Don Hackney (Associate Professor of Business Law), who is assigned to Accounting for administrative purposes only. This panel is not relevant and will not be discussed further in this report. Panel B reflects accounting in total, excluding Professor Hackney. This panel includes all credit hours taught by accounting faculty, whether in the undergraduate program, the MAcc, the MSTax, or the MBA. Panel C provides information about the deployment of faculty in the undergraduate program. Panel D reflects the deployment of faculty across the two graduate accounting programs in aggregate. Panels E and F reflect faculty sufficiency and qualifications for faculty teaching in the MAcc program and the MSTax program, respectively.

Panel B of Table A9-1 provides an overview of accounting faculty sufficiency. As can be seen in this panel, 86.7% of all accounting student credits hours across all programs were taught by participating faculty. This exceeds the 75% threshold specified in Standard 9 for all programs. Faculty sufficiency at the program level is shown in Panels C through F of this table. For the undergraduate accounting program (Panel C), 93.7% of all credit hours were delivered by participating accounting faculty. Examining the two accounting graduate programs as a whole (Panel D), 62.8% of all credit hours were taught by participating faculty. At the individual graduate accounting program level, 61.3% of all MAcc credits hours (Panel E) and 64.0% of all MSTax credit hours (Panel F) were delivered by participating accounting faculty. These ratios all exceed the 60% program-level standard contained in Standard 9.

Faculty Management Policies

The Accounting Department, not being a formal department in the School of Business, has no faculty management policies of its own. Accounting faculty instead follow the faculty management policies for the school. Those policies are available for review as part of the supplemental materials to the School of Business Continuing Improvement Review report.

Students

Admission Policies

University Undergraduate All undergraduate students (freshmen and transfer students) must be admitted through the university's admissions process. Admission decisions for incoming freshmen are based on a completed application, an essay, an SAT or ACT score, a high school transcript, and a counselor or teacher recommendation. Admission to the University is competitive. The Fall 2015 entering freshmen class had an average high school GPA of 3.72, a composite SAT of 1199, and an ACT score of 27.

School of Business - Upper Division Business students must apply for admission to upper division (300-level and above) School of Business classes. To be admitted, students must have completed six lower division business core courses with (1) a grade of at least C- in each of these courses and (2) a cumulative GPA of at least 2.7 in those same courses. The six courses are Financial and Managerial Accounting, Statistics, MIS, Micro and Macro Economics. Those who do not meet the established minimum are not admitted, but may repeat one or two of the designated courses to meet the GPA requirement. Approximately 85% of students are eventually admitted to upper division business courses under this process.

There is no separate admission process to the accounting major. However, those admitted to upper division courses with a declared major in accounting are separately tracked. For 2015-2016, the average cumulative GPA of declared accounting majors admitted to upper division coursework was a 3.46, while the cumulative GPA for non-accounting majors admitted to upper division courses was a 3.08.

Master of Accountancy/Master of Science in Taxation All graduate students must be admitted through the admission process established by the Graduate School of Business. Admission decisions are based on a completed application, three essays, a GMAT score, submission of transcripts for all prior college-level work, and two letters of recommendation. The GMAT score can be waived for certain high performing students with a cumulative GPA of 3.5 or higher and a 3.0 GPA or better in all upper division accounting coursework. Admission decisions are generally made by the Director of Graduate Accounting Programs. The Director will, from time to time, convene a small ad hoc group of faculty to review borderline admission files. In addition, the Dean of the School of Business is also consulted if there are unique circumstances.

If the GMAT is not waived, acceptance into the graduate accounting programs requires a GMAT score of at least 500 and a cumulative undergraduate GPA of 3.0. Grades in undergraduate accounting courses are given special attention along with personal essays and letters of recommendation. Current GU undergraduate accounting majors may be accepted into the MAcc or MSTax programs during the second semester of their junior year if they have completed at least 75 credit hours including Intermediate I, have at least a cumulative GPA of 3.25, have earned at least a C+ in all upper division accounting courses, and fulfill all other admission requirements. Such students may take up to nine credits of graduate-level courses during their senior year. Such classes count only for graduate credit and do not apply toward the students' undergraduate degrees.

Accounting Enrollments

As the University has grown over the last 20 years, the accounting program has also grown. The number of declared accounting majors has grown from 105 in 2003-04 to 181 in 2015-16, an increase of approximately 72%.

The graduate accounting programs have experienced similar growth over this same time period. In 2015-16, total graduate accounting credit hours were 1,241, compared to 978 in 2010-11 (the last self-study year) and 657 in 2003-2004. This represents a 27% increase in the last five years and an 88.9% increase since 2003. It is expected that graduate accounting credit hours will increase yet again for 2016-17 based on current trends in applications.

A major shift has also occurred in the percentage of students pursuing financial accounting & reporting versus those pursuing tax. In 2006-07, less than 10% of the students in the MAcc program were enrolled in the tax track. However, in Fall 2015, 41% (32 of 78) were enrolled in the newly-launched MSTax program. It is expected that approximately 50% of graduate accounting students in the Fall of 2016 will be enrolled in the MSTax program.

Student Retention and Student Support Services

Undergraduate university students who fall below a 2.0 in either term and/or cumulative GPA are placed on academic probation. These students are limited in the number of credits they may take, and must meet regularly with their academic advisor to discuss progress. Students who remain on academic probation for several semesters are subject to dismissal from the university for poor scholarship. The elected University Committee on Admissions and Academic Standing is charged with retaining only those students who can reasonably be expected to achieve at least the minimum standards of the university.

Student support services are extensive. Consistent with the holistic vision of the university and the personalized teaching environment, all units from the university as a whole down to the Accounting Department are committed to making sure each student has individualized attention. Within the Accounting Department, students experiencing academic problems are counseled by their advisors. Along with academic help, referrals are made to university services. Where it is obvious that the student will not succeed in accounting, he/she is encouraged to change to another major.

The School of Business employs specialized freshman and sophomore advisors. These individuals are well versed in both academic program and university services. They work with incoming freshman and sophomores who indicate an intent or interest to study business. Once a student has declared accounting as a major (usually late in the sophomore year), he/she is assigned an accounting faculty member as an academic advisor. Mandatory meetings between students and advisees are held twice a year, but in the personal environment of GU, students and faculty encounter each other daily or weekly. Students who are having trouble either academically or in such areas as time management are counseled personally or referred to an appropriate university service.

The university and the Accounting Department provide other intervention services to which accounting students are referred when facing academic and/or personal challenges. These services are described in detail in Appendix A of this report.

The combination of rigorous admissions standards and strong support services result in a student body that can succeed academically in the challenges placed before them. Retention and graduation rates at

Gonzaga University are some of the best in the country. Freshman to sophomore retention was 94.6% for entering freshmen in the Fall of 2014, while the four and six-year graduation rates were 77.5% and 82.7%, respectively.

Undergraduate Accounting Retention Rates

Retention within the accounting program can be considered fairly strong, given the rigor of the major. As shown in the table below, between 73% and 79% of those who declared the accounting major graduated in the normal four-year window with the accounting degree. Of those who were not retained, most changed majors and remained at the university.

Class of:	Enrollment During Junior Year	Degrees Conferred	Retention Rate
2012	75	59	79%
2013	95	69	73%
2014	79	59	75%

Student Placement and Alumni Career Success

Most accounting students receive the majority of their career placement advice from their accounting advisor as part of the advising process. The Gonzaga chapter of Beta Alpha Psi also plays a pivotal role in professional networking opportunities. Aside from sponsoring weekly meetings with professionals from throughout the Northwest, Beta Alpha Psi also sponsors a fall Career Fair which was attended by 30 employers in the Fall of 2015. For a complete list of firms at the Fall 2015 career fair, see Appendix A. An evening bowling social with employers typically follows the Career Fair. The chapter hosts an annual etiquette dinner which is sponsored by Deloitte. Beta Alpha Psi also coordinates several service projects each year, most of which are co-sponsored with one of the employers that recruits on campus including Deloitte, PWC and Moss Adams.

The university provides career support through the Career and Professional Development (CPD) Center. A senior staff member of the CPD has specific responsibility for coordinating all career placement efforts for students in the accounting programs. CPD sponsors annual “treks” (intended for all majors) to Seattle, Portland, New York, San Francisco, and Silicon Valley where students attend career fairs held exclusively for GU students and visit potential employers. CPD also hosts etiquette dinners and mock interviews, and employs various career assessment tools to assist in the matching of students to potential careers.

Unique to Gonzaga, the Gonzaga Alumni Mentoring Program (GAMP) was begun by a successful accounting alumnus and trustee who believed students would benefit from ongoing networking with those already in the workplace. The office matches students with alumni mentors who share similar career fields, geographic locations, or other interests. The goal is to facilitate students in making better career decisions.

Placement from the accounting programs has been very strong over the last few years. For the 2014-15 academic year (the latest available data), the placement rate from the accounting undergraduate major was 98.7% within six months of graduation. From the graduate accounting programs, 97% of students were successfully placed in this same time period. Preliminary data from 2015-16 suggests that the placement rate for the graduate accounting programs was approximately 90% **at graduation**. Data on

undergraduate placement is not available at this time because that information is collected by the CPD Center and they are just beginning to collect and collate results.

Section VI: Learning and Teaching

Curriculum Management

The curricula of the undergraduate accounting, MAcc, and MSTax programs are continuously under review. These reviews are most frequently driven by faculty suggestions and ideas for improvement, from discussions with accounting and tax professionals that visit campus, and through the formal assurance of learning process. External stakeholders play a key role in program and curricular development and assessment on a formal basis through the Gonzaga Accounting Advisory Board, but also on an informal basis through discussions that take place during the recruitment of students and during visits to campus for classroom presentations. As described in the MSTax program proposal (see Appendix B), the professional community played a key role in the development of the curriculum of this recently launched program.

Major Curricular Revisions

- As described more fully in the Strategic Management & Innovation/New Degree Programs area of this report, the faculty recently launched the Master of Science in Taxation program. This program was launched as a direct result of recommendations from the firms that recruit on Gonzaga's campus.
- Based on feedback from both accounting and business undergraduate assessments, students were found to have weaknesses in their ability to analyze ethical dilemmas. As a result, a two-course capstone sequence (BUSN 480/485) was implemented in 2014-15 for all seniors in business. The first course in the sequence is designed to introduce students to the fundamentals of addressing ethical issues which arise in all aspects of business. The second course in the sequence is discipline-focused, extending the application of the principles covered in the first course to discipline-specific issues.
- Using data from CPA Exam pass rates, the accounting faculty significantly revised the undergraduate accounting curriculum. Upon review of the 2013 CPA Exam results, indicating that Gonzaga students were not performing well on the Regulation section of the CPA Exam, the accounting faculty increased the required credits from 21 to 24, and eliminated all elective accounting courses. The curriculum now requires two tax courses rather than one, as under the previous structure. At the same time, the faculty agreed to require Advanced Financial Accounting in order to bolster students' understanding of higher level financial accounting concepts.
- Data from AoL activities in accounting and business at the undergraduate level indicated student weaknesses in technical writing skills. As a result, Professor Cathy DeHart is now coordinating a program where graduate accounting students serve as reviewers in a business writing lab. This initiative, which was launched in 2015-16, allows graduate students to be available 8 hours per week to assist undergraduates with writing assignments.
- As explained below, accounting faculty adjusted course content to address specific weaknesses found through Assurance of Learning efforts. While these findings were not significant enough to cause major curricular change, they did inform instructors' allocation of time between topics and

motivated the assignment of additional case studies/problems in areas where performance did not meet the desired standard.

- Due to Assurance of Learning results from 2008 through 2011, the accounting faculty added a one-credit professional writing course to the Macc program effective Fall 2011. Although this change was proposed in the spring of 2011 and was discussed in the last accreditation self-study report, the course was first offered in Fall 2011 during the current five-year cycle and continues to be offered.
- Over the last two years, the accounting faculty have integrated data analysis techniques into the curriculum at both the undergraduate and graduate levels. At the undergraduate level, data analytics has been integrated into ACCT 362 (Accounting Information Systems), where students use EXCEL to detect unusual transactions or irregularities in a small data set. In the 2016-17 academic year, data analysis projects will be embedded in ACCT 464 (Auditing) using IDEA software. At the graduate level, students in the Fraud and Forensic Examination course (MAcc 670) already use IDEA software to search for fraud in a small data set. This enhancement was made in 2014. Professor Kern will also be using IDEA in the graduate auditing course.
- During 2016-17, the accounting faculty will further discuss integration of data analytics into the accounting curriculum in the form of free-standing data analytics courses. However, content must be defined and qualified instructors identified before these changes can be proposed. It is anticipated that the first course will be launched in Fall 2017. For more information regarding faculty efforts in this area, please see the Strategic Management and Innovation area of this report.

Assurance of Learning (AoL)

Assessment is now an ongoing activity in the School of Business Administration as well as in the Accounting Department. As a division within the school, the Accounting Department follows the school's Assurance of Learning process. This process is described at length, starting on page 34 of the School of Business Continuous Improvement Review report. However, for all accounting-related assessment, there is one additional step in the process not present for other business program assessment. After each assessment report is completed, the report and supporting documentation are forwarded to the Coordinator of Accounting Programs for review and comment. In this way, the Coordinator is informed of the context and results of the assessment in order to ensure that the results are considered in future curricular decisions.

Revision of AoL Goals and Plans

As previously discussed in the Progress Report on the prior AACSB accreditation review, the accounting faculty revised the undergraduate accounting program Assurance of Learning plan in 2015-16, including all goals and objectives. The result was an updated set of program goals focused on technical knowledge, ethics, critical thinking, and professional preparedness. The goals are now much more comprehensive, and include both direct and indirect measures of program success. The revised plan, which is being implemented in 2016-17, is included in Appendix F of this report.

In addition, the faculty is currently in the process of revising the MAcc program goals, with the anticipated revision completion during the 2016-17 academic year. The goals and objectives are being reviewed for currency and applicability following the launch of the MSTax program, and simultaneously with a curricular revision effort that was started in Spring 2016.

With the launch of the MSTax program in the Fall of 2015, the tax faculty developed program goals and objectives specific to the tax program, and began implementing that plan in 2015-16. The specific goals and objectives for the tax program are discussed below.

The discussion below summarizes AoL activities for the period 2011 through 2016 across all accounting programs. A more detailed presentation of the Assurance of Learning assessments and outcomes will be available at the time of the site visit.

Undergraduate Accounting Assurance of Learning

The goals of the undergraduate accounting program in effect through Spring 2016 are as follows:

1. Students will develop appropriate technical knowledge across the five major areas of the discipline.
2. Students will exhibit an understanding of ethical conduct in a global and diverse professional environment.
3. Students will exhibit the ability to communicate technical information to clients and other professionals in a clear and effective manner.

All goals were assessed during the 2011-2016 period. A summary of the results of these assessments is provided below.

Goal 1: The five objectives under Goal 1 specify the desired level of performance in financial accounting, cost, accounting information systems, tax, and auditing. The results from these assessments are discussed below.

Financial Accounting: Financial accounting was assessed in 2014 and 2016. In both years students met the learning goal across all topics assessed, with the exception of deferred income taxes. Corrective measures are being taken to enhance the coverage of this specific area.

Cost Accounting: Cost accounting was assessed in 2011 and 2014. Students did not meet the learning goal in either assessment. Specifically, students failed to meet the desired standard in the use of specific management accounting tools, and in understanding the role of bias and uncertainty in analyzing and interpreting managerial accounting information. Corrective actions included the implementation of oral, informal quizzes during class in relation to problem areas and having students come prepared to complete problems in front of their peers during class time.

Accounting Information Systems: Accounting Information Systems was assessed in 2013. Students met the learning goal, so no corrective actions were taken.

Tax: Tax was assessed in 2013 and 2015. Students met the learning goal in 2013 therefore no corrective actions were taken. Students did not meet the learning goal in the 2015 assessment. Specifically, the students did not meet the desired standard in the area of income inclusions/exclusions and deductions/cost recovery. Corrective action included additional course time and problems in these two areas.

Auditing: Auditing was assessed in 2011 and 2014. The learning goal was met in both assessments and no corrective actions were taken.

Goal 2: Students' understanding of ethical conduct is assessed along five dimensions. The goal was assessed in 2012, and students met the learning goal. However, faculty expressed concern that across the majority of the dimensions assessed approximately 20% of students did not meet the desired standard. As a result, a decision was made to allocate additional ACCT 464 class time to a discussion of the AICPA's Code of Professional Conduct and professional ethics as it relates to the auditing profession. In addition, this result (as well as other similar results in the School of Business) led to the creation of the BUSN 480/485 required sequence for business school seniors. This sequence is described above under key outcomes from the assessment process.

Goal 3: This goal was assessed in 2014 and 2015. Writing was assessed across six traits established by the accounting faculty. Students did not meet the learning goal in either assessment. Specifically, students did not meet expectations in either assessment for including a statement of purpose and for completeness of technical content. As a result of both assessments, the corrective action is comprised of two steps. First, faculty will assign multiple short writing assignments to provide time and opportunity for feedback and improvement. Second, additional class time will be devoted to discussing the key elements of professional writing and discussing expectations for the writing assignments. In addition, the development of better writing and communication skills at the undergraduate level has been established as a key priority for faculty discussion in Fall 2016.

As discussed above, the learning goals for the undergraduate accounting program have been revised. The revised program goals are as follows:

1. Students will develop appropriate technical knowledge across the five major areas of the accounting discipline.
2. Students will demonstrate an understanding of ethical reasoning and decision making.
3. Students will demonstrate the ability to communicate technical information in a professional manner.
4. Students will demonstrate that they are well-prepared for a career in professional accounting.
5. Students will demonstrate the ability to apply critical thinking skills to accounting problems.

Assessment of these program goals will begin in Fall 2016.

[MAcc Assurance of Learning](#)

The goals of the MAcc program are as follows:

1. MAcc students will exhibit an understanding of the current and evolving authoritative standards for financial accounting, auditing, or taxation, as appropriate for a graduate level program.
2. Students will exhibit an understanding of the ethical framework for accountants working in a professional environment.
3. Students will perform professional practice research in financial accounting, audit, or taxation, and communicate such research in an appropriate and professional manner.

All goals were assessed during the 2011-2016 period. A summary of the results of these assessments is provided below.

Goal 1: Outcomes from Assurance of Learning activities over the last five years were mixed across financial accounting, tax, and audit.

Financial Accounting: Financial Accounting was assessed in 2014. Students met the desired standard across all dimensions assessed. As a result, no corrective action was deemed necessary but the professor will continue to refine the assurance of learning instrument going forward.

Tax: Tax was assessed three times since 2011. The assessment took place in Estate & Gift Tax in 2011 and 2014. Students did not meet the desired standard in either assessment because they were unable to arrive at the correct solution when there were competing provisions of the tax law. As a result, more examples are being integrated into the course, layering the complexities of the law so that students can see how various provisions apply when dealing with more complex scenarios. The assessment in Partnership Tax took place in 2014. Students did not meet the desired standard with regard to partnership distributions and liquidations. Corrective actions included additional class time dedicated to these topics which were rushed at the end of the course.

Auditing: Auditing was assessed in 2014. Students did not meet the desired standard in two out of four dimensions assessed. Students demonstrated an ability to read and understand technical auditing guidance, and to evaluate the Risk of Material Misstatement. However, students struggled to assess the adequacy of audit evidence, and to use and interpret analytical procedures appropriately. Additional class time is dedicated to explaining how to properly analyze audit evidence and how to determine if additional evidence should be gathered. Finally, the use of an additional case is being considered in order to provide more opportunity to apply these concepts.

Goal 2: The learning goal was assessed in 2013 and 2016, with the desired standard being met in both assessments. No corrective actions were needed or specified. It should be noted that the 2013 results included both tax and financial accounting & reporting (FAR) students, while the 2016 results included only FAR students due to the launch of the Master of Science in Taxation program.

Goal 3: Assessment of student research skills and the communication of research took place in 2012 and 2015. Students did not meet the desired standard in using the available technological tools to perform professional research. Given a hypothetical fact scenario, only half of the students correctly identified the relevant authority and applied it correctly. Corrective action included increased attention to this issue when initially guiding students through the research process as well as heightened attention across all courses when research projects are assigned.

Effective oral communication: The learning goal was met in the 2012 assessment and therefore no corrective actions were specified. In a 2015 assessment, students did not meet the desired standard. However, the goal was missed by less than one percent of the students. Overall, students scored lowest in presentation effectiveness, as well as in their ability to answer questions posed to them during or after the presentation.

Effective written communication: In a 2015 assessment, students successfully met this learning goal. Therefore, no corrective action, other than some minor adjustments to future assessments, was deemed necessary.

MSTax Assurance of Learning

Four program goals were developed as part of the launch of the Master of Science in Taxation program in 2015-16:

1. MSTax students will demonstrate an understanding of the tax law and its application to facts and circumstances in the foundational areas of federal taxation in the U.S.
2. MSTax students will demonstrate the ability to research issues in federal taxation and effectively communicate findings to the appropriate audience.
3. MSTax students will exhibit an understanding of the ethical framework for tax accountants working in a professional environment.
4. MSTax students will demonstrate preparedness for entering the profession through success on the CPA Exam and through success in the placement process.

During the 2015-16 academic year, Goals 1 and 3 were assessed. Goal 1 was assessed in the Spring of 2016 in the Taxation of Corporations course, but the report will not be available until early fall 2016. Goal 3 was assessed in the Summer of 2016 and the results are described below.

Goal 1: This goal was assessed in MTAX 604, Taxation of Corporations, in Spring 2016. The report will be available in the Fall of 2016.

Goal 2: Scheduled to be assessed in Fall 2017.

Goal 3: This goal was assessed in Summer 2016, with students successfully meeting the desired standard. No corrective actions are needed.

Goal 4: Scheduled to be assessed in Spring 2017.

Section VII: Academic and Professional Engagement

Professional Engagement by Faculty and Students

Faculty and students engage with the profession on a regular and continuous basis. The Following are just some of the ways that this engagement takes place:

- Gonzaga students have participated in the PWC National Accounting Case Competition and KPMG/Seattle University Case Competition for the last two years.
- Accounting faculty have made over 40 day-long continuing professional education presentations in the last five years to professionals throughout the country.
- Accounting faculty have lunch with the firms that recruit on campus over 20 times each year.
- The Gonzaga Accounting Advisory Board meets twice per year and is actively engaged in the life of the accounting programs.
- Gonzaga's accounting department and Beta Alpha Psi chapter sponsor an annual Accounting Career Fair. In the fall of 2015, 30 employers attended the fair.
- In the last five years, nearly 90% of the accounting faculty have participated in the annual faculty field trip to Boeing.
- In the last five years, 54 professionals have spoken in 18 different courses in undergraduate and graduate accounting program.
- Many of the firms that recruit on campus partner with Beta Alpha Psi for annual service events. In the last five years, KPMG, Deloitte, PwC, Moss Adams and BDO have all participated in these service days.
- Each month, the Accounting Excellence Fund sponsors two students to accompany Professor Cathy DeHart to the dinner meeting of the Accounting & Financial Women's Alliance.

The undergraduate and graduate program curricula contain several opportunities for students to engage in experiential and active learning strategies. The most significant of these opportunities are:

Justice for Fraud Victims Project

For the last six years, Gonzaga undergraduate and graduate students have participated in the Justice for Fraud Victims Project (JFVP). In this project, Gonzaga students investigate actual cases of financial fraud in the Spokane area that are referred to the program by area law enforcement agencies. Students participating in the Justice for Fraud Victims Project have investigated over 30 cases of financial fraud in the Spokane area since the project's inception in 2010, documenting over \$700,000 of financial fraud. The JFVP is more fully discussed in the Executive Summary of this report.

Federal Tax Clinic

Beginning in Summer 2016, Gonzaga graduate tax students have the opportunity to enroll in a course in the MSTax program that allows them to work in the Federal Tax Clinic at the Gonzaga School of Law, assisting low-income taxpayers in the Spokane area who need assistance in disputes with the Internal Revenue Service. This unique program allows graduate tax students to gain valuable hands-on experience by working with law students to serve low-income families in Spokane.

Volunteer Income Tax Assistance

For the last 19 years, Gonzaga students have participated in the Volunteer Income Tax Assistance (VITA) program, preparing thousands of tax returns for low-income taxpayers in the Spokane area. Gonzaga students prepared 813 tax returns in 2015 and 840 in 2016, generating approximately \$1.08 million and \$1.04 million in tax refunds for Spokane area taxpayers.

Guidelines for Academic and Professional Qualifications (SA/PA/IP/SP)

During the 2014-15 academic year, a task force of SBA faculty was formed in order to develop a system of faculty classification under the revised 2013 AACSB business and accounting accreditation standards. The classification guidelines were passed by the business faculty in the fall of 2015, and implemented immediately thereafter. A copy of these guidelines can be found in Appendix J of this report.

The guidelines create a point system wherein tenured or tenure-track faculty must generally earn a minimum number of points to be classified as a Scholarly Academic (SA) or a Practice Academic (PA). Similar guidelines assist in classifying fixed-term and adjunct faculty as either an Instructional Practitioner (IP) or a Scholarly Practitioner (SP). Faculty who fail to be classified in one of these four categories are classified as "other".

Although the specific details of the system are included in the guidelines resident in Appendix J, the following summarizes the general requirements for each category.

Scholarly academic: Normally, Scholarly Academics (SA) sustain currency and relevance through scholarship and related activities. To qualify as a Scholarly Academic, a faculty member in the School of Business Administration must possess a doctoral or equivalent terminal degree in (or related to) the field in which she or he teaches and have earned a minimum of 10 points over the past five years from activities specified in the document.

Practice academics: Normally, Practice Academic (PA) status applies to faculty members who augment their initial preparation as academic scholars with development and engagement activities that involve

substantive linkages to practice, consulting, other forms of professional engagement, etc., based on the faculty members' earlier work as an SA faculty member. To qualify as a Practice Academic, a faculty member in the School of Business Administration will normally possess a doctoral degree or equivalent terminal degree in (or related to) the field in which she or he is teaching and have earned a minimum of 8 points over the past five years from activities specified in the document.

Scholarly practitioners: Normally, Scholarly Practitioner (SP) status applies to practitioner faculty members who augment their experience with development and engagement activities involving substantive scholarly activities in their fields of teaching. To qualify as a Scholarly Practitioner, a faculty member in the School of Business Administration will normally possess a master's degree in business and have earned a minimum of 10 points over the past five years from activities in the categories outlined in the document.

Instructional practitioners: Normally, Instructional Practitioner (IP) status is granted to newly hired faculty members who join the faculty with significant and substantive professional experience as outlined below. To qualify as an Instructional Practitioner, a faculty member in the School of Business Administration will normally possess a master's degree in business and:

a) be currently working full-time (or almost full-time) in business with job responsibilities related to the field in which s/he is teaching,

or

b) have earned a minimum of 4 points over the past five years from activities outlined in the document.

A task force, appointed by the dean, evaluated each faculty member relative to the classification guidelines in the early 2016. Where differences of opinion existed within the task force, the dean reviewed the record of the faculty member in question and determined his or her final status.

[Accounting Department Qualifications and Intellectual Contributions](#)

All nine full-time accounting faculty are classified as participating members of the faculty as all are fully engaged in the activities of the accounting programs through their teaching, advising, service, and professional development. Although Cathy DeHart (Lecturer) is not expected to perform research, she is expected to engage in various aspects of professional development.

Accounting faculty have been intellectually active over the last five years. As can be seen in Table A2-1 in Appendix E, accounting faculty published 32 peer-reviewed journal articles, 2 peer-reviewed proceedings, and made 51 conference presentations, 38 of which were peer-reviewed, since 2011. Thus, the eight faculty with research expectations published an average of 4.25 peer-reviewed works and made an average of 6.38 conference presentations (4.75 peer-reviewed) since 2011. Overall, eight out of nine (89%) participating faculty produced intellectual contributions, with the exception being Cathy DeHart, who has no research expectations. All tenured/tenure-track faculty had at least one intellectual contribution during the five-year period ending May 2016. Overall, 76% of total FTE faculty produced intellectual contributions.

Based on the newly created School of Business guidelines, seven of the eight tenured/tenure-track are classified as scholarly academic using the criteria contained therein. The eighth, Walter Teets, is classified as a Practice Academic. Based on the new School of Business guidelines, Cathy DeHart (Accounting

Lecturer) is classified as an Instructional Practitioner. All part-time accounting faculty are also classified as Instructional Practitioners.

As discussed in the Faculty Participants section of this report, all accounting programs meet AACSB sufficiency requirements in terms of participating faculty. In order to examine faculty qualifications, the multiple panels of Table A9-1 (shown in Appendix E) will again provide the needed information. As stated earlier, Panel A of Table A9-1 is shown only as a link to the Business CIR report as it includes reflects total credits/courses taught by accounting faculty, including Professor Don Hackney (Associate Professor of Business Law), who is assigned to Accounting for administrative purposes only. Panel B reflects accounting in total, excluding Professor Hackney. This panel includes all credit hours taught by accounting faculty, whether in the undergraduate program, the MAcc, the MSTax, or the MBA. Panel C provides information about the deployment of faculty in the undergraduate program while Panel D provides information about the combined graduate accounting programs. Panels E and F reflect faculty qualifications for faculty teaching in the MAcc program and the MSTax program, respectively.

As can be seen from all panels of this table, the accounting department meets or exceeds the criteria contained in Standard 9 in nearly every area. The only exception is the MAcc program. The findings are summarized below:

- Accounting faculty classified as SA make up 68.6% of faculty deployed across all programs (Panel B). Examining the deployment of faculty by program level, SA accounting faculty comprise 77.2% of faculty teaching at the undergraduate level (Panel C) and 40% of faculty deployed over the graduate accounting programs in total (Panel D). Looking at the graduate programs separately, 25.3% of faculty deployed in the MAcc are classified SA, compared to 65.1% for faculty deployed in the MSTax program. The MAcc program does not meet the 40% SA standard due to the status of Professor Walter Teets, who has been classified as a Practice Academic. Professor Teets' teaching load in the program comprises approximately 36% of the faculty deployed in this program. While the minimum 40% standard is not being met for the MAcc program, Professor Teets' unique knowledge base developed while a faculty fellow at the SEC and at the Office of Professional Practice at KPMG allows him to bring an unusual level of professional and technical expertise into the classroom. This is a perfect fit for such a professionally oriented program. As can be seen from the Panel E of Table A9-1, the MAcc program meets the 60% minimum standard for SA+PA faculty deployed in the program as well as the 90% minimum for SA+PA+SP+IP faculty.
- Faculty classified as SA or PA make up 78.4% of all faculty teaching accounting courses at Gonzaga. SA or PA accounting faculty comprise 82.8% of faculty teaching at the undergraduate level (Panel C) and 62.7% of faculty deployed in the graduate accounting programs (Panel D). Each of the individual graduate accounting programs meet the 60% standard, with 61.3% and 65.1% of faculty deployed in the MAcc and MSTax programs, respectively, being classified as SA or PA (Panels E and F).
- Faculty classified as SA, PA, SP, and IP make up 100% of all programs in accounting. This easily exceeds the 90% threshold contained in Standard 9.
- Table A9-2 is provides further evidence of the deployment of participating and supporting members of the accounting faculty. For the undergraduate accounting program, 68.7% of accounting student credit hours were delivered by faculty classified as SA, while 72.2% were delivered by faculty classified as SA or PA. All undergraduate accounting credit hours were taught

by faculty who are classified as SA, PA, SP, or IP. For the accounting graduate programs, 44.1% of student credit hours were taught by faculty classified as SA, while 59.9% were taught by faculty classified as either SA or PA. All graduate accounting credit hours were taught by faculty who are classified as SA, PA, SP, or IP.