

Spring 2018 Undergraduate Accounting Major Handbook



Sheldon B. Lubar
School of Business

The Mission

The Accounting Area of the Lubar School of Business strives to provide high quality education that leads to successful accounting careers for our students. We blend applied and theoretical research, teaching innovations, employer involvement, and career guidance to enhance our students' professional preparation.

Why Study Accounting? ■ ■ ■

Accounting is a profession that provides the information needed for investment decisions. Accountants not only guide investors, but they also advise management in making correct, objective decisions. Accountants also aid management and individuals in planning and paying taxes.

Accounting appeals to students who like quantitative analysis and who appreciate the role of unbiased financial information. Accounting demands practical mathematical ability, critical thinking, and efficient communication.

Lubar School of Business students often start in public accounting firms specializing in either auditing or taxation. Some students enter industry or government units directly as accountants. As their careers progress, accountants can hold high-paid rewarding positions as auditors in public accounting, internal auditors in businesses, information systems auditors, accounting managers responsible for a firm's financial reporting, tax experts, cost accountants, business owners and/or managers, and accounting professors.

Some students leverage their accounting degrees to study financial markets or enter law school. This is rare, however, since there are so many quality positions available for students with accounting degrees.

Why Study Accounting at UWM's Lubar School of Business? ■ ■ ■

The Lubar School faculty has been preparing students to become accountants since 1946. Our emphasis is on preparing students to become Certified Public Accountants (CPAs). The School has always had exceptional pass rates on the CPA Exam. The program is selective and admits high-achieving students to pursue an accounting degree.

In the summer of 2016, the accounting program was separately accredited by the AACSB. We are one of only three such accredited programs in Wisconsin and one of 185 in the world. This assures you the highest standard of education and opportunities.

Graduates of the Lubar School's accounting program go on to lead highly successful careers. Many have become partners in local, regional, and international CPA firms, CFOs for the nation's largest companies, and even university professors. Some have also formed new businesses. For example, one of our alumni served as a member of the Financial Accounting Standards Board which determines accounting rules in the United States.

Almost all of our faculty are CPAs, and most have their doctorates in accounting. Many accounting faculty members have received awards for their teaching skills. They have also published their research in leading accounting journals. Faculty who teach introductory and intermediate accounting courses are assisted by graduate teaching assistants. These teaching assistants have graduated from the Lubar School of Business accounting program with excellent academic achievements as well as student mentoring backgrounds.

Although students may leave the university after obtaining their BBA in Accounting, most remain for a fifth-year master's program, the MS-Professional Accounting program. To sit for the CPA exam, Wisconsin requires 120 credits of anything but requires 150 credits (including a degree in accounting) to be licensed as a CPA. The Lubar School's MS-PA program is geared toward preparing students for success in the CPA exam. UWM is one of only four Wisconsin universities to award a master's degree as part of meeting the 150-credit requirement.

Lubar accounting students going on to the MS-PA are encouraged to obtain a well-paid internship during or immediately after their senior year. Most students return to their internship employer for a full-time position once they graduate from the MS-PA program.

The Lubar School has a full-service Career Services Center dedicated to helping business students develop their professional skill set and matching students with part-time employment, internship opportunities, and full-time employment. Accounting majors should complete Bus Adm 300 (Career and Professional Development) while they are in Intermediate Accounting. This course prepares them well for interviewing and provides an advantage when entering the workforce as a professional accountant. Industry professional accountants also interact with students in this course. The course includes mock interviews and an etiquette lunch. Bus Adm 300 is now a required course for accounting majors. .

The accounting program also has a CPA-in-Residence who meets with students to explore career options and to help connect students to the profession. Appointments are made at the front desk of the Undergraduate Student Services office in Lubar Hall N297.

Should a Student Take Accounting in High School? ■ ■ ■

The main concern of high school students should be to excel in math and communications (written and oral). Accounting courses should not be taken instead of the primary academic courses but should be considered in addition to those courses. It is important that you take the full complement of math and English Composition courses in high school such that the new freshman placement tests reflect as high a score as possible to save you courses/time during your freshman year of college. Taking developmental

courses in college may delay your entry into the business school and will make it difficult to earn your Accounting BBA in four years.

We begin accounting at “baseline zero” in college, so you don’t need a high school accounting course. However, it is useful to have the additional experience in recording transactions. The main advantage of taking accounting in high school is that it may allow you to get a part-time accounting job you would not otherwise qualify for until two years later. Employers stress the desirability of practical accounting experience, so it can be a real advantage to get a head start.

How Do I Plan My Accounting Studies at the Lubar School? ■ ■ ■

You will need to plan a precise academic course schedule with your Lubar School academic advisor, who is located in Lubar Hall N297. Your advisor will make you aware of the major check points that you should consider to remain on schedule. By paying attention to these check points you can earn your BBA in four years AND earn your Masters of Science – Professional Accounting (MS-PA) in one additional year while also taking the CPA Exam.

Plan to take 15 – 16 credits each semester. In addition to your coursework in the Fall and Spring semesters, you will likely need to take courses during the Summer and/or Winterim sessions in order to graduate in four years. This is especially important for students who plan to intern in the spring of their senior year.

Also plan for a full-time academic internship during the Spring semester of your senior year and completion of an additional 7-week BBA required course (Bus Adm 600, Management Analysis). This 6-credit semester will need to be offset by:

- Summer school courses
- Winterim courses
- Completing one of the 2-week LSB study abroad programs

There are a limited number of summer internships, but students should not rely on their availability.

Here are the check points by academic year:

Freshman Year

- Complete Math 211 (Calculus and Analytic Geometry), the UWM Oral and Written Communication Part A requirement and the Communications 103 or 105 course requirement. Failing to accomplish these requirements is the most common reason for delays in graduation and the need to take too many accounting courses in one semester.
- Complete Bus Adm 230 (Introduction to Information Technology Management) and either Econ 103 (Microeconomics) or Econ 104 (Macroeconomics).

Sophomore Year

- Complete Bus Adm 201 (Introduction to Financial Accounting or Bus Adm 207 for Business Scholars) during Fall semester and Bus Adm 301 (Intermediate Accounting) during the Spring semester. You need to earn a minimum “B” grade in Bus Adm 201 (or 207) to enroll in Bus Adm 301. You need to earn a minimum “B” grade in Bus Adm 301 to continue as an Accounting major. To register for Bus Adm 301, you also need a cumulative 3.0 GPA and must have completed Math 211 and Bus Adm 230.
- Complete Bus Adm 300 (Career and Professional Development) during the Spring semester. This course should be taken during the same semester as Bus Adm 301 (Intermediate Accounting). This provides the maximum time remaining to network with employers.
- Complete English 205 (Business Writing).
- Complete remaining Economics course (Econ 103 or 104).
- Submit application to “Admission to the Major” to the Undergraduate Student Services Center (Lubar Hall N297) during the semester admission requirements will be completed. Admission to the major requires:
 - Completion of Oral and Written Communication Part A.
 - Completion of Quantitative Literacy Part A.
 - Completion of the Business Foundation Courses with a minimum cumulative GPA of 2.25.
 - Junior standing (56 or more credits) with a minimum cumulative GPA of 2.50.

Junior Year

- Take two accounting courses each semester. Avoid more accounting courses in your course load due to the study time required.
- Schedule a meeting with our CPA-in-Residence, Terri Desris. This will be an opportunity to explore different career paths in accounting and to plan your entry into the profession. You can make an appointment at the front desk of Lubar N297.
- Take Bus Adm 402 (Advanced Accounting) and Bus Adm 405 (Tax 1) during Fall semester to have appropriate background for Spring semester internship interviews.
- Sign up for Internship interviews during the Spring semester to intern the following Spring or Summer (limited number) semester. For example, a student would interview for a spring or summer 2019 internship in the spring of 2018. The internship would be full time for at least 10 weeks.
- Consider a short business study abroad experience (Bus Adm 498) during the Winterim or just after the end of the Spring semester.
- Meet with a graduate academic advisor in Graduate Program Services (Lubar Hall N251) to discuss the process to apply to MS-Professional Accounting program and requirements to be admitted during Fall semester of the senior year.

Senior Year

- Complete required accounting and other business courses.
- Fall semester: Complete and submit MS-Professional Accounting application to the Graduate School for early admission. You will have the assurance of being accepted so that you can plan your graduate year. Students applying to the MS-PA must have a 3.0 GPA overall, in business and in accounting. Only two accounting courses may have a grade of less than a B.
- Apply for financial support, including teaching assistantships (application due in March).
- Complete a Spring semester or Summer semester internship.

- Spring interns may return after April 15 for the required Bus Adm 600 (Management Analysis).

Graduate Year (5th Year)

- Summer semester start: The best plan is to take advantage of the Bus Mgmt 726 (EY Study Abroad Program, 3 credits); this study abroad begins right after Spring semester final exams. It is the same cost as a normal course; the only added cost is the air fare. Summer interns can take this course.
- Complete 4 courses each semester.
- Complete Bus Adm 753 (Advanced Business Law) during first summer.
- You should take two sections of the CPA Exam (BEC and Regulations) in the first summer or the fall of the graduate year.
- You should take the Financial Accounting section (FAR) in early spring. Your spring advanced auditing course will prepare you for the Audit section of the CPA Exam.

What is the Business Scholars Program? ■ ■ ■

The Business Scholars program is a powerful way to maximize your knowledge, connect with faculty and students, and improve job placement opportunities. Thirty business students have the opportunity to join the Business Scholars program each year. Business Scholars is the only honors-type business program in Wisconsin. This program offers small class sizes and accelerated courses during the last three years of your undergraduate studies. A high percentage of the Business Scholars become accounting majors. Admission is based on superior academic performance during the Freshman Year. The accounting courses are the same as other business majors, except for Introduction to Financial Accounting (where Bus Adm 207 replaces Bus Adm 201). The advantage to accounting majors is greater in-depth coverage of other required business courses.

How Important is a Professional Internship? ■ ■ ■

Internship experience is extremely important for accounting students. Lubar School accounting students have opportunities to intern with CPA firms and for major private industries. These employers state that 80% of their full-time hires (after graduation) will intern for them first. Some firms hire all of their full-time employment through the internship program. Most students end up taking a permanent position upon graduation with the firm for which they interned. Believe it or not, you will be interviewing for the position during Spring of your junior year and will likely go to work full-time for the firm over two years later! Here is how the timing works if you were a freshman entering UWM Fall 2017:

Spring 2020 – Interview for Spring or Summer 2021 semester internship

Spring or Summer of 2021 – Intern full-time for at least 10 weeks

Summer 2021 – Summer 2022 – Complete MS-PA Program and pass all parts of the CPA Exam

Summer or Fall 2022 – Begin full-time employment

Getting an internship is competitive! Follow these guidelines and the Accounting Internship Rules to be successful:

1. Earn a high GPA. Employers typically expect at least a 3.25 GPA. They expect no less than a B grade in every accounting course.
2. While spring internships are most popular, there are summer internships. Be flexible and be ready to express a preference, but be prepared to accept either a spring or summer internship. Normally, only the large CPA firms and large industry offer summer internships.
3. Take every opportunity to meet with prospective employers before interviews even start. We give you that opportunity as part of Bus Adm 300, Career and Professional Development. Continue to develop your networking by joining Beta Alpha Psi (the international professional accounting organization for students). You will be invited to join immediately after completing Bus Adm 300 and Intermediate Accounting, earning a B or better.
4. Make every effort to get accounting work experience after you take Intermediate Accounting. Consult with Lubar School's Career Services Center to learn how to list your resume on Panther Jobs. *There is a real advantage to studying in Milwaukee where many great opportunities exist.* Typically these jobs require 15 – 20 hours during the school year and may be full-time in summer. This type of job experience is very important to gain before you begin interviewing for the internship.
5. If you cannot locate an accounting job, the next best option is to acquire general business experience where you interact with customers or clients.

Graduate School

You should plan to enter the accounting graduate program, the MS-Professional Accounting, immediately after earning your undergraduate accounting degree. In order to be successful on the CPA Exam you need to complete all your accounting instruction as close to the time you take the Exam as possible. The CPA Exam is a purely academic exam and is not based on real world experience. The vast majority of students stay at the same institution to complete the master's degree. The four schools in Wisconsin which offer an accounting graduate program integrate the fifth year with the BBA program instruction. If you switch institutions, you may have to take additional coursework.

The big Lubar School of Business advantage is that you can earn your BBA, intern, earn your MS-PA, complete the CPA Exam and accept full-time employment without ever moving!

You can be automatically “conditionally admitted” to the MS-PA Program during the Fall semester of your senior year assuming you meet the following criteria:

1. Maintain a 3.0 GPA overall and in business and economics courses
2. Achieve minimum 3.0 GPA in all required accounting courses, which include Intermediate Finance (Bus Adm 450). Only two grades of less than a B are allowed

To convert your conditional admission to full admission, you must continue to maintain the 3.0 GPA and must continue to earn minimum “B” grades in all accounting courses.

If you do not meet these requirements, you can be considered for admission, but you must now take the GMAT Exam and earn a competitive score. Visit Graduate Program Services (LUB N251) for GMAT details and guidance. Preparing for this exam is important and should be done during a time period when you are not in class (Winterim or Summer).

How Can I Transfer from Another University or Major? ■ ■ ■

If you've decided to transfer to the Lubar School from other on-campus programs or from another university to finish your accounting studies, we're glad to have you join us!

Students who transfer into the program should be aware that they may not be able complete the degree in four years. However, we do have some tips for you to make the transition as smooth as possible:

- Often times, students who transfer have not already taken Math 211 (Calculus and Analytic Geometry) and Bus Adm 230 (Introduction to Information Technology Management). We advise that you enroll in these classes as soon as possible. Both classes are typically offered in the Summer semester, as well as Spring and Fall. You will not be able to proceed to the Accounting major without these courses.
- Plan your course of study, if at all possible, to take Bus Adm 301 (Intermediate Accounting) in the Spring semester of your Sophomore year. Students enrolled in Bus Adm 301 in the Fall semester of their Junior year are in a less competitive position to seek an internship the following Spring semester. There will be little time to gain accounting experience, and the student will have no accounting major grades other than Bus Adm 201 and Bus Adm 301. There are some wrap-up interviews during Fall semester of the senior year, but most of the hiring is done in Spring.

How Can I Be Most Successful as an Accounting Student? ■ ■ ■

Here are some tips on being successful in the study of accounting:

- Before you ever take an accounting course in college, you should be a good mathematician and should be computer competent (especially in the use of Excel). The use of calculus is limited, but algebra is used constantly.
- You should create a “learning chain” in accounting courses. Each week’s instruction depends on mastering the concepts taught in prior weeks. The material taught in each class is necessary for the next class you attend. We insist that you complete Math 211 (Calculus) before you register for Intermediate Accounting in order to be experienced in sequential, step-by-step learning. Most accounting classes have comprehensive final exams that may include topics from prior courses. Everything you learn in accounting must be retained for a successful CPA Exam.
- DO NOT miss classes or discussions. Our professors add many examples in class, provide added information, and expect class participation.
- You have to earn a minimum “B” grade in Introductory Financial Accounting (Bus Adm 201 or 207) in order to take Intermediate Accounting (Bus Adm 301), but a “B” grade really isn’t good enough. You should complete all the extra credit projects in Bus Adm 201/207 and strive to earn at least a “B+” grade. A student with a low “B” grade will likely not earn a “B” grade in Bus Adm 301.
- Intermediate Accounting (301) will likely require 12 – 18 hours of weekly preparation. You need to study between every class and lab to be ready for the new material. Every week’s assignments are collected and graded. Additional time is needed to take “pre-exams” which help prepare you for the real exams. Most students form study groups to help each other through the course. These study groups tend to remain in place all the way through the CPA Exam, so pick a good one! While taking Intermediate Accounting, you should also take the Career and Professional Development course (Bus Adm 300). You will actually meet potential employers and will start the job search process. The sections specifically designed for Accounting majors are offered Friday mornings.

- Do not create delays between accounting courses. It is especially important to take Introduction to Financial Accounting (Bus Adm 201), Intermediate Accounting (Bus Adm 301), and Advanced Accounting (Bus Adm 402) in a continuous chain.
- Don't assume a "B" grade earned in Bus Adm 301 means you will earn a "B" grade in the remaining accounting classes. That is not the case. Some students lose momentum or devote too much time to a part-time job. On average about 20% of accounting students earn less than a "B" grade in the undergraduate accounting courses following Intermediate Accounting (Bus Adm 301).
- You should also take Income Tax Accounting I (Bus Adm 405) right after Intermediate Accounting (Bus Adm 301). This will make you available for the many part-time tax positions. It will also allow you to make a decision determining your preference for a career in financial reporting/auditing or tax. Employers will ask you your preference when you interview for an internship in the spring of your junior year. You also have to make a track choice in the MS-PA Graduate Program: financial reporting or tax.
- Try to get to know your professor and/or teaching assistants. They are available and want to help you understand the material. You will also need them for references when seeking an internship, scholarship, or full-time position.
- There are many finance questions on the CPA Exam. Taking Bus Adm 350 can help you in Intermediate Accounting (Bus Adm 301). However, there is far less value in taking Bus Adm 350 after you have completed Bus Adm 301. If you receive a B or better in Bus Adm 301, you can bypass Bus Adm 350 and enroll directly into Bus Adm 450 [Intermediate Finance]. Contact your academic advisor in Lubar N297 to assist in enrolling in Bus Adm 450 and assigning a substitution course for Bus Adm 350. **If you do not take Bus Adm 350, you must take a substitution course** (Bus Adm 380 or Bus Adm 451).
- We suggest that you avoid accounting classes during the summer.

When Do I Take the CPA Exam? ■ ■ ■

The CPA Exam comprises four parts: Financial Accounting Reporting (FAR), Auditing, Business Environment (BEC), and Regulation. We encourage our students to take BEC and Regulation in the first summer or the fall semester of their graduate year. Then you should take FAR early in the spring semester and Auditing at the end of the spring semester.

The cost of taking the Exam itself is just over \$1,000. Many employers pay for the exam and review materials. Some pay a \$5,000 bonus if you pass the exam prior to or during your first year of employment.

The vast majority of our students prepare for the Exam by completing the MS-PA Program. There are other options for meeting the 150-credit-hour requirement to take the Exam. Visit Lubar School Graduate Program Services (LUB N251) if you have further questions.

Here are some interesting statistics:

- For students who left us after BBA and did not go on to our graduate program: after 3 years, 17% took the exam with a 38% pass rate.

- For students who completed the MS-Professional Accounting: after 3 years, 88% took the exam within a year of graduation with a 75% pass rate. May 2013 graduates actually had an 82% pass rate!

What Financial Assistance is Available? ■ ■ ■

Information on the Lubar School's generous scholarship program can be found at www.lubar.uwm.edu/scholarships.

In addition to the scholarships available to all Lubar School students, there are additional scholarships awarded only to accounting majors. Most of the major scholarships are available during the senior year, but some are also available for the junior year. The awards are of varying size up to \$10,000.

There are additional scholarships available to support MS-PA students. Many graduate students apply and receive teaching assistantships. Information and the graduate assistant application are available on the Lubar School of Business website under "Graduate Students."

Financial assistance information is made available to accounting students via email, and applications are posted on the accounting website.

What Support Services are Available to Accounting Students? ■ ■ ■

The Lubar School has full-time academic advisors who will help you plan your course of study from orientation through graduation day. They are located in Lubar Hall N297. You can make an appointment to meet with them by calling 414-229-5271.

Career guidance to prepare for part-time jobs, internships, and full-time positions is available from the professionals in the Lubar School's Career Services Center in Lubar Hall N203. Please call 414-229-5445 to make an appointment.

You may also contact the Director of Accounting Programs, Professor Paul Fischer, at pfischer@uwm.edu for advice regarding the accounting program or accounting careers.