EXECUTIVE SUMMARY

With the impending IFRS convergence, this paper examines the status of international accounting courses. Will coverage of IFRS in the curriculum affect the international course offerings of universities? This study summarizes the international accounting topics important to practitioners and academics and matches them with coverage in available international accounting textbooks. In addition, the university bulletins of the Association to Advance Collegiate Schools of Business (AACSB) accredited accounting programs are examined to determine the status of international accounting courses: whether they are present in accounting programs and if present whether the course has been offered in the past academic year.

Keywords: International accounting course, Accounting curriculum, International financial reporting standards (IFRS)

OVERVIEW

Recent articles by Munter and Reckers (2009, 2010) and McGee and Bandyopadhyay (2009) surveyed faculty in Accounting on the adoption and coverage of International Financial Reporting Standards (IFRS). Will the International accounting course still be relevant after the adoption of International Financial Reporting Standards (IFRS)? In 1972, Rueschloff stressed the need for an undergraduate international accounting course that would train accounting professionals in international financial reporting. Within the course, Rueschloff outlines four areas: financial accounting for international operations, multinational managerial accounting and control, comparative international accounting principles, and international financial reporting (pp. 834-835). These topics cover areas that are beyond international financial reporting. A recent publication of the Association to Advance Collegiate Schools of Business (AACSB) entitled Globalization of Management Education (AACSB International, 2011) says there is not enough preparation for international management in business degree programs. AACSB calls for the development of “global mindset” as opposed to “functional competence” (p. 206) in international issues.

Although the need for the international accounting course has been evident since at least the 1970’s coverage has been reluctant and varied. Approximately 60% of the AACSB Accounting accredited universities offer an international accounting course, more in the graduate level than the undergraduate level. Most international accounting courses offered are elective. The topics covered by the international accounting course are quite varied. There are a variety of topics i.e. financial accounting transactions, managerial issues of control evaluation, transfer pricing, auditing issues, systems and tax considerations which span all the major areas of accounting. Financial accounting has usually been a major aspect of the course. Although international topics are substantial, much of the reluctance has centered on making room in the curriculum and lack of coverage in the CPA exam. U. S. adoption of the International Financial Reporting Standards (IFRS), will now force universities to consider how these standards will be incorporated and whether the international course is still relevant.

The purpose of this paper is to examine the status of the international accounting course in the accounting program in the current climate of budgetary and curriculum constraints, and the push for IFRS convergence. The paper first looks at IFRS convergence and the issues that surround it. This is followed by a discussion of the historic background of the need for