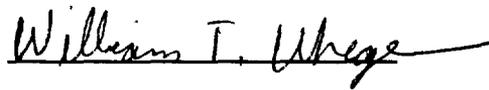New Assurance Services

An Honors Thesis (Honors 499)

by

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Purpose of Thesis

Examining new assurance services offers a glimpse into the future of the accounting profession. Describing such services as WebTrust, Electronic Commerce and Information Systems Reliability give a view into how the profession is changing and what types of skills will be required of CPAs in the future. The profession as a whole has become very competitive. Due to this competition, accounting firms are developing new value-added services, such as WebTrust, that are in demand by consumers. In learning about these new services, we also discovered the impact these services might have on the future of accounting curriculums in colleges and universities. We examined the struggle of colleges in defining their role as a teacher of specific services, or a builder of basic skills on which to develop in the future.

Maria Villa
Daniel Hardern

How will new assurance services such as WebTrust, Information Systems Reliability and Electronic Commerce impact the accounting profession? Describe each of these services. What should students learn about them in the classroom?

Introduction

In today's changing economic and technological environments, business opportunities for Certified Public Accountants (CPA) are rapidly increasing. Businesses are basing decisions more and more from sources other than financial statements. This practice has lead to a demand for more value-added services. New assurance services like WebTrust, Electronic Commerce and Information Systems Reliability have emerged to meet these demands. With these new services come new skills required to perform these services. As the market for these services are sure to impact the accounting profession and CPAs, student, who will be CPAs, will be affected as well.

Impact on the Accounting Profession

The Special Committee on Assurance Services was created by the American Institute of Certified Public Accountants to identify, develop, and bring to market, new assurance services (AICPA 12). The Committee defines assurance services as: "Independent professional services that improve the quality of information, or its context, for decision makers" (AICPA 13). Assurance services are intended to provide value for decision-makers. Naturally, such services are only purchased when they are worth more than they cost.

New assurance services have been embraced by the accounting profession because of threats to the current accounting industry. There has been a decline in the use of decision making information represented by the traditional Generally Accepted Accounting Principle (GAAP) financial report. According to a number of studies, investors and creditors have needs

1

Decision Maker Information Sources

Sources of Information

Other sources

Financial statements

1900   year   2000
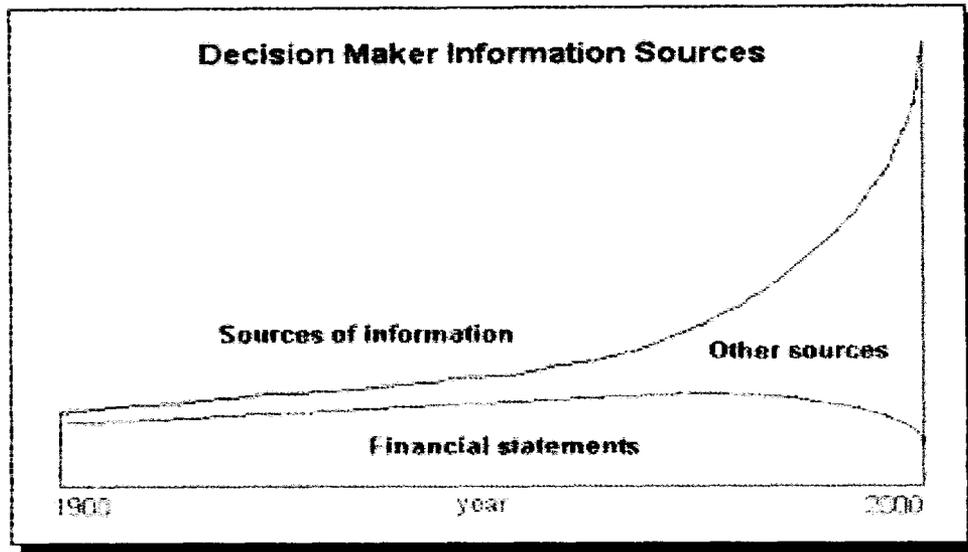
(AICPA 7)

that are not being met by the information currently provided by CPAs. This trend is expected to

increase in the future.

Businesses are requiring more information dealing with continuing business processes and

industry benchmarks rather than pure financial statement information. This would seem to spell

the end for the traditional audit, but the traditional audit does continue "to reduce the cost of

capital, improve market liquidity and promote confidence in the market (AICPA 7)." In spite of

these offerings, GAAP financial statements contribute a lower proportion of the value of decision-

making information as compared with the past.

The opportunity of these new assurance services has yet to be realized fully by the

accounting profession. That is, the opportunity for increasing business, expanding services, and

attracting new clients. The professional characteristics of CPAs make them the obvious choice to

perform the assurance services of WebTrust, Electronic Commerce, and Information Systems

Reliability. With a reputation for independence and objectivity, and possession of skills that are naturally suited for assurance services, the potential exists for great growth and expansion of the duties of a CPA. Surprisingly, very few new skills would be needed to harness this growth. As the chairman for the AICPA electronic commerce assurance services task force, Everett Johnson states, "...CPAs have the technology skills to get into this area" (Koreto). As this technology progresses, so will the opportunities presented to CPA firms.

Demand for New Assurance Services

The following chart graphs the trend of traditional CPA accounting and auditing services for the years 1989 to 1995, on an inflation-adjusted basis. The lack of growth in traditional services spells out the need for new assurance services. In this new market, competition will be fierce as CPA firms strive to develop and implement these new services.

A&A Revenue (Billions of 1995 Dollars)
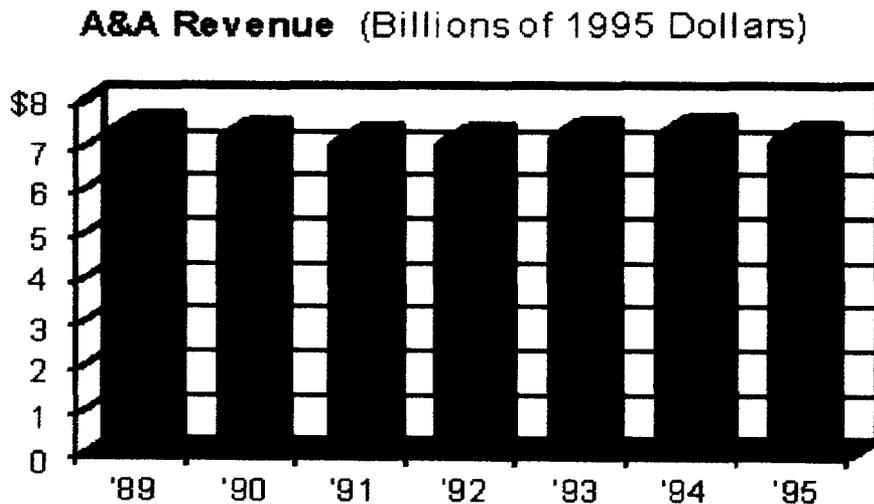
(AICPA 11)

Within the CPA industry itself, price competition among firms will hold down revenues

from traditional services and will cause every firm to explore new services. A survey of 21 firms (four of which were among the six largest firms in the country) resulted in a list of 239 assurance services for which there is a demand (AICPA 8). Such services include: verification of collateral, strategic self-assessment tool, policy and procedure preparation, internal auditing for ISO 9000 and industry surveys (AICPA 8). The potential for these new services is incredible. Almost any business could have a need for one type of assurance service or another.

Competitive Environment

CPA firms need to understand existing and future competitors and how each will compete to be able to compete successfully themselves. New assurance services will be market-driven, meaning that demand will not be created by a statute or regulation, but rather by the consumer of the service. In addition, these services will not be limited to licensed CPAs which widens the scope of possible competitors.

The accounting industry must prepare for competitors possessing certain traits that may give them a competitive edge providing assurance services. The AICPA outlines six possible characteristics that could threaten the possible success of CPAs.

First, competitors might be highly capitalized. Due to the reliance on technology of these new services, a large competitor might be able to raise large amounts of debt or equity to finance leading edge technology acquisitions (AICPA 11). Possessing new technology could provide a better basis for learning new skills and providing a higher quality assurance service.

Second, CPAs are heavily regulated by states, competitors that are nonCPAs do not have to contend with this issue. These regulations can limit the types of engagements a firm can

accept, the types of fees a firm can charge, and the types of reports a firm can issue (AICPA 11). A nonCPA company therefore is more flexible in what it can offer a possible client and thus is in a better position to provide the necessary service.

Third, part of the regulatory oversight of CPAs is to ensure high standards of work in examination services. A lack of standards might lead some nonCPA competitors to exploit new opportunities and be more willing to take risks. The old saying, "the early bird gets the worm," exemplifies this issue. While a CPA firm is moving according to the standards of the industry, a nonCPA firm has no such constraints and will move more freely in the market place to capitalize on opportunities.

Fourth, is the issue of subject matter. While CPAs are proficient in performing assurances, nonCPA competitors will possess a greater knowledge in specific subject-matter knowledge (i.e. Web page technology). This could be detrimental to CPAs if users value the subject-matter knowledge more than the assurance skills.

Fifth, is the access some companies might have to large databases. These new services revolve around the ability to provide information. Some companies could have access to public or proprietary databases granting them a larger well of information to draw upon when conducting an assurance service.

Last, is the threat posed by organizations that provide certifications that sound like CPA but are not (AICPA 11). These organizations might try to "erect barriers to exclude CPAs from providing certain services" (AICPA 11). However unlikely this sounds, it is another source of competition.

The competitive environment seems daunting to the accounting industry when analyzing

the possible ways that nonCPA companies might hold a competitive advantage, but CPAs have advantages of their own that will need to be highlighted when offering new assurance services. CPAs have a reputation for independence, access to clients, concern for the public interest (i.e. the shareholder), and quality practices in place (AICPA 11). The accounting profession has a high reputation for integrity and quality that is unmatched in the business world. These factors more than any, differentiate the CPA from competitors. Success in offering new assurance services rests in the ability of accounting firms to apply this reputation to these services.

Competencies

"Competencies include both what individual auditors know and what individual auditors and audit teams do. Competencies are evidenced by auditors applying their skills in the delivery of services to clients or supporting the delivery of those services" (AICPA 10). Inherent to any CPA are certain skills that are required for success in the profession. The Special Committee on Assurance Services outlined 19 competencies that are relevant to the provision of assurance today:

Accounting and auditing standards	Capacity for work
Administrative capability	Communication skills
Analytical skills	Efficiency
Business advisory skills	Intellectual capability
Business knowledge	Learning and rejuvanation
Understanding client's busines processes	Marketing and selling
Managing audit risk	Relationship management
Model building	Responsiveness and timeliness
People development	Technology
Verification	

(AICPA 10)

These competencies have served accountants well in the past, but to succeed in delivering new services, accountants will have to focus on developing new skills.

There are five key areas of competencies that are imperative to the practice of new assurance services. According to the Committee on Assurance Services, developing the following competencies in the next decade will be vital to achieving success in practicing new assurance services. These five areas are: customer focus, migration to higher value-added information activities, information technology, pace of change and complexity, and competition (AICPA 9)

Because assurance services are meant for the benefit of decision makers, assurers need to understand user decision processes and how information should enter into those processes (AICPA 9). First, there must be an understanding of the needs of the user. By knowing what the user needs, a CPA can determine the appropriateness of a service and help determine which services are applicable. Second, communication skills must be well developed. Good communication skills help to better assess the situation and convey to a client what is required of them. Third, there must be a relationship with management. Management must feel as if they can trust the CPA, to fully accept any recommendations offered. Last, the CPA must be responsive and timely in dealing with a client. It serves no purpose to perform a service if it was only relevant last month. CPAs must be current with the client's needs.

As noted earlier, the price of traditional services are leveling out. That means that new services must provide more value to the client to make them appealing. To do this, the service must transform information into knowledge, such as evaluating business activities. This will require greater analytical skills, business advisory skills and a greater understanding of the client's business processes.

With new assurance services focusing on information, this puts an all new emphasis on information technology. The AICPA states that "...as information specialists, assurers need to embrace information technology in all of its complex dimensions" (AICPA 9). To embrace information technology means understanding how it is transforming all aspects of business. This specifically includes businesses using web pages and updating information systems. If a CPA is truly to be considered an information specialist, he/she must learn to competently use new developments in hardware, software, communications, and memory in his/her practice.

Possibly the most difficult competency for a CPA to attain deals with the pace of change and complexity in the today's business environment. This will require a life-long learning commitment to maintain up-to-date knowledge and skills. CPAs must have the intellectual capacity to understand the changing environment along with the ability to learn and rejuvenate oneself to accept changes and new problems.

The last area of competency will be the ability of the CPA to compete effectively in the market place. Assurers need to develop marketing skills and the ability to see clients' information and assurance needs, and meet those needs quickly and cost-effectively (AICPA 9). To stay competitive, CPAs must develop and possess marketing and selling skills, the ability to understand customer needs, and the capability to design and deploy effective solutions (AICPA 9).

It is the view of the Special Committee on Assurance Services, that if a CPA firm is to successfully practice new assurance services, then careful attention must be placed on the preceding five areas. As new services grow, so will the demand for better skills and competencies in those five areas.

Electronic commerce

The use of electronic commerce became a vital part of many businesses during the 1980s. Electronic data interchange (EDI) is the inter-company execution of transactions electronically and substantially without supporting paper documentation (AICPA 1). This is used by almost all large companies when their vendors need to place orders, to notify them of shipments, and to send invoices. It is also utilized by many smaller suppliers, transportation companies, and banks. EDI has led to the use of just-in-time inventory management, rapid response to changing customer buying patterns, and lower costs through the elimination of paper and its related processing activities (AICPA 1).

A common use of EDI is the electronic connection between manufacturers, wholesalers, and retailers which allows business transactions to be completed without any paper-based evidence. Another example is electronic systems between primary and secondary health care providers and third-party payers. Initially, electronic commerce was primarily used by businesses that worked together and had contractual agreements. It has been expanded to include individual buyers as well.

The types and volume of electronic commerce are growing rapidly. It is used for electronic shopping, banking and financial transactions, and expanded network services. Although the efficiency of many businesses has increased, there are also some new problems that must be addressed. Many of these new areas of electronic commerce involve transactions between parties who do not know each other. This increases the risk in areas such as business practices, transaction integrity, and information protection (AICPA 2). Because electronic transactions and documents can be easily altered, duplicated, or lost, their integrity is fragile. This

can result in disputes over the terms of a transaction or the content of a document.

Consumers also want to know that businesses are protecting private customer information. Proper controls must be used effectively. Without them, valuable information (such as credit card numbers) could be intercepted by outsiders. Security breaches may also include unauthorized access to corporate networks, Internet/Web servers, and even access to a consumer's Internet connection such as his or her home computer (AICPA 2).

This increase in risk provides an opportunity for CPAs. When performing an attest engagement, an understanding of the client's internal control structure is essential. CPAs can expand services to include providing assurances to electronic commerce participants that service providers, that tools and systems are functioning in accordance with accepted criteria for integrity and security (AICPA 1).

"*Integrity services* provide assurance that (1) the elements of a transaction or document are as agreed among the parties, and (2) the systems that process and store transactions and documents do not alter those elements. *Security services* provide assurance that (1) the parties to transactions and documents are authentic and that such transactions and documents are protected from unauthorized disclosure, and (2) the systems that support transaction processing and storage provide appropriate authentication and protection" (AICPA 1). Assuring the integrity and security of electronic commerce allows CPAs to offer consulting services to clients that previously did not exist.

In the marketplace, the CPA has established competencies in systems and control environments and a reputation for integrity, confidentiality, independence, and objectivity. Although some new training would be needed, CPAs are the most qualified professionals to

provide these new services. Existing client relationships would be a logical starting point; new

clients that may not need the traditional services would also be attracted to utilize public

accounting firms. "As CPAs successfully diversify their assurance services, they will position the

profession, as a whole, to expand its market permissions by demonstrating broader expertise and

helping clients achieve their goals. All CPAs will benefit from this process" (Elliott and Pallais 1).

As more CPAs perform these new assurance services, the accounting industry will distinguish

itself as the most qualified profession in the field of electronic commerce assurance.

WebTrust

One of the most promising areas for growth for CPAs is in the CPA WebTrust assurance

service. It has been designed by the American Institute of Certified Public Accountants (AICPA)

and the Canadian Institute of Chartered Accountants (CICA) to build consumer trust and

confidence in electronic commerce by monitoring and evaluating Web business practices.

Business-to-consumer commerce web sites will be assessed to assure they meet defined criteria

for standard business practices and controls over transaction integrity and information protection

(AICPA 3).

The CPA WebTrust criteria examines three broad principles: business practices

disclosures, transaction integrity, and information protection. First, the web site operator must

disclose its business practices for electric commerce transactions and execute transactions in

accordance with its disclosed business practices (AICPA 3). Some examples would include how

long it takes to fill an order or a return. Second, the web site operator must maintain effective

controls to ensure that customer's orders placed using electric commerce are completed and billed

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as agreed (AICPA 3). An example would be sending the customer a confirming e-mail message after the order is placed. Last, the web site operator must maintain effective controls to ensure that private customer information is protected from uses not related to its business (AICPA 3). For example, a company's servers should use appropriate technology to encrypt private customer information.

To obtain the WebTrust seal of assurance, an entity must meet all the WebTrust principles as measured by the WebTrust Criteria associated with each of these principles. In addition, the entity must (1) engage a CPA or Canadien Chartered Accountant practitioner, who has been specifically licensed by the AICPA or CICA, to provide the WebTrust service and (2) obtain an unqualified report from such a practitioner. However, only those elements of internal control that are relevant to processing electronic commerce transactions will be evaluated (AICPA 2).

The entity will be able to continue displaying the assurance seal provided that the assurance examination is updated on a regular basis, not to exceed three months. Also, the entity must inform the practitioner if any significant changes take place that might affect their ability to continue meeting the WebTrust Principles and Criteria, or the manner in which they are met (AICPA 2).

The AICPA joined forces with VeriSign, a world-renowned provider of digital certificates, to issue the WebTrust seal. VeriSign developed the seal to be difficult to forge and revocable if an organization does not meet the prescribed criteria.

Example of WebTrust Seal

Every site that displays the seal will be linked to an online listing so individuals can easily locate web sites that have passed the CPA WebTrust evaluation (AICPA 3).

The AICPA commissioned the Yankelovich Partners, a leading marketing research and consulting organization headquartered in Norwalk, Connecticut, to conduct a study to assess the views of online users toward purchasing products on the Internet and the reaction to the new CPA WebTrust concept. The majority of the results were positive, as summarized by the AICPA. Most online users say they would not provide information about their income (91%) or give out their credit card number (85%) when shopping online. More than three-quarters of online users (78%) have a favorable impression of the CPA WebTrust product concept. Finally, almost half of online users (46%) report that the CPA WebTrust seal would make them more likely to conduct an online transaction (AICPA 3).

There are some different scenarios regarding the payment for the services CPAs would provide. The users of home pages could pay CPAs directly through credit card charges or e-money to gain confidence that the business is operating under acceptable standards (AICPA 4). Alternatively, sponsors of the home page could pay for the assurance as a service to users; this would establish their credibility to potential customers.

There are both benefits and costs toCPAs when dealing with assurance services. There would be access to a new market and a change in the contracting methodology. Also, they would be able to provide incremental, discriminatory pricing models such as providing different levels of assurance on different bits of information on a single home page. However, if it is apparent that a CPA has provided an assurance service and there is only one level of assurance available, anyone who knows a CPA is involved does not need to pay for the assurance to get it. Also, the CPA

might not be able to control who gets access to the assurance, such as through chat groups (AICPA 4).

Overall, the increased use of electronic commerce creates great opportunities for CPAs. Expansion into new areas of assurance services, such as WebTrust, promises to be a very lucrative business move for CPA firms. The only formal requirement to become licensed to perform WebTrust engagements is a one-day seminar. However, a CPA must be competent in areas such as hardware security devices, server technology, firewalls, and communication protocols, as well (Koreto 63).

Information Systems Reliability

With technology so prevalent in business, today more than ever, a reliable and accurate information system is a requirement for success. Competition mandates that a business be able to respond quickly to market threats and opportunities, and a reliable information system gives a business this capability (AICPA 5). Management's main concern with an information system is that the information coming from the system is of a quality that can serve as a basis for decision making (AICPA 5).

According to The Report of the Council of Sponsoring Organizations of the Treadway Commission (COSO), there are four elements that determine the quality of system-generated information: timeliness, how current it is, accuracy, and accessibility (AICPA 5). Is the information useful at the current time, is it the latest available, is the data going into the system accurate, and is the information easily obtainable by members of the organization? If an Information System meets these criteria favorably, then management has a greater ability to make

appropriate decisions.

In addition to management, external users have an interest in the quality of the information coming from a business's information system. Outsiders that rely upon entity-created information, other than audited financial statements, are concerned in knowing the reliability and timeliness of the information they are using (AICPA 5). Without a formal method of assurance, external users will have questions as to the reliability of the data they use.

From businesses and consumers alike, there is a demand for an assurance service of information systems. In performing such a service, a CPA must study a system and analyze the possible causes of defects in the data to determine if a system avoids them (AICPA 5). The goal in performing this assurance service is to verify that a system is producing reliable data and that it is designed to continue to produce reliable information. This is performed through two services, management and external.

During management service, a CPA assesses a client's internal systems to determine if they provide reliable information for the managing of business to achieve its goals (AICPA 5). This differs from existing attestation services in that it does not relate to systems that produce data for financial statements, nor does it require management to assert in writing its belief that the system is reliable (AICPA 5). This is important because a CPA should report directly on his or her own evaluation of the system rather than management's.

The external service finds a CPA monitoring the functioning of a system to ensure that it provides reliable data. This can be on a regular basis, but ultimately it will be on a continual basis that will require computer based evaluations. Data flowing through a system will be analyzed and evaluated using CPA-defined rules and any exceptions to these rules will trigger immediate

attention on the part of a CPA to potential problem areas (AICPA 5). This "real-time" assurance will be consistent with a user's real-time access to data contained in the system (AICPA 6). Without this, a user might assume that an information system, that was proven reliable a month ago by a CPA, is operating effectively, when in reality the information produced has ceased being reliable due to changes in the system within the past month. Real-time assurance will be made possible because of improvements in the reliability of systems from massive redundancy, software agents, sensors, and software reliability (AICPA 6).

In terms of the accounting profession, information systems reliability assurance is a service that will increase dramatically in demand as companies realize the importance of a reliable information system. Knowing that their internal system is capturing useful information will bring about the capability for better management of many businesses (AICPA 5). Also, a company will be able to provide assurance about their system to trading partners who might insist on such assurance (AICPA 5). With the market for information systems reliability estimated in the billions of dollars and the gap between auditing and this assurance service very small, CPAs will be asked to perform this task more and more frequently (Elliott and Pallais 2).

A CPA has three competitive advantages over system specialists who might compete for this same service. First, a CPA's access to client personnel and relationships already established with a client. Second, CPAs' reputation for independence and objectivity. Last, the familiarity a CPA has with controls integrated in financial reporting systems. These three advantages show that CPAs carry with them certain abilities and training that make them suitable to conduct assurance services on information systems.

The Classroom

What should students know in relation to new assurance services? Is it an educator's role to teach students about new assurance services or is that the duty of CPA firms that employ college graduates? Dr. Gwendolyn White, assistant professor of accounting at Ball State University states that, "The classroom is not the proper medium to teach about new assurance services. Web technology and computer technology is changing so rapidly that anything taught now will be outdated by the time a student graduates and starts working." With this in mind, is it more beneficial for colleges to instill an adequate foundation of accounting skills or act as a trade school?

Robert K. Elliott, in the December 1995 issue of *Accounting Horizons*, argues in his article entitled, "The Future of Assurance Services: Implications for Academia," that the attest function will be broadened to the assurance function. Elliott continues to point out that in all likelihood, future professionals will receive some sort of training at the college level in the wider scope of these services (Elliott). If this was to happen, one problem that would develop would be the necessity of accounting programs to adapt to the changing demands of the accounting practice. The ramifications of this would be serious. As an accounting program redefines itself, it might find itself competing with other disciplines.

Another problem, is that at Ball State and many other colleges there are many factors that limit how much can be taught. Ball State, to meet certain accreditation standards, requires that half of an undergraduate's credits come from outside the College of Business. The purpose of

such a standard is to ensure students are well rounded. Although the accounting program at Ball State will soon be changing its curriculum to a 150 credit hour program, this problem still remains. The only solution would be to replace some current business courses with more accounting courses, but how do you weigh such a trade-off?

Instead of teaching the specifics, Dr. White recommends that students would benefit more by pursuing a minor in MIS or Computer Science to enhance their understanding of information systems and computer technology. There is also a need for enhanced communication skills with an emphasis on customer needs (Elliot and Pallais 2). There is very little benefit from teaching a particular assurance service at the college level. If anything, students need to know what types of services are being performed; this will allow students to realize what skills they need to develop within themselves. The role of the classroom is to build and develop a foundation of accounting and auditing skills that will enable the student to learn how to perform these assurance services in the future.

Conclusion

New assurance services are important to the future of the accounting profession. Clients of CPAs seeking more value-added services beyond traditional audit services. Decisions are being based less and less on financial statement information and more and more on other sources. New services such as WebTrust and Information Systems Reliability offer a company value that exceeds the cost of the services. While the traditional audit is still the main service of a CPA, these new services are offering more opportunity for CPAs, and more value to clients. As the profession changes to meet the demand of these services, so must the skills possessed by CPAs.

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New competencies must be developed to insure high quality practice of these new services. To meet the changes of the profession, the classroom will undoubtedly experience some changes as well. As these new services grow, so will the demand to change what is taught at the college level. Universities help build solid foundations of basic skills that enable accounting professionals to grow. Colleges and universities must stay focused on building basic skills that are the foundation of a graduate's ability to learn and adapt to new demands such as, for new assurance services.

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1998 Beta Alpha Psi Midwest Regional Meeting

As part of their thesis, we attended the 1998 Beta Alpha Psi Midwest Regional Meeting in Chicago, Illinois on March 13th & 14th, where we delivered a presentation entitled, "New Assurance Services." Our presentation was given during an hour long workshop of student paper presentations, on March 14th. The title of their workshop was, "How will new assurance services change the accounting profession? What should students know about these services?"

Our presentation centered around three new assurance services, Electronic Commerce, WebTrust, and Information Systems Reliability. We discussed where the demand for these services is coming from, the goal of the services, and what skills would be required by Certified Public Accountants. Also discussed was the overall impact of new assurance services to the accounting profession and the growth potential and opportunity that these new services offered. Finally, we discussed what effects these new services might have on the college classroom.

The presentation was attended by about 40 students and faculty representing various chapters of Beta Alpha Psi. In the end, there was a brief question and answer session. At the conclusion of the regional meeting, the host chapters of the meeting rated our presentation as "very good."

Enclosed is a copy of the handout we distributed during our presentation

New Assurance Services

by,
Maria Villa
Daniel Hardern

Beta Alpha Psi
Zeta Omega Chapter
Ball State University

Slide 1: (blank/black)

Slide 2:

What are they?
What do they mean to accountants?
Impact on students?

Current?
Future?

Slide 3:

Intercompany transactions that are done electronically.
Demand for Service
- Manufacturers and Banks [...] heavily upon electronic commerce
- Users of financial services (accounts, credit cards, debit cards, [...])

Slide 4:

Goal of Assurance Service:
- Provide assurance that systems are reliable
- Security of system is not compromised

Requirements of CPAs
- Knowledge of internal controls
- Understanding the interrelationship of systems

Slide 5:

Builds confidence in electronic commerce by evaluating Web business practices.
Demand for Service
- Businesses that own [...] websites, wanting consumer confidence
- Consumers wanting assurance of reliability of website

Slide 6:

Goal of Assurance Service:
- Examination of transaction integrity, information protection, and disclosure of business practices

Requirements of CPAs
- License to perform WebTrust (required by AICPA)
- Extensive knowledge in various computer technologies

Assurance that information system is reliable accurate and provides a basis for quality decision making

Demand for Service
- Management of organizations requiring timeliness, accuracy, and accessibility of information
- Consumers ... expect reliable and timely information

Goal of Assurance Service:
- That system-generated information is
  - timely
  - accurate
  - ...
  - ...

Requirements of CPAs
- Knowledge of MIS
- Knowledge of Internal Controls

Growth
- Expanding services for current clients
- Attracting new clients
- Money, Money, Money (increasing revenue)

Should students learn about these new assurance services in the classroom?

Factors to consider:
- Accreditation standards
- Practicality of teaching new services
- Rapidly changing technology

What should be taught:
- MIS and/or Computer Science
- Communication skills