

ACCOUNTING CIRCLE  
MINUTES OF SEPTEMBER 30, 1998 MEETING

MEMBERS PRESENT: Stephen Byelick, Steven Farrell, David Gunn, Daniel Hermann, Brad Platts, Kenneth Sendelweck, Robert Smith, Darryl Spurlock, Robert Swan, Roy Templin, Jeff Wilmes, Jeff Wolf, Dan Wade, and Nancy Bizal.

MEMBERS ABSENT: Don Breivogel and Mike Weber.

FACULTY AND OTHERS PRESENT: Craig Ehlen, Eva Jermakowicz, Mehmet Kocakulah, Tim Koski, Brett Long, Jeanette Maier-Lytle, and Brian McGuire.

WELCOME AND ADMINISTRATIVE TOPICS: At 7:40 a.m. in USI's Carter Hall, Bob Swan, Chair, welcomed everyone present to the second full meeting of the Accounting Circle. Swan expressed the need to keep on the agenda's time schedule so the meeting could end in time for the 9 a.m. campus tour to be given by two accounting students.

Swan read the purposes of the Accounting Circle as stated in the bylaws. He stated the importance of the group staying focused and reviewed what was discussed at the first meeting including a report on accreditation. He announced that another report on accreditation would be given at this meeting.

Swan noted that the Circle is a spin-<sup>off</sup> of the Board of Visitors. At the Board of Visitors Business Forum in the spring, four critical areas were identified: communication skills, logic and problem-solving skills, high performance standards and expectations, and building bridges between theory and practice. The Circle has redefined those areas to reflect ~~what are~~ the components that determine quality in an accounting program. The faculty issues are experience and curriculum development; the student issues are the need to recruit top high school students and for improving communication skills.

MINUTES APPROVED: The minutes were approved as mailed.

TERMS OF OFFICE: Term expiration dates have been assigned to members on an alphabetical basis. Sheets entitled "Accounting Circle Ending-Term Dates" were in the meeting folders. According to the bylaws, a member can serve a maximum of two full consecutive terms. **A motion was made, seconded, and passed to accept the term limits as assigned.**

MEMBERSHIP COMMITTEE APPOINTMENTS: According to the bylaws, the Circle can have up to 20 members; the membership should be reflective of the accounting marketplace. A list of possible members was made at the Circle's inception with the intention of adding two members per year for the next three years. Swan noted that it is important to add women (since none are charter members)

and to consider the public-private spread. He would like to have the two new members on board for the annual meeting in the spring; a vote by mail would allow this to happen. He announced the membership committee is made up of Bob Smith, Chair, Steve Farrell, and Nancy Bizal. He requested that nominations for membership be given to the committee.

**FINANCE ISSUES:** Swan recommended the Circle build a small fund for next year to pay for the Circle breakfast meetings and for a limited scholarship program for Toastmasters which the Interaction Committee will present. **He recommended that each business represented on the Circle voluntarily contribute \$100 annually. The Circle accepted the chair's recommendation and invoices were distributed.**

**COMMITTEE REPORTS AND DISCUSSION:**

**Practice/Education Interaction Committee:** Darryl Spurlock, Chair of the Practice/Education Interaction Committee, distributed a handout with the committee's mission statement, first-year goals, action plans, progress report, and draft list of business contacts for University interaction. The committee has held two meetings. Spurlock spoke of tours to offices and manufacturing plants. Craig Ehlen said this idea is terrific for students. Spurlock has a list of companies willing to host tours, and he will make it available to Dan Wade.

The committee is also trying to provide area faculty internships. A suggestion from the floor was to make a small database from the current draft list and notify all area companies so they will think about USI when they have a need. Wade said the idea of each faculty member going once per year into the work environment will look good for the department's accreditation. Maybe a quarterly mailing should be sent to businesses asking "does your firm have training faculty can come to or is there something faculty could teach?" In regard to faculty internships, Wade would work on buying back the faculty member's teaching load for an adjunct. To give faculty experience in tax season, Wade said the department has suggested one day a week, one faculty per year. The public accounting representatives informally expressed approval of this idea. The committee's next meeting, October 28, will be to define these issues.

**Curriculum Committee:** Ken Sendelweck, Chair of the Curriculum Committee, reported the committee had two meetings and focused on three areas: communication--exploring a Toastmasters Club for accounting students, professors, and the community; technology--are

we on target with software; and graduate accounting classes--how to provide input to them. During the second meeting, Toastmasters representatives presented an overview of the possible program. The committee wants to proceed with the Toastmasters Club; membership fees are \$40/one time and \$20/every six months for an initial club of 12 to 15 students. Wade is checking on details.

**Swan asked for a motion for funding up to ten student Toastmaster scholarships. The motion was made, seconded and passed.** Discussion followed on how to identify students. Wade said we'll need to see how much interest there is. If there are 20 students instead of 10, he'll try to find more money elsewhere. Toastmasters said 12-15 would be a good size for a club; but they could certainly have more than one club. Out of the initial fundraising, probably the number should be limited to ten. **Swan asked for a motion to give the Finance Committee discretion to raise additional moneys for the purpose of Toastmasters if the need arises. A motion was made, seconded, and passed.**

Regarding the committee's second area of focus, technology, Sendelweck said, overall, software is OK but it may be lacking in some accounting-specific packages such as tax. To address the software needs and the graduate accounting issues, he wants to get the real users involved in the discussion--people in the Circle or others in their companies. He said the date has not yet been set for this discussion. Wade said there is a proposal to allow a second computer class. The introduction to computers course, Computer Applications in Business, would then become more remedial and the advanced microcomputers course, Advanced Microcomputer Applications, would be the required course. This would strengthen the program.

David Gunn expressed pleasure with the excellent progress.

**DEPARTMENT UPDATES:** Wade thanked Arlene Campbell for helping Nancy Bizal with the minutes, thanked the faculty for their attendance, and introduced the department's new faculty member, Tim Koski.

**Program Update:** Wade discussed the "Program Update" sheet which was included in the meeting folders. The PBCPA program will be retained even though the department now has a masters program. He addressed the issue of why the number of accounting majors has declined: it may be related to the fifth-year requirement coming on board; yet, there has been an increase in the number of students taking the Accounting Principles course (required for all business students). Maybe we're tending toward more full-time students and many are trying to get in line before the 1999 fifth-year

requirement takes effect. The objective to recruit more majors is shown to be important, and the opportunity exists with the larger overall enrollment to recruit more of them. The question was raised if the number of declared majors was tracked with the number of graduates. It was noted that the Spring 1998 figures were missing. The number of full- versus part-time accounting majors has not been tracked. To the question of how long the dip in numbers will last after the fifth-year requirement is set in place, Wade responded that the history of other states is that the numbers rebound in two to three years.

**Precandidacy/Candidacy Program:** Pursuing AACSB accreditation helps us continually improve. The department has declared itself for precandidacy. Several faculty attended a workshop this year, and we are involved in the self-assessment process. In the second week of October, we will be assigned a precandidacy advisor. AACSB accredits Schools of Business. Accounting accreditation standards must meet School of Business standards plus other standards applied to the department. Wade said the standards are mission driven and the accounting department is working hard on our mission statement. He stressed that the involvement of advisory boards will be very important in this process. He asked for input to the mission statement.

Gunn asked what is separate accreditation going to do since the School is already accredited. Businesses aren't asking for it; they already have good students. When he hires a student, he doesn't ask if the department is accredited but rather goes on the school accreditation, the student's grades, and their own internal testing procedures. Students aren't asking for it.

Wade said it will enhance our reputation where USI is not known to know that the accounting program itself is accredited. It will serve as a recruiting tool even though the quality of students that we get now is very good. Also going through the process forces us to keep on target. In fact, this very group is here to force us to show what we, as a discipline, are doing, not just as a part of the School of Business. The experience of the School's going through the accreditation process helped strengthen the accounting program. It's like an ISO 9000 process.

Swan said it's a two-way street. The members of the Circle are not there only to help the School. They are also reaping the benefits of USI students.

Someone asked, as in the case of the School's accreditation process where it is not common for a school to pass the process the first time, if this is true of the process the department is going

through. Wade noted that rarely does a department get accredited the first time it goes through the process. He explained this is because the same standards applied to a school are now being applied to a smaller group of faculty--with less people, there are fewer strengths to balance weaknesses. Ball State and IU accounting departments are accredited. He said good students will consider this in deciding where they want to get their schooling. Also, there would be an advantage in leverage within the University for the department to get what it needs.

NEXT STEPS: Swan stressed the importance of the group's staying focused. He asked the committee chairs for their next committee meeting dates. The Practice/Education Interaction Committee will meet October 28 and they may move the meeting to on-campus. A Curriculum Committee meeting is yet to be scheduled.

The next Circle meeting will be before the spring Board of Visitors date and after April 15.

Swan reminded the group that two accounting students will take interested members on a 15-20 minute tour of the campus.

MEETING ADJOURNED: 8:55 a.m.