

# The Rat Pack

*More on 'the Bottom Line' in the CoB's School of Accountancy*

The recent USMNEWS.net report, "How is Hiring Michael Dugan a Good Deal?" sparked a great deal of interest among readers. That report explained how incoming CoB accounting professor Michael Dugan (from the University of Alabama) will actually *generate a net Fall 2010 loss* to the CoB of anywhere from **\$45,000** to **\$57,000**, given what is expected to be Dugan's fall 2010 salary + fringes (about \$94,000) and the tuition revenues generated by Dugan's fall 2010 teaching assignment (about \$36,000 to about \$48,000). This report provides similar analyses of "the bottom lines" pertaining to accounting professors Stanley Clark, Charles Jordan, and Roderick Posey.

According to the USM Registrar, Clark, Jordan, and Posey are each scheduled to teach three courses for the CoB. The relevant data for these are shown below.

Table 1 – Fall 2010 Teaching Data: Clark, Jordan, and Posey

Course	Days & Times	Enrollment	Cap	RevEnroll	RevCap
ACC 325	TR, 9:30-10:45	32	50	\$21,888	\$34,200
ACC 325	TR, 1-2:15	34	50	\$23,256	\$34,200
ACC 630	TR, 3:50-5:05	3	25	\$2,736	\$22,800
ACC 327	TR, 8-9:15	13	50	\$8,892	\$34,200
ACC 327	M. 3:30-6:15	9	30	\$6,156	\$20,520
ACC 620	TR, 11-12:15	2	25	\$1,824	\$22,800
ACC 320	MWF, 9-9:50	12	50	\$8,208	\$34,200
ACC 320	MWF, 11-11:50	36	50	\$24,624	\$34,200
ACC 407	MW, 3:30-4:45	33	35	\$22,572	\$23,940

The figures above indicate, using USM's new 2010-11 tuition fee schedule for in-state students, that Clark's tuition revenue production for the SoA during fall 2010 will be anywhere from \$47,880 to \$91,200. Given Clark's salary of \$112,125 per year, his fall 2010 compensation (salary + fringes) will be about \$70,000. This means that the CoB's SoA will face anything from a net *loss* of **\$22,120** to a net gain of \$21,200 from Clark.

Next, the figures above indicate, using USM's new 2010-11 tuition fee schedule for in-state students, that Jordan's tuition revenue production for the SoA during fall 2010 will be anywhere from \$16,872 to \$77,520. Given Jordan's salary of \$110,094 per year, his fall 2010 compensation (salary + fringes) will be about \$69,000. This means that the CoB's SoA will face anything from a net *loss* of **\$52,128** to a net gain of \$8,520 from Jordan.

Finally, the figures above indicate, using USM's new 2010-11 tuition fee schedule for in-state students, that Posey's tuition revenue production for the SoA during fall 2010 will be anywhere

from \$55,404 to \$92,340. Given Posey's salary of \$105,494 per year, his fall 2010 compensation (salary + fringes) will be about \$66,000. This means that the CoB's SoA will face anything from a net *loss* of \$10,596 to a net gain of \$26,340 from Posey.

Two of these accountants look to generate net *losses* in the fall, while the remaining one looks to generate a modest net gain. And, after examining these three plus Paula Parker, Skip Hughes, and Michael Dugan, that is the first net gain that is expected out of the SoA. This does not bode well for the CoB's other units, who appear to be subsidizing the accountants' cushy SoA set up.