

Proposal to Place Existing Program at the Universities at Shady Grove

Post-Baccalaureate Certificate (PBC) in Government Financial Management University of Baltimore (UB)

Name of the Certificate: Post-Baccalaureate Certificate (PBC) in Government Financial Management (hereafter “The Certificate”).

This PBC has already been approved to be offered at the Baltimore campus; the HEGIS is 0502-03 with CIP 52.0301. This application is to offer the program at the Universities at Shady Grove (USG). The USG academic advisory board and USM have already endorsed this program for the USG location.

Purpose of the Certificate: The 12-credit certificate will provide training in federal and state government accounting, auditing, budgeting and finance to students interested in careers in federal and state government accounting, auditing and consulting. The Certificate requires courses that are 100% within an existing, approved master’s degree (UB’s solo MS in Accounting and Business Advisory Services, 0502-00; CIP 52.0301). We are seeking permission to offer the Certificate both on UB’s Baltimore campus and at the Universities at Shady Grove (USG); this application is f. There is no existing PBC in Maryland with the same name or design, and UB’s strong background in professional programs for both business and government make the Certificate uniquely suited for UB.

Relationship to the Mission of UB and MSB: UB has been providing business education, including in accounting, since the institution opened in 1925. The mission of UB calls for the University to provide, among other things, “innovative education in business” and “to make excellence accessible to traditional and nontraditional students motivated by professional advancement.” A UB education “combines theory and practice to create meaningful, real-world solutions to 21st-century urban challenges.” The Certificate fits the mission by providing a new program designed to fit growing demand for people skilled in government accounting, auditing and financial management. The Certificate will prepare students interested in being employed by accounting firms and by federal and state government agencies in the State of Maryland and in Washington DC, which collectively constitute one of the largest employers in Maryland the Baltimore-DC metropolitan area. The Certificate will also enhance the employability of and promotion potential for UB students and graduates in federal and state government agencies and will open doors for employment in Big 4 accounting firms’ federal government audit and consulting practices.

UB wants to make the program accessible in both the Baltimore and Washington areas by making the program available at both the midtown Baltimore campus and at Shady Grove. The 2016-2020 business school strategic plan calls for programs to offer flexible options as part of growing the school’s reputation regionally; offering the program at two locations, and with the option to take some courses online, the Certificate provides flexibility to working adults. The Department of Defense recently announced that it will be hiring 2,000 auditors; this certificate is one way to help accountants prepare to do the kind of work required for such work.

The Certificate is part of the Master of Science in Accounting and Business Advisory Services, which has a mission to extend students’ accounting knowledge beyond the undergraduate level and to offer additional skills in the related disciplines of financial management and information technology. The

proposed program delivery option aims to help achieve these various aims by leveraging institutional strengths to provide working accountants and others pursuing graduate study in accounting and business advisory services with specialized skills in demand in the greater Baltimore-Washington metropolitan area.

Evidence of Market Demand: According to our discussions with multiple accounting and audit professionals, including those who serve on the Merrick School advisory board, there is an increasing demand for federal and state government accounting and audit professionals in the Baltimore/Washington DC metropolitan area, stemming largely from the presence of federal agencies and multiple government contractors. In particular, there has been growing demand for federal government auditors at federal agencies, in particular related to defense agencies’ audit readiness. *Certified Government Financial Manager (CGFM)* and *Certified Defense Financial Manager (CDFM)* are two professional certifications sought after by the government accounting and audit professionals. The Certificate will cover a significant amount of the material included in the examinations for these professional certifications. In addition, completion of the Certificate will allow students interested in completing the MS in Accounting and Business Advisory Services at UB to count the certificate’s courses towards their MS. Given the availability of employment in government accounting and auditing in Baltimore/Washington DC area, the Certificate should significantly enhance the employability of our students while addressing a workforce need.

Here are results of job search results on LinkedIn as of May 25, 2016:

Position type	Number of LinkedIn hits
Government Audit	9,969
Government Accounting	6,155
State Government Audit	4,020
Audit, State and Local Government	972
Federal Government Accounting	2,372
Certified Government Financial Manager	474
CGFM	174
Federal Audit	148

These data suggest that there are good opportunities in federal government accounting and auditing in the Baltimore/Washington metropolitan area that justify offering the Certificate.

More generally, according to the Bureau of Labor Statistics,* the outlook for accounting and auditing positions is stronger than other fields, with 11 percent growth expected between 2014 and 2024. In the Baltimore-Washington corridor, annual mean wages for this type of position range from \$80,000-90,000, making the career a relatively high-paying one, and there are approximately 10 accountants/auditors per 1,000 jobs, making this career path a relatively popular one.** The market in the area can support this program, especially because it provides specialized advanced preparation.

* <https://www.bls.gov/ooh/business-and-financial/accountants-and-auditors.htm>

**<https://www.bls.gov/oes/current/oes131199.htm>

Curriculum design:

Again, this is a 12-credit PBC. There are two required courses for 6 semester credit hours and six credits of electives, which may be satisfied as outlined below.

The two required courses are:

- ACCT 702 Federal and State Government Accounting, and
- PUAD 622 Public Budgeting and Fiscal Administration

Acct 702: Federal and State Government Accounting

This course covers the basic of federal, state and local (municipal) accounting with particular focus on fund accounting and issues specific to the accounting by the US Federal Government. The course coverage will roughly approximate the curriculum of Parts II and III of Exam II of Certified Government Financial Manager examination.

PUAD 622: Public Budgeting and Fiscal Administration *(already an elective in MS in Accounting/Business Advisory Services Program; course is already offered at USG and in Baltimore)*

Role, dynamics, politics and processes involved in the budgetary function and associated budget preparation methods, and fiscal interrelationships of federal, state and local levels of government.

The PBC will be assessed for student learning outcomes based on the outcomes of the required courses.

PBC Learning Goal 1 (Governmental Accounting): *Demonstrate appropriate use of fundamental government accounting techniques.*

This goal is assessed in **Acct 702** based on course learning objectives.

Learning Outcomes for ACCT 702:

SLO 1. How to measure, record and report the purchase of capital assets, including assets acquired through a capital lease.

SLO 2. How to measure, record and report the incurrence and repayment of general long-term obligations in a governmental fund.

SLO 3. How to measure, record and report common, fundamental current assets and liabilities, revenue, expenditures, and other financing sources and uses when using the modified accrual basis of accounting (for example, property tax, grants, shared revenues, capital outlays, bond proceeds, debt service, payroll, accounts receivable).

SLO 4. How to measure, record and report common, fundamental assets, liabilities, revenue and expense transactions when using the accrual basis of accounting (for example, taxes, grants, shared

revenues, capital assets, long-term debt, operating expenses, pensions, payroll, accounts receivable).

Learning outcomes assessed via examination.

PBC Learning Goal 2 (Budget and Cost Analysis): *Use appropriate judgment in practicing current public organizational management and public budgeting techniques.*

This is assessed in **PUAD 622 through a budget assignment.**

Students conduct several different types of budget analysis in this class: budget context, budget cutback, cost-benefit analysis, budget forecasting and variance analysis. One of these assignments is chosen for assessment.

Learning Objectives for PUAD 622

SLO 1. Identify the major government financial processes in the public sector: their purposes and associated activities.

SLO 2. Relate government financial processes to their broader context, including the public service mission, political environment, and economic trends/developments.

SLO3. Recognize the constraints in a cutback scenario concerning administration, public policy, and governance.

SLO4. Apply economic concepts, including inflation and compounding/discounting of cash flows over time – due to time value of money, through a cost-benefit analysis.

SLO5. Estimate a realistic budgetary baseline over time by using previous budgets and multiple forecasting methods.

SLO6. Analyze the patterns and anomalies in the historical budget versus actual expenditures for a real municipality through a variance analysis.

SLO7. Synthesize the concepts, techniques, and activities from the individual assignments and associated context into an informed perspective on the role of a financial analyst in effective public administration.

SLO8. Manage the communication process effectively through memoranda to decision makers about the salient factors for governance in each financial analysis.

In addition to the 6 required credits noted above, students must complete 6 elective credits. They may be satisfied by the following:

Two electives from the following list:

- **ACCT 512: Auditing Accounting Systems or Acct 740: Advanced Auditing** (only Acct 512 or Acct 740 can be taken, but not both) – 3 credits each

ACCT 512 Auditing Accounting Systems (3 semester credit hours)

A study of generally accepted auditing standards with emphasis on professional standards, planning, internal control, audit evidence, audit sampling and standard reports for the various attestation functions. Also includes fundamental accounting systems, accounting system applications, the internal control of accounting information, the development and operation of accounting systems and methods for auditing computerized accounting systems. prerequisite: ACCT 511 or equivalent

ACCT 740 Advanced Auditing (3)

A study of the application of generally accepted auditing standards to auditing practice issues, of academic and practitioner research, of internal auditing, of EDP auditing and of governmental auditing issues. prerequisite: ACCT 512 or equivalent

- **Acct 605: Performance Management and Accounting Controls or Acct 720: Design of Management Cost and Control Systems** (only Acct 605 or Acct 720 can be taken, but not both).

ACCT 605 Performance Management and Accounting Controls (3)

Focuses on how managers can use accounting information in the budgeting process to assist them in planning, controlling and making decisions. Introduces students to internal controls, corporate governance and enterprise risk management. Prerequisites: ACCT 505 or equivalent.

ACCT 720 Design of Management and Cost Control Systems (3)

Explores the design of cost and control systems for decision-making and for measurement of the performance of processes, product lines, managers and organizational competitiveness. Case studies highlight the experiences of companies, and include modifying cost and control systems in response to technological, institutional and global changes. prerequisites: ACCT 306, ACCT 605 or equivalent

- **FIN 605 Financial Management (1.5)/FIN 625 Corporate Finance (1.5) – taken as a pair**

FIN 605 Financial Management (1.5)

Provides intermediate-level coverage of topics in financial statements and their analysis, financial forecasting, security risk and pricing, capital budgeting and nonpublic corporate finance. prerequisites: FIN 505, OPRE 505, ECON 506 or permission of the M.B.A. program director

FIN 625 Corporate Finance (1.5)

Provides advanced-level coverage of capital budgeting and intermediate-level coverage of topics in asset pricing, capital structure, dividend policy, and derivative instruments such as options and futures. prerequisite: FIN 605

- **FIN 715: Investment Analysis (3)**

Provides the theory and tools for measuring and managing the risk and return of financial

instruments in the context of modern portfolio theory. A variety of stock, bond, option and other financial asset valuation techniques are presented throughout the course. prerequisite: FIN 605

On prerequisites: The certificate is intended for people with an accounting background, but the specific requirements are Intermediate Accounting I and II, which are readily available courses. A student who has been away from accounting or needs more preparation could take ACCT 511 Intermediate Accounting II, which can be taught online as well. FIN 605 is a 1.5-credit Financial Management course designed for MBA students with less accounting background than students in this certificate would have; it is not expected that admitted students would need any other prerequisites listed for these courses.

Mapping of Coursework to CGFM /CDFM Exam Content (our curriculum is more directly tied to CGFM exam, but can be mapped out also to parts of CDFM exam):

UB Course	Corresponding CGFM Exam Part¹	Corresponding CDFM Exam Part²
Acct 702	Examination Two— Governmental Accounting, Financial Reporting and Budgeting	Module 3 Accounting and Finance
PUAD 622	Examination One—Legally Based Implications of Government Financial Environment	Module 2 Budget and Cost Analysis
Acct 740	Parts III and V <i>Internal Control/Auditing</i> of Examination III (Governmental Financial Management and Control)	Module 3 Accounting and Finance Module 1 Resource Management Environment
Acct 605/720	Part IV <i>Demonstrate an Understanding of Performance Measurement/Metrics/Service Efforts and Accomplishments</i> (SEA) of Examination III (Governmental Financial Management and Control) as well as part of Part III <i>Internal Control</i>	Module 2 Budget and Cost Analysis
FIN 605/625	Parts I <i>Financial Management Functions</i> and II <i>Demonstrate an Understanding of Financial and Managerial Analysis Techniques</i> of Examination III	

¹ <https://www.agacgfm.org/CGFM-Certification/Candidates/CGFM-Process/Examination-Requirements.aspx>

² <http://www.asmconline.org/certification/cdfm-modules/>

	(Governmental Financial Management and Control)	
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Faculty Resources:

Full-time faculty teaching the certificate include the following:

Mikhail Pevzner, PhD, CPA—Associate Professor, Merrick School of Business, University of Baltimore
<http://www.ubalt.edu/merrick/faculty/alpha-directory-faculty/mpevzner.cfm>

Ed Gibson, PhD -- Associate Professor, College of Public Affairs, University of Baltimore
<http://www.ubalt.edu/cpa/faculty/alphabetical-directory/ed-gibson.cfm>

Lourdes White, DBA—Professor, Merrick School of Business, University of Baltimore
<http://www.ubalt.edu/merrick/faculty/alpha-directory-faculty/lwhite.cfm>

Joel Morse, PhD---Professor, Merrick School of Business, University of Baltimore
<http://www.ubalt.edu/merrick/faculty/alpha-directory-faculty/jmorse.cfm>

The program at the Universities at Shady Grove will be taught by the same faculty who teach at the Baltimore campus with additions of qualified adjuncts as needed, but more than 1/3 of the coursework for the certificate at USG will be taught by full-time faculty.

Academic Oversight, Quality Control, and Student Services

This certificate will be part of the overall offerings of the Merrick School of Business, which is an AACSB-accredited business school. Programs both on and off campus participate in academic assessment, and the certificate will be directed by a UB faculty member who lives closer to Shady Grove than to the Baltimore campus. In addition, the Universities at Shady Grove (USG) has its own academic staff providing oversight of all programs offered there.

USG has staff to assist students with financial aid and student charges, and UB has an MOU with USG to provide data so that staff can offer students the same kind of service they would receive at the main campus. UB also has a full-time staff member at USG to provide support and advising to students, and USG has office space for faculty where faculty can meet with students as needed. USG also has ample space for study and a computer lab. UB has online counseling services, and because UB also has numerous online offerings, students at USG can receive services either in person there or online.

Library Resources

UB is a government documents repository library and a member of the University System of Maryland (USM) libraries. Its online library offerings are extensive and tap into the large USM network of online resources. UB students in the PBC should be able to access what they need online.

Financial Resources

Table 1: Resources

<u>Resources Categories</u>	<u>Year 1</u>	<u>Year 2</u>
<u>1. Reallocated Funds</u>	N/A	N/A
<u>2. Tuition/Fee Revenue c+g below</u>	\$ 47,493.33	\$ 71,240.00
<u>d. #Part Time Students</u>	10	15
<u>e. Credit Hour Rate ^c</u>	\$395.78	\$395.78
<u>f . Annual Credit Hours per student (with 2 classes/semester)</u>	12	12
<u>g. Total Part Time Revenue (d x e x f)</u>	\$ 47,493.33	\$ 71,240.00
<u>3. Grants, Contracts, & Other External Sources ³</u>	N/A	\$ -
<u>4. Other Sources</u>	\$ -	\$ -
<u>TOTAL (Add 1 - 4)</u>	\$ 47,493.33	\$ 71,240.00

Table 2: Expenditures

<u>Expenditures Categories</u>	<u>Year 1</u>	<u>Year 2</u>
<u>1. Total Faculty Expenses (2 adjuncts/year)^a</u>	\$ 7,559.00	\$ 7,559.00
<u>2. Additional academic support costs ^b (advising)</u>	\$ 10,000.00	\$ 12,000.00
<u>3. Equipment^d</u>	\$ 11,000.00	\$ 11,000.00
<u>4. Library</u>	\$ 2,000.00	\$ 2,000.00
<u>5. Other Expenses - IT Support Cost ^c (OTS staff support)</u>	\$ 10,000.00	\$ 10,000.00
<u>6. USG Rental Costs (office + classrooms)</u>	\$ 2,602.00	\$ 2,602.00
<u>TOTAL (Add 1 - 6)</u>	\$ 45,161.00	\$ 45,161.00

^b Cost of Academic advising staff time

^c IT support costs - estimated cost of OTS staff time

^d Equipment Costs

<u>Video Production Software</u>	\$1000
<u>Note-taking/close captioning software (ADA accommodations)</u>	\$10,000
<u>line 3 Total</u>	\$11,000