

# Institutional Effectiveness Report

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## Assessment Summary

**Department or Division:** Accounting and Finance

**Degree Program:** BBA in Accounting

**Contact Person:**

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**Assessment Cycle** (academic or calendar year): 2008-2009

**Mission** (Consistent with VSU's mission, and identical to mission statement as published online and in the current VSU catalogs)

The courses in the undergraduate accounting program:

(1) provide an understanding of the importance of accounting systems and financial disclosures for profit-seeking entities and not-for-profit organizations; (2) teach students how to acquire, process, and (3) provide rigorous preparation for accounting careers in industry, analyze information; government, and public practice.

**Expected Student Learning Outcomes** (Identical with outcomes published online and in the current VSU catalogs)

The accounting program is structured to ensure that on graduation, accounting graduates are able to:

1. Demonstrate fundamental knowledge in the functional areas of accounting: financial and managerial reporting, taxation, information systems and auditing.
2. Explain ethical and legal responsibilities of an accounting professional
3. Apply computer technology skills in an accounting context
4. Apply and perform research techniques in an accounting context

The following grid maps the learning outcomes to the accounting courses in which they are assessed:

Major Courses	LO#1	LO#2	LO#3	LO #4
ACCT 3201	x			x
ACCT 3202	x			
ACCT 3400	x			
ACCT 4410	x		x	
ACCT 4500	x	x		x
ACCT 4800	x	x		

**Assessments** (include when and to whom these are administered, and align goals with specific assessments):

Major LO #1 was assessed in applicable upper level division courses during the 2008-2009 academic year using specific - course related learning outcomes. A learning outcome was satisfied if students were able to achieve a score of 70% or better.

A discussion of each functional knowledge area's assessment follows:

### **Financial Reporting**

The financial reporting knowledge area was assessed in ACCT 3202 during the fall 2008 semester. Five course related learning outcomes were used to assess Major LO#1 with a sample of the students who successfully completed the course used for assessment purposes (n=11). Course-embedded examination questions were used for assessment purposes.

The learning outcomes are:

1. Students will be able to define property, plant, and equipment (PPE) assets, be able to properly identify costs to include in initial valuation of PPE, properly calculate interest capitalization for self-constructed assets, and calculate depreciation of assets using various methods.
2. Students will be able to recognize and define intangible assets, and discuss the issues related to amortization and impairments, including those related to goodwill.
3. Students will be able to describe the nature, type, and valuation of both current and long-term liabilities and identify criteria used to account for and disclose gain and loss contingencies.
4. Students will be able to record various transactions involving corporate stock (including common, preferred, and treasury), as well as the reporting of corporate stock in the financial statements
5. Students will be able to record various transactions involving debt and equity securities, and illustrate how these are reported in the financial statements.

**Results** – Learning outcomes #1-3 achieved satisfactory scores of 75% or higher, while learning outcomes #4 and #5 received scores of 50% and 67% respectively.

### **Managerial Reporting**

This knowledge area was assessed in ACCT 3400 during the spring 2009 semester. Two course related learning outcomes were used to assess the LO, with a sample of the students who successfully passed the course used for assessment purposes (n=13). Course-embedded examination questions were used for assessment purposes.

The learning outcomes are:

1. Students will be able to prepare various budgets for single product and multi-product firms.
2. Students are able to allocate joint costs using the physical volume method and the Net Realizable Value method and make decisions based on joint cost allocations.

**Results** – Learning outcome #2 received a satisfactory score of 92%, with learning outcome #1 receiving a 54% score. These scores are improvement from the previous assessment of 56% and 44% respectively.

### **Information Systems**

Information systems knowledge was assessed in ACCT 4410 during the fall 2008 semester using twelve course related learning outcomes. The entire class was used for assessment purposes (n=29). Course-embedded examination questions were used for assessment purposes.

The learning outcomes are:

1. Students will be able to define and/or describe basic AIS concepts
2. Students will be able to identify, list, and/or describe basic concepts associated with transaction (business) cycles and the data processing cycle
3. Students will be able to identify, define, and/or describe basic concepts associated with systems development and documentation techniques

4. Students will be able to identify, list and/or describe basic concepts associated with fraud (including computer fraud)
5. Students will be able to identify, list, and/or discuss basic internal control concepts
6. Students will be able to list, define, and/or discuss the Systrust ® five (5) Principles of Systems Reliability
7. Students will be able to describe the information flows between the transaction cycles and the information flows to the general ledger and reporting system (g/l & r/s).
8. Students will be able to identify, list, and/or describe the specific business activities of the transaction cycles and the g/l & r/s.
9. Students will be able to identify, list, and/or describe the specific documents in the transaction cycles and g/l & r/s.
10. Students will be able to identify, list, and/or describe the specific information technologies in the transaction cycles and the g/l & r/s.
11. Students will be able to identify, list, and/or describe the specific application controls and general controls within each of the transaction cycles & g/l & r/s.
12. Students will be able to list, define, and/or discuss various reports produced by an AIS

**Results** – All learning outcomes received satisfactory scores of 70% or better

### Taxation

Taxation knowledge was assessed in ACCT 4800 during the spring 2009 semester using four course related learning outcomes. A sample of the students who successfully completed the course was used for assessment purposes (n=20). Course-embedded examination questions were used for assessment purposes.

The course related learning outcomes are:

1. Students will be able to identify and record the elements of gross income
2. Students will be able to identify and record allowable deductions and credits
3. Students will be able to explain and record the capital gain transactions  
Students will be able to apply tax concepts to unstructured problems and correctly determine taxable income

**Results** - Students failed to achieve the 70% proficiency level for any objective.

### Auditing

Auditing knowledge was assessed in ACCT 4800 during the fall 2008 semester using one course related learning outcome were used to assess this learning outcome. The students who successfully completed the course used were used for assessment purposes (n = 37). An audit simulation comprehensive project was used for assessment purposes.

The course related learning outcome is:

1. Students will be able to demonstrate an understanding of auditing concepts including (a) the financial statement assertions, (b) an understanding of internal controls, and (c) the ability to communicate audit results

**Results** – Students received a satisfactory score of 70% or better on the above learning objective

### **2008-2009**

- Assessment Results (submit an electronic file of aggregate data collected in the appendix):

Students successfully demonstrated knowledge in the functional areas of information systems and auditing, but not in financial and managerial accounting, and taxation (Major LO #1). Major LO #s 2-4 will be assessed in the next assessment cycle.

The detailed assessment results are provided in an appendix

- Discussion/Dissemination of Results (assurance of transparency):

Students are achieving the desired outcome in the information systems and auditing area. The financial accounting and managerial accounting continues to show improvement, but students continue to struggle in the taxation area.

- Modifications Made:

The financial accounting instructor will continue to emphasize the weaker assessment areas (corporate stock, and debt and equity securities) in class discussions and exercises. Also, the managerial accounting instructor will continue to use an additional class exercise to reinforce the major points surrounding the weaker assessment area (allocated joint costs).

In the taxation area, the instructor is making the following adjustments for spring 2010 – (a) assign more homework problems in the assessment areas since repetition should help retention, (b) narrow the scope of the course by eliminating some of the more arcane rules, and (c) continue to use comprehensive problems while incorporating more content on the difficult areas of gross income items, allowable deductions, and capital gains/losses.

**No program level changes are deemed necessary at this time.**

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<u>Dept. Head/ Director</u>	<u>Date</u>	<u>Dean</u>	<u>Date</u>	<u>VPAA</u>	<u>Date</u>
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Adapted from: University of Alabama SACS site (<http://sacs.ua.edu/degreeInfo2.cfm?college=2&dept=50>) and

University of Western Kentucky SACS Accreditation Review Process (<http://www.wku.edu/sacs/assessmentmanual.htm>)