

## Contents

[Message from the Chair](#)

[2009–2010 Officers and Board Members](#)

[Message from the Editor](#)

[Enhance your Professional Potential: Obtain Forensic Accounting Credentials](#)

[Meet A Member](#)

[Written Communication Skills: More Critical Than Ever](#)

[Educator of the Year Award](#)

[Lifetime Achievement in Accounting Education Award](#)

[2010 Conference on Teaching and Learning in Accounting](#)

[2010 AAA Annual Meeting](#)

[Printable PDF](#)

## Key Features of the New Financial Statements Being Proposed by the FASB and IASB



**Paul Kimmel, University of Wisconsin – Milwaukee**

In October of 2008 the FASB and IASB issued a discussion paper entitled Preliminary Views on Financial Statement Presentation. The purpose of this joint project was to arrive at a set of financial statements that would accomplish two primary objectives.

1. Information in the financial statements would be presented in a more cohesive fashion. This means that the relationship of items across financial statements would be more integrative, by introducing a new heading and grouping structure.
2. Information would be more disaggregated so that items that differ economically will not be grouped together. This will result in more detailed statements, as well as groupings that are more homogenous, which should improve the predictive value of financial information.

Recently the FASB announced that, after reviewing feedback from many interested parties, it still supports most of the major aspects of the proposed statements as presented in the original proposal.

Major differences exist between the proposed statements and current financial statements. Presently most accounting instructors have a limited understanding of the proposed format. However, they will likely need to become well acquainted with the format very soon. The SEC's recent announcement regarding a proposed timeline for movement toward adoption of IFRS in the U.S. identified the financial statement project as one of a handful of projects that need to be completed or nearly completed before the end of 2011. As a consequence, accounting instructors may soon have to teach a new set of financial statements regardless of whether or not the U.S. ever adopts IFRS.

**Illustration 1**, which is reproduced from page 16 of the proposal, [http://www.fasb.org/DP\\_Financial\\_Statement\\_Presentation.pdf](http://www.fasb.org/DP_Financial_Statement_Presentation.pdf), illustrates how the standard setters hope to improve the

## Fall Newsletter Deadline

The deadline for material to be included in the Fall 2010 issue is September 1, 2010. Please contact me if you are interested in becoming a contributor.

Barbara Thomas,  
CPA  
[bthomas121@hotmail.com](mailto:bthomas121@hotmail.com)

Two Year College  
A Section of the  
American Accounting  
Association  
*Communicator* Published  
Biannually  
American Accounting  
Association  
5717 Bessie Drive  
Sarasota, FL 34233-2399

cohesiveness of the financial statements by introducing a new heading and grouping structure. The same groupings are used across the three statements. Prominent among these headings are: "operating", "investing" and "financing" which are the headings used in the current statement of cash flows. The use of the same groupings across statements enables a user to better understand the relationships among the statements. For example, we can see that operating assets of a particular type generate operating revenues, which ultimately increase operating cash flows. An advantage of this approach is to improve the calculation of key ratios. For example, the return on assets can now be more easily disaggregated -- analyst can compute return on operating assets, given the ability to use operating income in the numerator and operating assets in the denominator.

### Illustration 1 Proposed Financial Statement Categories

Statement of Financial Position	Statement of Comprehensive Income	Statement of Cash Flows
<i>Business</i> • Operating assets and liabilities • Investing assets and liabilities	<i>Business</i> • Operating income and expenses • Investment income and expenses	<i>Business</i> • Operating cash flows • Investing cash flows
<i>Financing</i> • Financing assets • Financing liabilities	<i>Financing</i> • Financing asset income • Financing liability expenses	<i>Financing</i> • Financing asset cash flows • Financing liability cash flows
<i>Income taxes</i>	<i>Income taxes on continuing operations (business and financing)</i>	<i>Income taxes</i>
<i>Discontinued operations</i>	<i>Discontinued operations, net of tax</i>	<i>Discontinued operations</i>
	<i>Other comprehensive income, net of tax</i>	
<i>Equity</i>		<i>Equity</i>

The features of the new statements designed to achieve the disaggregation objective can best be understood by looking at the sample statements.

**Illustration 2** shows a statement of comprehensive income reproduced from page 71 of the proposal. This statement has a substantial number of line items. With this detailed information analysts are better able to evaluate the components of income and expenses. A key feature of this proposed income statement is that expenses are reported by both function and nature. Functional presentation refers to the line items cost of goods sold, selling expenses, and general and administrative expenses. Disclosure by nature means that the detail related to functional expenses is also presented. For example, the nature of expenses that comprise cost of goods sold include materials, labor, overhead, and other types of costs not revealed in the current income statement format. This cost of goods format should be familiar to those instructors that teach the cost of goods manufactured schedule in managerial accounting.

**Illustration 3** presents the sample statement of financial position from page 72 of the proposal. Again, the most significant change is the level of detail provided in this statement compared to typical statements now presented under GAAP. In addition to the significant increase in detail, this "balance sheet" presents a potential challenge to instructors - - it doesn't balance in the normal visual sense! That is not to say that total debits don't equal total credits-- they do. But, unlike our current balance sheet, the accounting equation is not visually apparent in this new statement of financial position. This occurs because assets and liabilities are spread across each of the major headings, rather than grouped together. The easiest way to determine that total assets equals total liabilities plus equity is by adding up the amounts in the schedules that are provided at the bottom of the statement.

To conclude, the proposed financial statement format includes many new ideas that have the potential to improve the communication of financial information to users. That said, it is also clear that some aspects of these statements will require instructors to rethink how they teach the financial statements to introductory students.

**Illustration 2**  
**Proposed Statement of Comprehensive Income**  
**STATEMENT OF COMPREHENSIVE INCOME**

	For the year ended 31 December	
	2010	2009
<b>BUSINESS</b>		
<b>Operating</b>		
Sales—wholesale	2,790,080	2,591,400
Sales—retail	697,520	647,850
<i>Total revenue</i>	<i>3,487,600</i>	<i>3,239,250</i>
Cost of goods sold		
Materials	(1,043,100)	(925,000)
Labour	(405,000)	(450,000)
Overhead—depreciation	(219,300)	(215,000)
Overhead—transport	(128,640)	(108,000)
Overhead—other	(32,160)	(27,000)
Change in inventory	(60,250)	(46,853)
Pension	(51,975)	(47,250)
Loss on obsolete and damaged inventory	(29,000)	(9,500)
<i>Total cost of goods sold</i>	<i>(1,969,425)</i>	<i>(1,828,603)</i>
<i>Gross profit</i>	<i>1,518,175</i>	<i>1,410,647</i>
Selling expenses		
Advertising	(60,000)	(50,000)
Wages, salaries and benefits	(56,700)	(52,500)
Bad debt	(23,068)	(15,034)
Other	(13,500)	(12,500)
<i>Total selling expenses</i>	<i>(153,268)</i>	<i>(130,034)</i>
General and administrative expenses		
Wages, salaries and benefits	(321,300)	(297,500)
Depreciation	(59,820)	(58,500)
Pension	(51,975)	(47,250)
Share-based remuneration	(22,023)	(17,000)
Interest on lease liability	(14,825)	(16,500)
Research and development	(8,478)	(7,850)
Other	(15,768)	(14,600)
<i>Total general and administrative expenses</i>	<i>(494,189)</i>	<i>(459,200)</i>
<i>Income before other operating items</i>	<i>870,718</i>	<i>821,413</i>
Other operating income (expense)		
Share of profit of associate A	23,760	22,000
Gain on disposal of property, plant and equipment	22,650	-
Realized gain on cash flow hedge	3,996	3,700
Loss on sale of receivables	(4,987)	(2,025)
Impairment loss on goodwill	-	(35,033)
<i>Total other operating income (expense)</i>	<i>45,419</i>	<i>(11,358)</i>
<b>Total operating income</b>	<b>916,137</b>	<b>810,055</b>
<b>Investing</b>		
Dividend income	54,000	50,000
Realized gain on available-for-sale securities	18,250	7,500
Share of profit of associate B	7,500	3,250
<b>Total investing income</b>	<b>79,750</b>	<b>60,750</b>
<b>TOTAL BUSINESS INCOME</b>	<b>995,887</b>	<b>870,805</b>
<b>FINANCING</b>		
Interest income on cash	8,619	5,500
<b>Total financing asset income</b>	<b>8,619</b>	<b>5,500</b>
Interest expense	(111,352)	(110,250)
<b>Total financing liability expense</b>	<b>(111,352)</b>	<b>(110,250)</b>
<b>TOTAL NET FINANCING EXPENSE</b>	<b>(102,733)</b>	<b>(104,750)</b>
<i>Profit from continuing operations</i>		
<i>before taxes and other comprehensive income</i>	<i>893,154</i>	<i>766,055</i>
<b>INCOME TAXES</b>		
Income tax expense	(333,625)	(295,266)
<i>Net profit from continuing operations</i>	<i>559,529</i>	<i>470,789</i>
<b>DISCONTINUED OPERATIONS</b>		
Loss on discontinued operations	(32,400)	(35,000)
Tax benefit	11,340	12,250
<b>NET LOSS FROM DISCONTINUED OPERATIONS</b>	<b>(21,060)</b>	<b>(22,750)</b>
<b>NET PROFIT</b>	<b>538,469</b>	<b>448,039</b>
<b>OTHER COMPREHENSIVE INCOME (after tax)</b>		
Unrealized gain on available-for-sale securities (investing)	17,193	15,275
Revaluation surplus (operating)	3,653	-
Foreign currency translation adjust—consolidated subsidiary	2,094	(1,492)
Unrealized gain on cash flow hedge (operating)	1,825	1,690
Foreign currency translation adjust—associate A (operating)	(1,404)	(1,300)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>23,361</b>	<b>14,173</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>561,830</b>	<b>462,212</b>
Basic earnings per share	7.07	6.14
Diluted earnings per share	6.85	5.96



**Illustration 3**  
**Proposed Statement of Financial Position**

**STATEMENT OF FINANCIAL POSITION**

	As at 31 December	
	2010	2009
<b>BUSINESS</b>		
<b>Operating</b>		
Accounts receivable, trade	945,678	541,375
Less allowance for doubtful accounts	(23,642)	(13,534)
Accounts receivable, net	922,036	527,841
Inventory	679,474	767,102
Prepaid advertising	80,000	75,000
Foreign exchange contracts—cash flow hedge	6,552	3,150
<i>Total short-term assets</i>	<i>1,688,062</i>	<i>1,373,092</i>
Property, plant and equipment	5,112,700	5,088,500
Less accumulated depreciation	(2,267,620)	(2,023,500)
Property, plant and equipment, net	2,845,080	3,065,000
Investment in associate A	261,600	240,000
Goodwill	154,967	154,967
Other intangible assets	35,000	35,000
<i>Total long-term assets</i>	<i>3,296,647</i>	<i>3,494,967</i>
Accounts payable, trade	(612,556)	(505,000)
Advances from customers	(182,000)	(425,000)
Wages payable	(173,000)	(200,000)
Share-based remuneration liability	(39,586)	(21,165)
Current portion of lease liability	(35,175)	(33,500)
Interest payable on lease liability	(14,825)	(16,500)
<i>Total short-term liabilities</i>	<i>(1,057,142)</i>	<i>(1,201,165)</i>
Accrued pension liability	(293,250)	(529,500)
Lease liability (excluding current portion)	(261,325)	(296,500)
Other long-term liabilities	(33,488)	(16,100)
<i>Total long-term liabilities</i>	<i>(588,063)</i>	<i>(842,100)</i>
<b>Net operating assets</b>	<b>3,339,504</b>	<b>2,824,795</b>
<b>Investing</b>		
Available-for-sale financial assets (short-term)	473,600	485,000
Investment in associate B (long-term)	46,750	39,250
<b>Total investing assets</b>	<b>520,350</b>	<b>524,250</b>
<b>NET BUSINESS ASSETS</b>	<b>3,859,854</b>	<b>3,349,045</b>
<b>FINANCING</b>		
<b>Financing assets</b>		
Cash	1,174,102	861,941
<b>Total financing assets</b>	<b>1,174,102</b>	<b>861,941</b>
<b>Financing liabilities</b>		
Short-term borrowings	(562,000)	(400,000)
Interest payable	(140,401)	(112,563)
Dividends payable	(20,000)	(20,000)
<i>Total short-term financing liabilities</i>	<i>(722,401)</i>	<i>(532,563)</i>
Long-term borrowings	(2,050,000)	(2,050,000)
<b>Total financing liabilities</b>	<b>(2,772,401)</b>	<b>(2,582,563)</b>
<b>NET FINANCING LIABILITIES</b>	<b>(1,598,299)</b>	<b>(1,720,621)</b>
<b>DISCONTINUED OPERATIONS</b>		
Assets held for sale	856,832	876,650
Liabilities related to assets held for sale	(400,000)	(400,000)
<b>NET ASSETS HELD FOR SALE</b>	<b>456,832</b>	<b>476,650</b>
<b>INCOME TAXES</b>		
Short-term		
Deferred tax asset	4,426	8,907
Income taxes payable	(72,514)	(63,679)
Long-term		
Deferred tax asset	39,833	80,160
<b>NET INCOME TAX ASSET (LIABILITY)</b>	<b>(28,255)</b>	<b>25,388</b>
<i>NET ASSETS</i>	<i>2,690,132</i>	<i>2,130,462</i>
<b>EQUITY</b>		
Share capital	(1,427,240)	(1,343,000)
Retained earnings	(1,100,358)	(648,289)
Accumulated other comprehensive income, net	(162,534)	(139,173)
<b>TOTAL EQUITY</b>	<b>(2,690,132)</b>	<b>(2,130,462)</b>
<b>Total short-term assets</b>	<b>4,197,021</b>	<b>3,605,591</b>
<b>Total long-term assets</b>	<b>3,383,231</b>	<b>3,614,377</b>
<b>Total assets</b>	<b>7,580,252</b>	<b>7,219,968</b>
<b>Total short-term liabilities</b>	<b>(2,252,057)</b>	<b>(2,197,406)</b>
<b>Total long-term liabilities</b>	<b>(2,638,063)</b>	<b>(2,892,100)</b>
<b>Total liabilities</b>	<b>(4,890,120)</b>	<b>(5,089,506)</b>

# Communicator



Two Year College Section of the American Accounting Association

Spring 2010

## Message from the Chair

It has been a very interesting and action-filled two years. As teachers at two-year colleges we have been given a reduced membership fee for the next two years, and the regional meeting offerings are including more instructional-orientated sessions. We have been asked to help “spread the word” to our fellow professors about these changes and to submit teaching-related proposals for the regional meetings (a much more cost-efficient option to the research-heavy annual meetings.) In addition, there is a new early identification program that is in the process to help promising prospective accounting majors build relationships with accounting firms. Finally, the AAA has reached out to TACTYC to see how it can support the mission of TACTYC and work together to further accounting education.

These are promising times. It is up to us to take the initiative and continue to help shape the future of accounting education. We have the passion, the knowledge, and the energy. Please join your TYC section leadership in this quest.

All the best,

Linda H. Tarrago, TYC Chair 2008-2010

## Two Year College Section 2009–2010 Officers and Board Member

### Officers

<b>President</b>	Linda Hayden Tarrago	Hillsborough Community College
<b>Vice Chairperson</b>	Tracie Nobles	Austin Community College
<b>Secretary/Editor</b>	Barbara Thomas	Oak Park, Illinois

### Council Representative

Linda Hayden Tarrago Hillsborough Community College

### Coordinator of Regional Representatives/Officer-at-Large

Christine Kloezeaman Glendale Community College

## A Message from the Editor

Happy Spring! I hope you enjoy this edition of *The Communicator*. As we re-vamp our classes for the next school year, I think this edition will give you some good ideas. Paul Kimmel in Wisconsin sends us an important reminder about keeping current. Aida Shekib in Illinois reminds us of the popularity of Forensic Accounting among our students and the plague of fraud in businesses, governmental agencies and non profit organizations. Richard Berschback of Michigan calls us to strengthen the written communication requirements that we place on our students, and Shele Bannon of New York encourages us to take the time to incorporate additional case studies and critical thinking activities in our classes. I want to thank the American Accounting Association for bringing us all together. I look forward to seeing everyone at the annual meeting.

Barbara Thomas, CPA

## ENHANCE YOUR PROFESSIONAL POTENTIAL: OBTAIN FORENSIC ACCOUNTING CREDENTIALS

**AIDA SHEKIB, PH.D. CPA; CMA**  
**PROFESSOR OF ACCOUNTING**  
**GOVERNORS STATE UNIVERSITY**

The accounting profession has changed dramatically over the past several years and the focus is no longer on “debit and credit”. Instead, the focus is on working with people and solving a wide range of business problems. One of the hottest and fastest – growing areas in accounting is **FORENSIC ACCOUNTING**. The work of a Forensic Accountant requires a different type of education and training applied in situations that could be adversarial with the ability to deal with law enforcement and regulatory agencies as well as provide expert witness before the courts or other governmental entities.

**Fraud and theft** are not accounting problems; they are social problems. However, in considering solutions to these problems, it became necessary for accountants to critically examine their orientation and thinking. Over the past several years many accountants, accounting organizations and academic institutions have been engaged in learning, teaching and practicing “Fraud Prevention” techniques. But, until now most accountants and auditors are still doing much of what they have always done. Therefore, the current challenge for accounting professionals is how to approach their clients and conduct themselves in the performance of their services in order to give the public what they really want: **Entities with High Level of Integrity**.

A Forensic Accounting Professional must possess specific skills as follows:

1. Critical thinking and analytical skills.
2. Legal and Regulatory skills.
3. Criminal investigations and evidence gathering skills.
4. Court proceedings and testimonial skills.
5. Interrogative skills.
6. Technology and computer networking skills.
7. Strong knowledge and deep understanding of the Cyber environment and related communication systems is a must. This includes knowledge of the proper methods of control, and an ability to recognize symptoms of Cyber attacks and methods of response and investigation.

To be properly recognized as a Forensic Accounting Professional, it is necessary to obtain appropriate education and training. Currently, there are several programs of study leading to advanced degrees in Forensic Accounting. Many prominent universities, national and international, offer study programs leading to master degrees in Forensic Accounting. It is expected that this trend will continue to increase in the future. It is also expected that accounting programs, Graduate and Undergraduate, will introduce new courses/or infuse their existing accounting courses with Forensic materials.

In addition, there are several professional certifications offered by many of the leading professional accounting and accounting related organizations. In May of 2008, the AICPA's Governing Council joined in the effort of other national and international organizations and authorized the creation of a new designation: Certified in Forensic Accounting (CFF), combining specialized forensic accounting expertise with the core knowledge and skills that make CPAs among the most trusted business advisors. The CFF encompasses specialized forensic skills that CPA practitioners need to apply in service areas, including: bankruptcy and insolvency; computer forensic; economic damages; family law; fraud prevention; fraud detection and deterrence; financial statements misrepresentation; and valuation.

Obviously, the current business environment, nationally and internationally, have created a strong level of demand for Forensic Accounting knowledge. Our clients and the public at large are expecting accountants and auditors to be qualified in these areas. Obtaining Forensic Accounting Credentials is a must for successful careers in the 21st Century. The pay is good and work is available. Infusing our classes with forensic accounting will prepare our students to be professionally “Skeptical”, increase their marketability and, therefore should be encouraged.

---



**ABOUT THE AUTHOR:**  
**AIDA SHEKIB, PH.D; CPA; CMA**

*Aida is a professor of accounting at Governors State University, University Park, Illinois. She has been teaching and practicing accounting for over 40 years. Her teaching and research focus has been on auditing and international accounting. Besides teaching, Aida has worldwide experience in accounting education strategy, program offering, and licensing. She pioneered many industry trends including the use of Malcolm Baldrige criteria in evaluating the internal audit functions, appraising international accounting standards, and application of just in time concepts to accounting and commerce. She has been an active member of the Institute of Management Accountants for more than twenty-five years and an esteemed member and leader of the ACBSP for five years. She*

*received many national and international awards and recognitions and was recently introduced into the Hall of Fame by the American Biographical Institute for Distinguished Accomplishment in Accounting Education and Practice. She received her PhD. Degree from the University of Illinois. She is a certified public accountant and a certified management accountant.*

Governors State University (GSU) was established in 1969 as an Upper Level Experiential Academic Institution, located in the South Suburbs of Chicago, Illinois. GSU offers a variety of academic programs at the junior, senior and graduate levels, making it ideal for students transferring from community colleges, adults returning to college, and those seeking to increase their qualifications through a graduate degree or certificate program. While GSU has changed in many ways since its establishment, its founding principles of openness, innovation, flexibility and experimentation have not changed. Innovative Educational Ideas will always be part of the “GSU Fabric” along with the commitment to provide quality, affordable, and accessible programs to a diverse group of students and surrounding communities that have traditionally been underserved.



# Communicator



Two Year College Section of the American Accounting Association

Spring 2010

## Meet A Member



**Shele Bannon is a CPA/MBA.** She is currently an Assistant Professor at Queensborough Community College for the past two years. Prior teaching experience includes Marymount Manhattan College, St. John's University, Fordham University, and Orange County Community College. Prior to teaching she has had over 15 years of senior financial management positions in a variety of industries. She has been the recipient of the Hewlett, Sokol and CETL grants. She has made presentations at several academic conferences and published in the Journal of CPA Practitioners. Areas of research include ethics, technology, and case studies.

**QUEENSBOROUGH COMMUNITY COLLEGE:** Operating within the framework of The City University of New York, Queensborough Community College is committed to fostering a collaborative, learning-centered community. We distinguish ourselves with our diversity of cultures, including roughly equal populations of African Americans, Asians, Caucasians and Latinos. There are 13,000 students currently enrolled in Associate degree or certificate programs. Queensborough utilizes the close integration of academic and support services and a focused attention to pedagogy. To help ensure excellence in teaching and learning, Queensborough promotes research on community college pedagogy, and supports scholarship.

The community college classroom is the foundation of the learning process. Introductory courses, a student's first exposure to the subject, are rich in basic concepts, but often inadequate in developing the essential critical thinking and problem solving skills.

Case studies facilitate inquiry, reflection, and problem solving while providing the opportunity for students to develop their critical thinking skills. They integrate the knowledge gained in the classroom with the decisions they will make in the workplace. The more students actively engage with rigorous subject matter, the better they master material and develop critical thinking skills. (Chickering and Gamson) Community college students are ready and able to think critically.

Case study pedagogy in community colleges is challenging for both faculty and student. Professors, while holding students to high expectations need to remain cognizant of the pedagogical learning curve. Providing encouragement and support while challenging them to discover solutions for themselves results in the most desired learning outcomes. Application of knowledge is retained far longer than observation of facts. They can take the knowledge they have learned beyond the classroom and apply it to real-life situations.

Case studies provide the transition from a "transfer of content" classroom into a successful learning community. The adaption of existing case studies to fit the skill level of my students has proven very successful. Setting ground rules establishes a community of trust. First, explain how student engagement is in; instructor lectures are out. Case discussions will be student driven. Let students know early on that they are expected to become a purposeful critical thinker. Students must be prepared, engaged, and respectful of all views. The key is to remember that silence is a normal part of the process. Give students sufficient time to answer. The board is your most useful tool as a guide to the process. As students discuss questions, the key points are highlighted on the board, emphasizing key learning objectives.

Critical thinking is inexorably linked with factual knowledge. Retrieving these facts from memory and applying them in a new way is when thinking occurs. It is this overlapping of knowledge with mental activities such as clarifying, reflecting, connecting, judging, and inferring that results in the most intense learning. Applying skills requires, practice, time, knowledge and effort. Students work four to five cases per semester. The improvement from the first to last case is dramatic.



One case used in my Principles class is the adaption of "Sears: Accounting for Uncollectible Accounts: by Stanford Graduate School of Business. After completing our chapter material on *Accounting for Receivables*, I assigned students my shorter version (2 pages) with case questions for class discussion. They have one week to prepare with their paper due the following class. Their grades will be 50% participation and 50% paper. Questions included: 1) Has Sears truly put its credit problem behind them?, 2) Was the current allowance for uncollectible accounts adequate?, 3) Putting themselves in the shoes of Sarah (the independent analyst) what would they recommend to the investment community?, and 4) Discuss the pros and cons of Sears policies. Students were required to support their answers with calculations, and data from the case. The result has been a robust one hour class discussion.

The infamous You Tube survey by Machael Wesch in 2007 reflects how we are competing with email, facebook, cell phones, music and TV for our student's time. I have found that students are not only spending time in case preparation and class discussions, but continue to discuss the case outside of class. Case studies are able to gain our students time, interest, and minds.

## Written Communication Skills: More Critical Than Ever

**Richard Berschback**  
**Walsh College**

The more things change, the more they stay the same.

Set aside debits, credits, and IFRS. One critical skill still required by the accounting profession is unfortunately ignored in many accounting courses: the ability to write well, with cohesion and efficiency. Many employers express their disappointment in the written communication skills of new hires; the incoming employees must demonstrate excellent writing abilities in order to succeed.

### The Problem

Whom do we blame? The usual suspects. The K-12 system has relaxed its standards. Our college-level English courses do not emphasize business-style writing. Emailing and text messaging allow abbreviated text and/or shorthand. Generation X, Y, or Z.

### The Solution

I believe that we can and should include written communication components in our accounting courses. Ideally, a separate course in accounting communications would focus on both written and oral communications, complementing the development of accounting research skills. Realistically, an increased emphasis on writing in the key accounting courses would, at a minimum, communicate to students that these skills are as important as the ability to solve accounting problems and compile financial data.

### The Pushback

As I implemented both suggestions indicated above into the curriculum, two distinct realities surfaced: **Some faculty members will not welcome this new emphasis with open arms.** Not only does the emphasis represent change, but the change relates to a core competency in which the instructor lacks confidence. The fact that additional time grading papers is required also lowers the chance of across-the-board acceptance.

**Students complain that a written communication skills component is inappropriate in an accounting course.** The students need reminders that their writing skills could be as important as their accounting skills in their professional development. The expectations of the profession are high.

### The Approach

Suggestions to insert written communication components into coursework include the following:

**Include at least one written assignment in all key accounting courses,** with more than a token impact on the student's course grade.

**Require that some of the assignments are on topics that cannot be researched.** Topics for which multiple sources of information exist tend to increase the chances of plagiarism, thus defeating the purpose of the assignment.

**If possible, have students complete the written assignment in a controlled environment;** an in-class essay is a better representation of student skills than a take-home project, which allows assistance from others.

### The Student Guidance

To improve their skills, students can follow some simple rules.

- **Use one of many reference books** which focus on grammar, punctuation, and sentence structure. Do not rely on spell check!
- **Edit a hardcopy of the written work** before submitting. This edit should not be attempted immediately following the work's completion. Reading the work aloud may sometimes be effective.
- **Learn to write on a professional level.** In the editing process, upgrade words and phrases that are unacceptable in professional correspondence.

### The Final Thought

We will never perfect the writing skills of our students. Still, we are responsible for preparing our students for their professional careers. That includes emphasizing and evaluating something just as important as debits and credits: written communication skills!

---



**Richard D. Berschback** is Chairman of the Accounting Department at Walsh College, a Detroit-area upper-division college specializing in business undergraduate and graduate degrees.

Rick has taught Intermediate Accounting and Auditing for over 30 years and has public accounting experience with PricewaterhouseCoopers and Ernst & Young.

He received the first annual Accounting Educator of the Year Award in 2002 from the Michigan Association of CPAs and also earned the MACPA 2003 Distinguished Achievement in Accounting Education Award.

Rick holds both undergraduate and graduate degrees from the University of Detroit

## Two-Year College Awards

### Educator of the Year Award

Do you know someone who has distinguished him/herself in the field of accounting education? Please nominate that individual for the annual Educator of the Year Award, which will be presented at the American Accounting Association Annual Meeting in San Francisco this summer during the meeting of the Two-Year Section. This is a wonderful way to recognize the professional contributions of one of our colleagues. A committee of the Two-Year Section will select the recipient.

#### ELIGIBILITY:

The candidate must:

1. Have at least ten years of teaching experience and currently teach at a two-year college.
2. Have at least five years of continuous membership (including the current year) in the AAA Two-Year College Section.

Note: Current officers and selection committee members are not eligible for this award. Two-Year College Section members may be eligible if they teach at four-year institutions. Contact the selection committee chair with questions about eligibility.

#### CRITERIA:

The candidate must show evidence of:

1. Excellence and innovation in teaching accounting.
2. Commitment to the improvement of teaching within his or her institution.
3. Leadership in the development of teaching and learning beyond his or her own courses.

#### NOMINATION PROCEDURE:

1. The nominator must notify the committee by **May 7, 2010**. This can be done by email. Self-nominations are acceptable.
2. The candidate must submit nomination materials (see next section) by **May 10, 2010**.
3. The address for submissions is:

Linda Tarrago at [ltarrago@hccfl.edu](mailto:ltarrago@hccfl.edu)

#### NOMINATION MATERIALS:

The **candidate** should submit the following by **May 10, 2010**:

1. Name, college address, home address, college phone number, home phone number, fax number and email address of candidate.
2. A *vitae* or resume.
3. Other materials that show:
  - o Number of years of teaching experience.
  - o Number of years as a member of the AAA Two-Year College Section.
  - o Evidence of teaching excellence. Examples: data from teaching evaluations over several years, list of special course development efforts, description of effective teaching strategies used, letters from colleagues and students, examples of course materials, previous teaching awards or summaries of student ratings.
  - o Evidence of educational leadership. Examples: conducting seminars, workshops, conferences or other events for colleagues; papers, texts, newsletters or other publications related to teaching; work on special projects related to learning.



## Lifetime Achievement in Accounting Education Award

### Two-Year Section of the American Accounting Association

The Lifetime Achievement in Accounting Education Award of the Two-Year Section of the American Accounting Association is designed to recognize full-time college accounting educators, who have distinguished themselves for excellence in teaching and for involvement in the accounting profession. The award extends profession-wide recognition to the recipient and promotes role models in academe.

A committee of the Two-Year Section of the American Accounting Association will review the nominations and select the recipient. The award will be presented at the annual meeting of the American Accounting Association.

### ELIGIBILITY

The committee will assess each nominee considering the following qualifications. The criteria listed under each qualification will be used as guidelines by the committee in determining the nominee's eligibility for the award.

1. Length of Teaching Career. A past or current full-time accounting educator at a two-year college having a teaching career of at least 20 years. Ten of the twenty years of teaching must have been at a two-year college.
2. Excellence in Classroom Teaching and Motivating Students:
  - a. Demonstration of Innovative Teaching Methods: documented by the nominee's administration, chair, or the nominee.
  - b. Curriculum Development: documented by the nominee's administration, chair, or the nominee.
  - c. Student/Faculty Relations: serving as a mentor, advisor to the Accounting Club, advising students, etc
  - d. Recommendations from the nominee's colleagues, former students, etc.
  - e. Service to the Department and /or College: serving on department and/or college committees, i.e. curriculum committee, etc.
3. Contribution to the Accounting Profession and Participation in Scholarly Activities:
  1. Participation in professional accounting organizations, i.e. AICPA, AAA, State CPA societies.
  2. Participation and attendance at seminars, symposia, short courses, and workshops.
  3. Scholarly and professional publications.
  4. Involvement in civic activities.

### NOMINATION PROCESS AND APPLICATION PROCEDURE

1. Nominations can be made by anyone who has knowledge of the nominee's background relevant to the eligibility requirements. Self-nominations will **NOT** be accepted.
2. The deadline for nominations is **May 10, 2010**.
3. Nominations should include: (1) Name of Nominator, (2) Address of Nominator, (3) a statement by the nominator supporting his/her nomination detailing how the nominee meets the eligibility requirements, (4) the nominee's curriculum vitae, and (5) other submissions to support the eligibility requirements of the award as outlined above.
4. A nominee who is currently involved in administration or research is still eligible for the award as long as he/she has met the 20-year teaching requirement.
5. The nominee need not be a CPA or hold a doctoral degree.
6. Nominees who are not selected for the award can remain eligible for selection in the future, provided that they still meet the selection criteria and updated biographical data is submitted.
7. In any given year there may be no recipient, one recipient, or more than one recipient.
8. The address for submissions is:  
Linda Tarrago at [ltarrago@hccfl.edu](mailto:ltarrago@hccfl.edu)

# Communicator



Two Year College Section of the American Accounting Association

Spring 2010

## 2010 Conference on Teaching and Learning in Accounting

### Are you...

- \* Interested in the art of teaching accounting?
- \* Looking for the best ways to teach emerging topics in accounting?
- \* A person who would like to earn 16+ hours of CPE?

If you answered yes to any of the above questions, we invite you to attend the 2010 Conference on Teaching and Learning in Accounting (CTLA) in San Francisco on Saturday, July 31 and Sunday, August 1. This conference is specifically designed for teaching-focused faculty, new faculty, and practitioners who want to teach accounting. CTLA goes on to surround the AAA Annual Meeting (August 1 - 4) to offer teaching-oriented CPE and an *Insider's Guide* - a kind of "road map" - to sessions on teaching and curriculum-related topics throughout the Annual Meeting program.

*CTLA is part hands-on teaching clinic, part mentoring by master teachers, and part staying current on emerging topics in accounting. Plan now to attend!*

### CTLA Registration (required AAA membership dues are additional)

CTLA and AAA Annual Meeting (40+ CPE) July 31 – August 4 .....	\$570
CTLA (16+CPE) July 31-August 1 only .....	\$180

*Space is limited so register early! Information on CTLA and the Annual Meeting is available at [aaahq.org/AM2010](http://aaahq.org/AM2010).*

### Some of the highlights of CTLA on Saturday, July 31 include:

- \* A choice of two workshops on Saturday morning:
  - 1.) *The Master Class Workshop for Experienced Faculty*  
Sherry Mills (New Mexico State University)  
Mark Holtzblatt (Roosevelt University) and Norbert Tschakert (University of the Virgin Islands)
  - 2.) *The Workshop for New Teaching Faculty and Doctoral Students Interested in Teaching*  
Cathleen Burns (University of Colorado, Boulder)  
Panel Discussion of experiences, insights, and advice with CTLA faculty
- \* Effective Teaching Practices Forum where master faculty discuss how they teach their accounting courses.
- \* Craft of Teaching Accounting Sessions with over 20 sessions featuring how-to-teach tips and techniques for on campus, online, and hybrid courses, as well as accounting and technology hot topics.

### Two CTLA CPEs on Sunday, August 1:

*Teaching with Technology* Morning CPE and *Preparing for Class* Afternoon CPE

### Annual Meeting Activities on Monday - Wednesday, August 2-4

CTLA participants use their *Insider's Guide* to find sessions meeting their interests and needs throughout the Annual Meeting program and meet Wednesday afternoon for reflections on CTLA and a discussion of future plans to inspire and support this community.

Questions? Contact Deirdre Harris, AAA Member Relations and Marketing Manager, at [Deirdre@aaahq.org](mailto:Deirdre@aaahq.org) or 941-556-4119.

# Communicator



Two Year College Section of the American Accounting Association

Spring 2010

## Global Thought Leadership

American Accounting Association

**2010 Annual Meeting  
and Conference on Teaching and  
Learning in Accounting**

**July 31 – August 4  
San Francisco, California**



**Be sure to check out the following TYC sessions at the Annual Meeting:**

**Monday August 2, 2010 – 10:15-11:45 am**

Early Identification of Promising Future Accountants

**Moderator:** Linda Tarrago, Hillsborough Community College

**Panelists:** TBA

**Tuesday August 3, 2010 – 4:00-5:30 pm**

Web Videos - All You Ever Wanted to Know

**Moderator:** Tracie Nobles, Austin Community College

**Panelists:**

Susan Crosson, Santa Fe College

Tracie Nobles, Austin Community College

William St. John, Union Graduate College

**Wednesday August 4, 2010 – 2:00-3:30 pm**

The Great Divide: Approaches to Leading the Student Journey from Tabular Accounting Listings to Journal Entries and Ledger Postings

**Presenter:** Bryan J. Bessner, George Brown College, Toronto, CANADA