

**Detailed Assessment Report**  
**2010-2011 Accounting BSBA\***

**Mission/Purpose**

Supporting the missions of the University of Southern Mississippi and the College of Business, the School of Accountancy (SoA) has its own unique mission. The School of Accountancy's mission is to provide a quality educational experience for accounting students in the Gulf South region enrolled in the Bachelor's and Master's degree level programs. This educational experience includes mastering associated business and communication skills, and extends beyond the classroom to include interacting with the accounting and business community. An integral part of this mission is to prepare students for launching a successful career in the accounting profession. To accomplish this mission, the SoA strives to produce BSBA graduates who are competent in entry-level business and accounting positions, and have the educational background necessary for advancement in public, corporate, and governmental accounting organizations. The accounting curriculum includes the breadth and depth of business and accounting knowledge needed to ensure that graduates of the program possess the skills necessary to succeed in these organizations.

The accounting program also provides quality accounting education to non-accounting students who choose to increase their knowledge of accounting. School of Accountancy faculty are actively engaged in scholarly, professional and pedagogical research to extend the knowledge boundaries of the accounting discipline while maintaining currency of their academic qualifications as well as the School's curriculum. Faculty also fulfill institutional and professional service responsibilities, establishing and maintaining close ties with accounting firms located within the Gulf South region, thereby enabling the School of Accountancy to better serve this important constituency.

**Student Learning Outcomes, with Any Associations and Related Measures, Achievement Targets, Findings, and Action Plans**

**O 1: Communicate Effectively in Writing**

Students will be able to demonstrate the ability to communicate effectively in writing.

**Related Measures:**

**M 1: Writing skills on case solutions**

Writing skills on case solutions are evaluated using rubrics in the following financial accounting courses: ACC 325 (one case), ACC 327 (two cases), and ACC 401 (two cases).

Source of Evidence: Academic direct measure of learning - other

**Achievement Target:**

The rubrics used to assess writing skills will measure key traits such as problem identification, grammar usage, depth of analysis, writing style, etc. Assessment of students' performances will be made within each financial accounting course. For courses with more than one case assignment, the assessment rubric will be applied to the final case of the semester. For ACC 325 in Hattiesburg, the rubric assessing writing skills will evaluate the students' performances along four attributes considered important for effective written communication. For each trait, a student's performance will be scored in one of three levels (i.e., needs improvement=1, proficient=2, or exceeds expectations=3). The coast ACC 325 class is taught by a different instructor than in Hattiesburg. The coast instructor administered a different case and rubric for evaluating writing skills than the ones used in

Hattiesburg. The coast rubric will measure a single trait reflecting writing skills. This trait will capture a student's "ability to communicate the response succinctly and effectively in written form." Individual students will be assessed on this trait as follows: did not meet expectations=1 met expectations=2 exceeded expectations=3. Because writing skills progress across the accounting curriculum and because it is anticipated that students entering the accounting major (i.e., ACC 325) will not demonstrate proficient writing skills, the assessment of writing skills in ACC 325 is used as a baseline for measuring subsequent improvement. Therefore, no achievement target is assigned to ACC 325. ACC 327 is taught by the same instructor on both campuses, and he uses the same cases and rubrics to evaluate writing skills at both locations. ACC 327 follows ACC 325 in the sequence of accounting courses. In ACC 327 the instructor will provide students with a summary of basic grammar rules and will instruct them on how to prepare appropriate written solutions to accounting cases. On the second and final case in ACC 327, students will be evaluated along four traits (i.e., problem identification, grammar, professional presentation, and writing style). Each trait will be assessed as follows: needs improvement=1 proficient=2 exceeds expectations=3. The achievement target will have been met if the mean score for all traits assessed equals or exceeds 2.0 (proficient). ACC 401 (which follows ACC 327 in the financial accounting sequence) is taught by the same instructor on both campuses, and he will use a rubric for evaluating writing skills similar to the one used by the ACC 327 instructor and Hattiesburg ACC 325 instructor. The achievement target will have been met if the mean score for all traits assessed equals or exceeds 2.0 (proficient)

**Findings (2010-2011) - Achievement Target: Met**  
**ACC 325 (Assessment Baseline)**

In **Hattiesburg ACC 325**, students were assessed on writing skills as follows:  
 did not meet expectations=1  
 met expectations=2  
 exceeded expectations=3

Mean scores for the rubric follow:

Attribute	Mean Score
Problem identification	1.24
Grammar	1.88
Professional presentation	1.38
Writing style	1.47

The mean score for the written communication trait in **ACC 325 on the coast** was 1.81. ACC 325 is taken by accounting students in the first semester of their junior year, and they are not necessarily expected to have good writing skills at this point. Indeed, on both campuses, the students in ACC 325 demonstrated relatively weak writing skills with mean scores in this area below a 2.00 (i.e., the “proficient” or “met expectations” level).

**ACC 327** (which follows ACC 325 in the sequence of financial accounting courses) was taught by the same instructor on both campuses, and he used the same cases and rubrics to evaluate writing skills at both locations. In ACC 327 the instructor provides students with a summary of basic grammar rules and instructs them on how to prepare appropriate written solutions to accounting cases. On the second

and final case in ACC 327, students are evaluated along four traits (i.e., problem identification, grammar, professional presentation, and writing style). Each trait is evaluated as follows:

needs improvement=1  
 proficient=2  
 exceeds expectations=3

The mean scores for these traits on the two campuses are as follows:

Attribute	Mean Score	
	Hattiesburg	Coast
Problem identification	2.06	2.13
Grammar	2.00	1.93
Professional presentation	2.00	2.00
Writing style	2.06	1.93

Thus, by the second case in ACC 327 students had made significant improvement in their writing skills compared to the skills demonstrated in the prior course (i.e., ACC 325). For example, on each of the four writing traits on both campuses, the mean scores in ACC 327 fell around 2.00 (i.e., the “proficient” level). On all four traits combined, 87.5% and 95% of the Hattiesburg and coast students, respectively, scored at the “proficient” level or above.

Not surprisingly, since the students had already performed writing assignments in ACC 325 and ACC 327, they demonstrated good writing skills in ACC 401 on both campuses. The students are assessed in ACC 401 along the same four traits evaluated in ACC 327 (i.e., problem identification, grammar, professional presentation, and writing style) and are assessed on each trait as follows:

needs improvement=1  
 proficient=2  
 exceeds expectations=3

The mean scores in ACC 401 for the four writing traits on the two campuses are as follows:

Attribute	Mean Score	
	Hattiesburg	Coast
Problem identification	2.00	2.11
Grammar	2.11	2.07
Professional presentation	1.95	2.09
Writing style	2.05	2.20

Notice that, except for professional presentation in Hattiesburg, the mean scores on all traits on both campuses were at or above 2.00 (i.e., the “proficient” level). Even the mean score for professional presentation in Hattiesburg was virtually at this point (i.e., 1.95), and for this trait in Hattiesburg 14 of the 19 students (i.e., 73.7%) performed at the “proficient” level or above. For the four traits combined, 80.3% and 84.3% of the Hattiesburg and coast students, respectively, scored at the “proficient” level or above.

In summary, based on the assessment of writing skills longitudinally across the curriculum, the achievement target was met.

**Further discussion:**

The assessment results for 2010-2011 indicate that the learning objective for written communication skills is being met. Students display difficulty with their writing skills when they enter the upper division accounting classes (i.e., in ACC 325) but by the time they graduate the students have developed adequate writing skills. During the course of their junior and senior years, students are given numerous writing assignments in their sequenced accounting courses (i.e., ACC 325, 327, and 401). These writing assignments are formally evaluated for assessment purposes so that changes in writing skills occurring during the program can be determined. In addition to these writing assignments evaluated for assessment purposes, students are also required to prepare several writing assignments in other accounting courses as well (e.g., in ACC 320, 402, 407, and 409). The point here is that the assessment team believes the road to effective writing skills involves practice. On each case assignment, students are given feedback on what could be improved in their writing skills. Just like any other talent, writing skills improve with practice and constructive feedback. The assessment team feels that the current system is working and recommends no changes to the curriculum. The present structure of case assignments should be maintained in the future with appropriate assessment measures used to ascertain if this learning objective continues to be met.

**M 2: ACC 407 Writing Assessment**

Writing skills are evaluated using rubrics for required case studies in ACC 407 (Governmental Accounting).

Source of Evidence: Project, either individual or group

**Achievement Target:**

Although two assignments will be made, only the last assignment will be evaluated in ACC 407. This course (Governmental Accounting) is taught by different faculty between the two campuses who used different cases and evaluation rubrics. For the coast ACC 407 class, the evaluation rubric for the case assignment will contain multiple questions dealing with various issues in the case. One particular trait evaluated by the rubric pertained to writing (i.e., "the student demonstrates the ability to communicate the response succinctly and effectively in written form"). A student's performance will be evaluated as follows: did not meet expectations=1 met expectations=2 exceeded expectations=3. The coast ACC 407 achievement target will have been met if the mean score for the single trait assessed equals or exceeds 2.0 (met expectations) For ACC 407 in Hattiesburg, the rubric assessing writing skills will assess students' performances along multiple attributes that will then be translated into scores of one (lowest) to four (highest). The achievement target will have been met if 80 percent or greater receive a score of 3 (out of 4) or greater.

**Findings (2010-2011) - Achievement Target: Met**

Late in the accounting curriculum, an assessment of writing skills was made in ACC 407, which is governmental accounting. All other classes involving the assessment of written communication were in sequenced financial accounting courses (i.e., ACC 325, 327, and 401). The AOL team wanted at least one writing assessment performed outside of financial accounting; hence the evaluation in ACC 407. During the 2010-2011 academic year, the only accounting prerequisite for ACC 407 was ACC 325. So, ACC 407 contained a

mixture of students with some who had already completed ACC 401 and thus had been through all the formal writing assignments in the financial sequence and a few others who were taking ACC 407 concurrently with ACC 327. Two writing assignments were made and graded in ACC 407, with the final assignment evaluated for assessment purposes. The course was taught by different faculty between the two campuses who used different cases and evaluation rubrics.

For the Coast ACC 407 class, the evaluation rubric for the case assignment contained multiple questions dealing with various issues in the case. One particular trait evaluated on the rubric pertained to writing (i.e., "the student demonstrates the ability to communicate the response succinctly and effectively in written form").

A student's performance was evaluated as follows: did not meet expectations=1, met expectations=2, exceeded expectations=3

The students' mean score for this trait in the coast ACC 407 class was 2.23, which is well above the "met expectations" level and suggests that overall the coast students demonstrate "proficient" writing skills.

On the final writing assignment in the Hattiesburg ACC 407 class, 28 of the 30 students completing the assignment received four out of four points available on the assessment rubric related to writing skills. The instructor, accordingly, concluded that the students' writing skills by the end of this course clearly met his expectations.

## **O 2: Demonstrate competency in current technology.**

Students will be able to demonstrate competency in current technology.

### **Related Measures:**

#### **M 3: Information Systems Case**

A primary venue for assessing technology competence is a rubric applied to a comprehensive case assigned in ACC 309, which is an accounting systems course.

Source of Evidence: Academic direct measure of learning - other

#### **Achievement Target:**

The rubric will measure primary spreadsheet (i.e., Excel) skills, including formula auditing, complex IF statements, and complex calculations using VLOOKUP and range means. The same instructor teaches ACC 309 on both campuses and will use a similar assignment for assessing spreadsheet skills at both locations. The assessment rubric evaluated the following four traits related to spreadsheet skills: Trait 1 - Format spreadsheet to facilitate understanding of the content, including grouping and filtering. Trait 2 - Accurately audit formulas. Trait 3 - Use of complex IF statements. Trait 4 - Accurately perform complex calculations, using VLOOKUP and range names. For each of these four traits, a student's performance was rated as either "unacceptable," "acceptable," or "proficient" (i.e., high performing). The achievement target will have been met if 70 percent of students assessed demonstrate "acceptable" or greater spreadsheet skills for all four traits assessed. In addition to assessing spreadsheet skills, the ACC 309 instructor for the first time will assess a student's basic understanding of XBRL and its capabilities, which will be the sole trait measured in an XBRL project. A student's performance on this trait will be evaluated as "unacceptable," "acceptable," or "proficient" (i.e., high performing). The achievement target will have been met if 70 percent of students assessed demonstrate "acceptable" or greater understanding of XBRL.

**Findings (2010-2011) - Achievement Target: Met**

The results for the four traits on the assessment rubric applied to the ACC 309 spreadsheet project on the two campuses are as follows:

**Hattiesburg campus:**

	<u>% of students</u>		
	<u>Unacceptable</u>	<u>Acceptable</u>	<u>Proficient</u>
Trait 1	5%	86%	9%
Trait 2	0%	45%	55%
Trait 3	14%	77%	9%
Trait 4	14%	68%	18%

**Coast campus:**

	<u>% of students</u>		
	<u>Unacceptable</u>	<u>Acceptable</u>	<u>Proficient</u>
Trait 1	0%	67%	33%
Trait 2	4%	81%	15%
Trait 3	15%	52%	33%
Trait 4	26%	56%	18%

As shown above, students on both campuses performed reasonably well on the four spreadsheet traits with, generally, only a small percentage performing at the “unacceptable” level. The primary exception, however, is the performance of the coast students on Trait 4 (i.e., accurately performing complex calculations using VLOOKUP and range names), where 26% of the students scored at an “unacceptable” level. The ACC 309 instructor notes that a mitigating circumstance that could explain this less than stellar performance on the coast for this trait is that the coast class was taught in one-half a semester and met only once a week for eight weeks. The Hattiesburg class met all semester with two class periods each week. With only eight class periods, the coast students did not have time to try a task and come back the next week for further instruction. Plus, there was a widely varying level of technology skills in the coast class, which combined with a relatively large class size, made it difficult for many of the coast students to understand the examples in class.

The results for the XBRL project for the Hattiesburg and coast campuses are as follows:

Understanding XBRL capabilities:

	<u>% of students</u>		
	<u>Unacceptable</u>	<u>Acceptable</u>	<u>Proficient</u>
Hattiesburg	0%	45%	55%
Coast	0%	37%	63%

Thus, all students on both campuses performed at an “acceptable” level or above on the XBRL assignment.

**Further discussion:**

ACC 309 focuses heavily on technology skills, with an emphasis on spreadsheets. Assessment results show that on both campuses, the overwhelming majority of students in this course performed at the “acceptable” level or above on all four spreadsheet traits evaluated in their comprehensive project. Thus, even though the students had trouble in demonstrating effective spreadsheet skills as beginning juniors (i.e., in ACC 320), they seem to have developed adequate skills by the time they complete ACC 309, which is typically taken by students after the first semester of their junior year (i.e., after they’ve taken ACC 320). Still, though, almost 26% of the coast ACC 309 students performed at an “unacceptable” level on the trait evaluating their ability to accurately perform complex calculations using VLOOKUP and range names. It appears this difficulty stems from the fact that these students took the course in a short (i.e., 8w2) semester that did not allow them adequate time to learn and place into practice these more difficult functions within Excel. To prevent this from recurring in the future, the assessment team recommends that ACC 309 not be taught in half semester sessions on either campus but instead be taught in full semester terms only. ACC 309 was taught in a shortened semester on the coast in the fall 2010 to accommodate the instructor who was unable to teach a full semester that term. This restriction no longer exists, and so there should be no reason for teaching ACC 309 in a shortened semester in the future. It should also be noted that occasionally some upper-level accounting courses are offered in a shortened (i.e., eight week) semester to facilitate spring internships. However, based on the assessment findings this year for ACC 309, the AOL team recommends this course not be considered a viable candidate for a spring mini-term session.

Even though noticeable improvements in spreadsheet skills occurred between ACC 320 and ACC 309, the ACC 309 instructor noted that there is still room for improvement as a large portion of the students on both campuses to perform at a “proficient” (i.e., high performing) level on the traits evaluating the use of complex IF statements and VLOOKUP to select the data required. She feels that students need more courses requiring spreadsheet assignments (i.e., in essence, spreadsheets across the curriculum) in order for them to develop the comfort level needed to perform as accountants. The AOL team concurs with the ACC 309 instructor on this point and recommends that at least one assignment using spreadsheets be incorporated into every upper-level accounting course, with the exception of ACC 480 (advanced business law) and ACC 409 (auditing). In addition, the team recommends that a significant spreadsheet assignment be used in ACC 401 (advanced accounting) for assessment purposes. This senior level course provides a natural place to evaluate the spreadsheet skills of students nearing completion of the program and covers a topic (i.e., consolidations) that is well suited for a major spreadsheet assignment. Thus, in addition to requiring spreadsheet assignments across the curriculum, three key courses, (i.e., ACC 320, 309, and 401) will be designated as having assessment responsibility for spreadsheet skills. With these three classes taken at various stages of the program, the assessment results would allow the AOL team to more clearly gauge the improvements occurring in the students’ spreadsheet skills over the course of the program than is possible at the present time. The addition of a major spreadsheet project in ACC 401 for assessment purposes, however, creates a significant assessment burden on this class as it is already scheduled for assessment in relation to research and writing skills (i.e., two assignments) as well assessment of research skills associated with online databases such as WRDS (i.e., one assignment). In the past, the

assessment of research skills associated with WRDS occurred in ACC 402. However, beginning in the fall 2011, ACC 402 along with its assessment responsibilities will be collapsed into ACC 401. Thus, to lessen the assessment load in ACC 401 and make the addition of spreadsheet assessment feasible in this course, the assessment team recommends eliminating the requirement for assessing research of online databases (i.e., WRDS) in this course. The team recommends that for assessment purposes this skill be evaluated in ACC 327 in the future.

Spreadsheet skills represent an important component of a student's ability in the area of technology but not the only one. In last year's assessment report, the team recognized the importance of students understanding the need for and capabilities of XBRL as a reporting format. The team recommended last year that ACC 309 include coverage of XBRL both for testing and assessment purposes. This change was recommended not because of previous assessment findings, but because the team realized that changes were needed in the curriculum to stay abreast of current practice (i.e., financial statements submitted to the SEC must now be provided in XBRL format). In the current year (i.e., 2010-2011), the ACC 309 instructor covered XBRL mainly from an informational perspective. The students were required to read about XBRL on Web based materials to learn about its structure and technology as well as the reasons for the accounting profession's requirements for its use. The assessment of the students' understanding of XBRL and its capabilities suggest that this goal was achieved this year (i.e., all of the coast and Hattiesburg ACC 309 students scored at the "acceptable" level or above on this trait). Thus, this demonstrates a positive "closing of the loop" in our assessment process in that a prior year's AOL report recommended changes to the curriculum to keep it current with practice, the recommended changes were made to the curriculum this year, and assessment testing indicates the changes produced the desired results.

Even though the ACC 309 instructor covered XBRL this year (i.e., 2010-2011), she was unable to acquire the software needed for students to complete sample tasks of creating and retrieving data using XBRL because the software underwent a major overhaul by the developer and was unexpectedly unavailable for installation in our labs. The long-time ACC 309 instructor retired effective June 30, 2011, and has been replaced by a new instructor. The assessment team recommends that the new instructor continue the inroads into teaching XBRL made by the former instructor but expand them and acquire the software for our labs needed for students to get hands-on experience using XBRL to create and retrieve data. The team further recommends that the SoA Director follow up with the ACC 309 instructor on this issue and secure the funding needed to acquire the software. Assuming the software is acquired and operational by spring 2011, the team also recommends that the ACC 309 instructor assess the students' hands-on ability to create and extract financial information using XBRL via a project and an evaluation rubric. An "Action Plan" that entails the above was initiated in last year's assessment report; this plan has been extended through this year's assessment cycle.

#### **M 4: ACC 320 Data Analysis**

Assessment of technology competence is measured in ACC 320 by rubrics applied to assigned research exercises. These exercises demonstrate the ability of students to access online databases, import data into Excel spreadsheets perform appropriate analyses within Excel, and communicate their results and make recommendations based on their analyses.

Source of Evidence: Academic direct measure of learning - other

### **Achievement Target:**

ACC 320 (Cost Accounting) is taught by different instructors on the coast and Hattiesburg campuses, and they use different assignments and rubrics for evaluating spreadsheet skills. In the coast ACC 320 class, students were required to use the WRDS database to collect data related to revenue and selling, general and administrative expenses and use that data to perform a regression analysis using Excel and make recommendations to management. The students were required to present all results using Excel. The assessment rubric for this project evaluated the following three traits: Trait 1 - Understanding of the WRDS database and including relevant data into the spreadsheet analysis. Trait 2 - Understanding of regression analysis in cost accounting using Excel. Trait 3 - Communicating results using Excel and making recommendations to management based on the analysis. In the Hattiesburg ACC 320 class, the spreadsheet assignment required students to take data provided by the instructor and produce and link several operating budgets (e.g., sales budget, cash budget, etc.). Students were told before the assignment was made that they would be evaluated on the following two traits: Trait 1 - Demonstrating the ability to produce an acceptable Excel spreadsheet of their own design. Trait 2 - Communicating the information in the spreadsheet in an organized and readable manner. On each of the above traits, a student's performance was rated as either "exceeds expectations," "meets expectations," or "below expectations." The achievement target will have been met if 70 percent or greater of the students assessed in every trait "meets" or "exceeds" expectations.

### **Findings (2010-2011) - Achievement Target: Partially Met**

#### **Coast**

A student's performance on each of the above traits was evaluated as either "exceeded expectations," "met expectations," or "did not meet expectations." For the 23 students completing the assignment in the coast ACC 320 class, the results for each of the three traits in the assessment rubric are as follows:

Trait 1:

% of

Exceeded expectations Students  
(85-100% correct) ..... 31%

Met expectations

(70-84% correct) ..... 52%

Did not meet expectations

(< 70% correct) ..... 17%

Trait 2:

% of

Exceeded expectations Students  
(85-100% correct) ..... 22%

Met expectations

(70-84% correct) ..... 39%

Did not meet expectations

(< 70% correct) ..... 39%

Trait 3:  
% of  
Exceeded expectations Students  
(85-100% correct) ..... 30%

Met expectations  
(70-84% correct) ..... 57%

Did not meet expectations  
(< 70% correct) ..... 13%

The above results indicate the primary area where students had difficulty was the second trait (i.e., understanding regression analysis using Excel) where 39% of the students performed at the “did not meet expectations” level.

### **Hattiesburg**

The results for the two traits on the assessment rubric for the Hattiesburg ACC 320 class are as follows:

	<u>Trait 1</u>	<u>Trait 2</u>
Exceeds Expectations	24.4%	51.2%
Meets Expectations	19.5%	19.5%
Below expectations	56.1%	29.3%

For trait 1, students were evaluated on their ability to enter data into a spreadsheet, manipulate the data to produce the required budgets through the use of cell formulas in each budget, and link the budgets through the use of cell formulas. As indicated above, a large portion of the students struggled with this trait, as 56.1% of them performed at the “below expectations” level. For trait 2, students were evaluated on the organization of the worksheet through the use of appropriate descriptions of all parts of the budget calculations as well as the readability of their work (i.e., a reader could follow all the steps taken to produce the budgets). Overall, the students performed fairly well on this trait with over 70% of them scoring at the “meets expectations” level or above.

### **Related Action Plans (by Established cycle, then alpha):**

For full information, see the *Action Plan Details* section of this report.

#### **Increasing ACC 320 Technology-related assignments on the Coast campus**

*Established in Cycle: 2009-2010*

The coast ACC 320 instructor recommends and the assessment team concurs with the following changes to address this outcome. In ...

#### **ACC 320 Research Exercises**

*Established in Cycle: 2010-2011*

In the Hattiesburg ACC 320 class, a large portion (i.e., 56.1%) of the students performed at the “below expectations” level on t...

### **M 5: Internship Evaluations**

Upon completion of an internship, the student's supervisor completes a detailed assessment of the student's performance. Assessments are made across multiple learning objectives including competency in current technology, ethical decision-making, and basic accounting knowledge and skills.

Source of Evidence: Field work, internship, or teaching evaluation

#### **Achievement Target:**

On the intern evaluation rubric, an intern's supervisor will rate the student's competency in current technology as follows: below expectations=1 met expectations=2 exceeded expectations=3. The achievement target will have been met if the mean score equals or exceeds 2.0 and no student receives a score of "below expectations."

#### **Findings (2010-2011) - Achievement Target: Met**

On the intern evaluation rubric, an intern's supervisor rated the student's competency in current technology as follows: below expectations=1 met expectations=2 exceeded expectations=3 The mean ratings provided by the supervisors for the Hattiesburg and coast interns were 2.40 and 2.50, respectively, and no students received a "below expectations" rating. Considering that 2.00 represents a "met expectations" rating, these are strong scores and demonstrate that the interns' supervisors believed the students displayed good on-the-job skills in current technology. The achievement target was exceeded.

### **O 3: Demonstrate competency in ethical decision making**

Students will be able to demonstrate competency in ethical decision making.

#### **Related Measures:**

### **M 5: Internship Evaluations**

Upon completion of an internship, the student's supervisor completes a detailed assessment of the student's performance. Assessments are made across multiple learning objectives including competency in current technology, ethical decision-making, and basic accounting knowledge and skills.

Source of Evidence: Field work, internship, or teaching evaluation

#### **Achievement Target:**

On the intern evaluation rubric, an intern's supervisor will rate the student's competency in ethical decision-making as follows: below expectations=1 met expectations=2 exceeded expectations=3 The achievement target will have been met if the mean score equals or exceeds 2.0 and no student receives a score of "below expectations."

#### **Findings (2010-2011) - Achievement Target: Met**

An assessment rubric on the performance of interns was prepared by their supervisors upon completion of their internships. One trait measured in this rubric dealt with a student's ethical judgment, where the supervisor was asked to rate the intern on the following statement: "The intern was able to demonstrate competency in ethical decision making." For the coast interns, the mean score on this trait was 2.50, while the mean score for the Hattiesburg interns was 2.25. No interns on either campus received a

"below expectations" rating by their supervisors in the area of ethical decision making. Therefore, the achievement target of 2.0 was exceeded.

#### **M 6: Auditing course requirement**

Competency in ethical decision making in accounting is evaluated using a rubric applied to a case in ACC 409 (Auditing) to measure two primary traits associated with ethical decision making (i.e., ability to identify an ethical issue, and ability to integrate ethical considerations into the response)

Source of Evidence: Academic direct measure of learning - other

#### **Achievement Target:**

The scale on the rubric for evaluating students' performances on the two ethical decision-making traits in ACC 409 will be as follows: did not meet expectations=1 met expectations=2 exceeded expectations=3. The achievement target will have been met if mean student responses assessing both traits equal or exceed 2.0.

#### **Findings (2010-2011) - Achievement Target: Met**

The **ACC 409** instructor in **Hattiesburg** assigned two ethics cases during the spring 2011 semester and used the second case for assessment purposes. The mean scores on the two ethics traits examined on this case are shown below for the current year (2011) and the four previous years that ethics were evaluated using a case approach in the Hattiesburg auditing class.

Trait 1: Ability to identify an ethical issue.

2011 – 2.35

2010 – 2.26

2009 – 2.18

2008 – 2.11

2007 – 1.84

Trait 2: Ability to integrate ethical considerations into the response.

2011 - 2.29

2010 – 2.24

2009 – 2.15

2008 – 2.08

2007 – 1.39

Note that the results above for the Hattiesburg campus are from two different instructors. One instructor taught auditing in Hattiesburg in 2007 and 2008, while a different instructor taught it in Hattiesburg in 2009, 2010, and 2011.

The current **Coast ACC 409** instructor taught the course in Hattiesburg in 2007 and 2008 and taught it on the coast in 2009, 2010, and 2011; he used the same rubric as applied by the Hattiesburg instructor but it was applied to a different case than the one used in Hattiesburg. The average scores on the two ethics traits for the current and two prior years on the coast campus are as follows:

Trait 1: Ability to identify an ethical issue

2011 – 2.93

2010 – 2.75

2009 – 2.50

Trait 2: Ability to integrate ethical considerations into the response

2011 – 2.87

2010 – 2.78

2009 – 2.56

In addition to the results of the ethics case assessed by the coast ACC 409 instructor in the current year, one exam during the spring 2011 semester included nine multiple-choice questions relating to ethics. The average correct response rate on these nine questions by the coast students was 84%.

Given the assessment results depicted above, the achievement target was exceeded.

**Further discussion:**

The scores achieved on the ethics rubrics in ACC 409 are not necessarily comparable between the coast and Hattiesburg classes because both the cases and instructors (i.e., evaluators) differed between locations, and students at the two campuses have different backgrounds as well. The coast students are older, with many of them working full time positions, while the majority of Hattiesburg students are more traditional in nature. Thus, the life experiences of the students differ between campuses, and these experiences likely color their responses to situations involving ethical dilemmas. Even so, in the 2010-2011 academic year, students on both campuses performed well on the rubrics measuring the two ethical decision making traits in that the means for both locations on both traits far exceeded 2.00 (i.e., 2.00 represents “met expectations”). Overall, this represents an acceptable performance on both campuses.

In addition, on both campuses and for both ethics traits evaluated in ACC 409, the mean scores in the current year (2011) improved relative to the scores achieved in the prior year (2010). Even more noteworthy is that the scores in Hattiesburg, where the traits have now been measured through five assessment cycles, improved each year (i.e., 2007 through 2011). Equally as impressive, the mean scores on both ethics traits have steadily improved on the coast campus for each of the three years they have been measured on that campus (i.e., 2009 through 2011).

The ACC 409 instructors on both campuses have been extremely diligent in their efforts to improve the ethical decision making skills of our accounting students. For example, the coast instructor, who has been conducting ethics assessments for five years (2007 and 2008 in Hattiesburg and 2009 through 2011 on the coast), has added numerous assignments and discussions to enhance his students’ understanding of accounting ethics. He has devoted more class time to ethics and has improved the cases he uses for ethics assessment. As an example, he uses a novella, a fictional account of an auditor’s career, across the semester which requires ten case studies with several of them containing significant ethics components.

In Hattiesburg, the ACC 409 instructor spends class time on specific techniques useful in structuring solutions to ethical dilemmas. She provides students with an example of what an appropriate solution to an ethical dilemma should address (e.g., what points are critical in responding to an ethics issue). Finally, she presents students with a step-by-step outline approach to resolving an ethical dilemma that is illustrated in class, thus providing the students a concrete methodology for writing up their ethics cases.

The efforts of our auditing instructors to improve our students' abilities to recognize ethical dilemmas and formulate appropriate solutions to them have reaped significant rewards as can be seen in the trend of assessment scores in ACC 409 from 2007 to 2011. For example, in Hattiesburg in 2007 the mean scores on the two ethics traits (i.e., 1.84 and 1.39) fell below the 2.0 (i.e., "met expectations") mark and indicated that overall our program was not achieving the learning objective related to ethical decision making. However, as a consequence of our assessment process and the resultant changes to the curriculum over the last few years, the mean evaluation scores for both ethics traits on both campuses now far surpass 2.00 and have continued to improve each year, suggesting our undergraduates are competent in ethical decision making. These continuous improvements in our students' scores represent a clear "closing of the loop" in our assessment process.

The assessment team recommends that both auditing professors maintain their current methods of preparing students for recognizing ethical dilemmas and providing appropriate solutions to them. Cases and rubrics should be applied on both campuses in ACC 409 in the future to ensure this learning objective continues to be met.

As noted above, the learning objective concerning the students' ability to demonstrate competency in ethical decision making appears to be met on both campuses. However, the primary measurement tool in the past has been the assessment rubrics applied to the cases in ACC 409. While the assessment team feels this is an important measure, it also recommends expanding the measurement of this learning objective to other venues. For example, in the spring 2011, the coast ACC 409 instructor also measured this learning objective using embedded multiple-choice questions on one of his exams. The assessment team recommends this procedure be continued on the coast and adopted by the Hattiesburg ACC 409 instructor in the next year.

In addition to evaluating this learning objective in ACC 409, the assessment team believes it should be assessed in the future in ACC 480 as well. Formerly labeled BA 411, ACC 480 (advanced business law) is now under the administrative auspices of the SoA and, thus, provides a natural point to assess further our students' ethical decision making skills (i.e., the course deals with legal issues specifically related to accounting). The assessment team recommends that (if not already doing so) the ACC 480 instructor cover topics related to ethics and the law and embed specific multiple-choice questions on her exams concerning ethics so that the students' understanding of and appreciation for this topic can be evaluated. The same instructor teaches ACC 480 at both campuses and, thus, can use identical questions at each location so that direct comparisons can be made between student performances on the two campuses.

#### **O 4: Demonstrate functional knowledge of basic accounting skills**

Students will be able to demonstrate functional knowledge of basic accounting skills.

#### **Related Measures:**

##### **M 5: Internship Evaluations**

Upon completion of an internship, the student's supervisor completes a detailed assessment of the student's performance. Assessments are made across multiple learning objectives including competency in current technology, ethical decision-making, and basic accounting knowledge and skills.

Source of Evidence: Field work, internship, or teaching evaluation

**Achievement Target:**

The evaluation rubric completed by an intern's supervisor considered several attributes of the intern. An important trait for assessment purposes was as follows: "The intern was able to demonstrate functional knowledge of basic accounting skills." The rating for this attribute fell into one of the following categories: Below expectations = 1 Meets expectations = 2 Exceeds expectations = 3 The achievement target will have been met if the mean score equals or exceeds 2.0 and no student receives a score of "below expectations."

**Findings (2010-2011) - Achievement Target: Met**

The evaluation rubric completed by an intern's supervisor considered several attributes of the intern. An important trait for assessment purposes was as follows: "The intern was able to demonstrate functional knowledge of basic accounting skills." The rating for this attribute fell into one of the following categories: Below expectations = 1 Meets expectations = 2 Exceeds expectations = 3

For this attribute, the mean ratings for the Hattiesburg and coast campuses were 2.20 and 2.50, respectively. No intern was rated below expectations on this trait. The achievement target was therefore exceeded.

For the statement, "The intern was able to demonstrate functional knowledge of basic accounting skills," the mean responses by the evaluators for the Hattiesburg and coast interns were 2.20 and 2.50, respectively. A rating of 2.00 means an intern "met expectations;" thus, for both campuses the interns overall displayed at least adequate accounting skills as evaluated by this important group (i.e., practicing accountants). In addition, no individual intern received a "below expectations" rating. Even though the total number of students assessed in this procedure was only nine (i.e., four on the coast and five in Hattiesburg), the assessment team places heavy weight on this procedure and its outcomes because the evaluators are not faculty but rather independent, objective employers who are extremely knowledgeable of the accounting skills needed to be successful in the workplace. The interns being evaluated are senior level students, and so this procedure captures assessment information near the end of their undergraduate academic careers (i.e., it provides a good assessment of accounting knowledge and skills learned in the program). As our internship program grows in the future, the number of students being evaluated using this procedure will increase too, and the reliability of this assessment procedure will be enhanced as a result. The assessment team believes the intern assessments in the spring 2011 corroborate the assessment findings from our other procedures on this learning objective, and it appears our BSBA graduates possess functional knowledge of basic accounting skills.

**M 7: Transactions cycle case**

In ACC 409 (Auditing), students are presented with a case to demonstrate their understanding of transactions cycles; this represents an appropriate vehicle for assessing their functional knowledge of basic accounting skills.

Source of Evidence: Academic direct measure of learning - other

**Achievement Target:**

On the first trait examined, (ability to identify the need for a cutoff test in order to

determine whether transactions are recorded and included in account balances in the proper period), the mean ratings for the Hattiesburg and coast campuses were 2.18 and 2.45, respectively. On the second trait (ability to identify transactions that are not recorded in the proper period), the mean ratings for the Hattiesburg and coast campuses were 2.15 and 2.53, respectively.

The finding above exceeds the achievement target of 2.0 for each trait. Also it should be noted that different instructors taught ACC 409 on the two campuses, and each instructor used a different assignment for evaluating the students' understanding of transactions cycles.

**Further discussion:**

In an attempt to improve the ACC 409 (auditing) course, enhance the overall accounting program, and positively "close the loop" from the 2007-2008 assessment findings, a transactions cycle chapter was added to the Hattiesburg undergraduate auditing course in the spring 2009. The transactions cycle chapter was added because comments in exit interviews in the 2007-2008 assessment cycle from students who had performed internships with CPA firms indicated these students felt ill-prepared in this area when they performed their internships. Thus, 2008-2009 was the first year this particular assessment procedure was performed in Hattiesburg. In the next year (i.e., 2009-2010), the procedure was continued in the Hattiesburg auditing class and added to the coast auditing class. In the current year (i.e., 2010-2011), the procedure was again performed in the Hattiesburg and coast ACC 409 classes. The two traits that measured a student's understanding of transactions cycles were (1) "ability to identify the need for a cutoff test in order to determine whether transactions are recorded in the proper period" and (2) "ability to identify transactions that are not recorded in the proper period." In the first year (2008-2009), the mean ratings on these two traits in the Hattiesburg auditing class were at or slightly above 2.0 (i.e., "met expectations"), but the assessment team felt these results could be improved by the instructor making two transactions cycles assignments in the next year (as opposed to only one assignment that was made in the prior year). In the 2009-2010 academic year, the Hattiesburg auditing professor made the two assignments as recommended and performed assessment evaluations on the second one. She continued this procedure in the current year (i.e., 2010-2011). The results showed improvement from year to year as the mean rating on the first trait increased from 2.00 in spring 2009 to 2.13 in spring 2010 to 2.18 in spring 2011. The mean rating on the second trait increased from 2.03 in spring 2009 to 2.11 in spring 2010 to 2.15 in spring 2011. In addition to the improved scores in the transactions cycle traits measured in the evaluation rubrics in the last two years in the Hattiesburg ACC 409 class, no students having performed internships (nor their supervisors) have noted the students were ill prepared in this area since we began emphasizing transactions cycles in ACC 409 (and ACC 610 as well). The actions taken in relation to transactions cycles demonstrate a clear "closing of the loop" in our assessment process as a problem was identified through assessment procedures one year, the curriculum was changed the subsequent year, and assessment results for the following cycles (years) suggest the deficiency has been corrected.

Students' understanding of transactions cycles have been evaluated in the coast ACC 409 class for two years (i.e., spring 2010 and spring 2011), and the results have been good both years. On the first trait, the mean scores for the coast ACC 409 classes were 2.56 and 2.45, respectively, for spring 2010 and spring 2011. On the second trait, the mean scores were 2.35 and 2.53, respectively, for spring 2010 and spring 2011. Thus, on both traits for both years that transactions cycles have been emphasized and students' knowledge of them

evaluated for assessment purposes in ACC 409 on the coast, the mean scores have been above the “met expectations” level of 2.00. In addition to the rubrics applied to a transactions cycle case, in the spring 2011, the coast ACC 409 instructor also embedded 12 multiple-choice questions on transactions cycles on one of his exams. Six of these questions were missed by none of the students, and after further review, the instructor determined that for purposes of assessment these six questions were not useful for evaluating whether the students truly understood transactions cycles. The remaining six questions, though, were deemed appropriate for identifying students who understood transactions cycles from those who did not. The mean correct response rate on these six questions was 84%. Combined with the strong scores on the transactions cycle rubrics, this suggests that the coast ACC 409 students possess a relatively good understanding of transactions cycles. The coast auditing professor attributes these positive results to a couple of factors. First, he devoted two class periods to covering the concept of transactions cycles. Second, the transaction cycle evaluated for assessment purposes was the revenue cycle, and the students had exposure to this cycle in other facets of the course as well. For example, the students studied a fictional account of an auditor’s career and studied a five-act video produced by a Big 4 firm, both of which required multiple assignments, several of which had components on transactions cycles. The assessment team believes the current procedures relating to transactions cycles are functioning as desired and recommends these procedures be maintained in the future with appropriate assessment to determine if their positive results continue.

#### **M 8: ETS major field tests**

The performance of USM's senior accounting majors on the accounting portion of the ETS Major Field Tests will be monitored to ensure that USM's accounting majors have acquired functional knowledge of basic accounting concepts and procedures. Results on the ETS exam allow a comparison of USM's accounting graduates with a national cohort of students.

Source of Evidence: Standardized test of subject matter knowledge

#### **Achievement Target:**

The achievement target will be met if mean student scores equal or exceed the 70th percentile in a national ETS Major Field Test.

#### **Findings (2010-2011) - Achievement Target: Met**

In the spring of 2011, USM's senior accounting majors at both the Hattiesburg and coast campuses scored at the 95th percentile nationally on the accounting portion of the ETS exam. This performance significantly exceeded the achievement target of exceeding the 70th percentile. On the accounting portion of the ETS Major Field Tests, USM's senior accounting majors excelled on both campuses, with each group scoring at the 95th percentile relative to all students taking the exam. The ETS exam is nationally normed, and the strong performance of USM's accounting students on the accounting portion of these exams suggests that USM's BSBA graduates in accounting possess functional knowledge of basic accounting skills. Note that these high percentiles may be a bit deceiving, in that USM's accounting students are compared not just to other accounting students but to all business students taking the ETS exam. Thus, one would expect accounting students to outperform other business majors on an accounting exam. Still, however, the cohort of business students includes accounting majors at other universities as well, and scoring in the 95th percentile clearly shows that USM's accounting students performed well. Based on the results of the ETS exam, the assessment team makes no recommendations for curriculum changes relative to this learning objective. The results of

the accounting ETS exam noted above suggest USM's BSBA students possess functional knowledge of accounting. ETS exam results were also quite good in prior years as well. However, two years ago the assessment team felt an additional course embedded measure of this learning objective (i.e., functional knowledge of accounting) should be added to our assessment procedures so we could capture more direct measures of undergraduate accounting students' accounting knowledge and skills.

### **M 9: Student Course Evaluations**

The effectiveness of the BSBA program's preparation of students in the area of basic accounting skills, as evidenced in the responses included in students' course evaluations (sometimes referred to as students' evaluation of teaching or student ratings).

Source of Evidence: Student course evaluations on learning gains made

#### **Achievement Target:**

The student course evaluation contains a survey question (Question #15) in which students are asked to provide an "Overall rating of the course" using a 5-point Likert scale. The ranked order of available responses is: Highest=5, High=4, Neutral=3, Low=2, Lowest=1. This student response will be used as an indirect measure of the effectiveness of the BSBA program's preparation of our students in the area of basic accounting skills. The achievement target will have been met if the mean student response equal or exceeds 4.0.

#### **Findings (2010-2011) - Achievement Target: Met**

As an indirect measure of the effectiveness of the BSBA program's preparation of our students in the area of basic accounting skills, the responses on the students' course evaluations will be examined. In particular, students' responses to the statement "Overall rating of the course" will be evaluated from the broad standpoint of the entire BSBA program. Although the assessment team realizes that students do not necessarily know whether a course has prepared them well for practice (i.e., students have not yet practiced), the team believes that students are knowledgeable about the overall effectiveness of a course in relation to how much they feel they learned in the course. The student course evaluation includes the requirement to provide an "Overall rating of the course" on a 5-point Likert scale Highest=5 High=4 Neutral=3 Low=2 Lowest=1

Students must complete their course evaluations for all courses at the end of the semester before they can view their final grades. Thus, the response rates on these course evaluations are extremely high. Students know they can provide candid responses because faculty members are not provided individual student responses but only summary measures for an entire class. In addition, faculty cannot view the summary course evaluations until the following semester. For assessment purposes, course evaluations are not examined for individual instructors or classes. Rather, the assessment is of the entire BSBA program.

For the Hattiesburg campus, 56 undergraduate accounting courses were taught and evaluated during the fall 2010 and spring 2011, with a total of 1,816 students taking part in these evaluations. The weighted-average score for all BSBA accounting courses in Hattiesburg on the statement "Overall rating of the course" was 4.14.

For the coast campus, 19 undergraduate accounting courses were taught and evaluated during this time period, with a total of 495 students providing evaluations. The weighted-

average score for all BSBA accounting courses on the coast on the statement "Overall rating of the course" was 4.13. Therefore the achievement target was met.

### **M 10: ACC 325 Accounting Cycle Project**

Students' performances on a comprehensive Accounting Cycle Project (ACP) in ACC 325 will be evaluated to determine their basic knowledge of the accounting cycle (i.e., recording and posting journal entries, including adjusting and closing entries, and financial statement presentation).

Source of Evidence: Academic direct measure of learning - other

#### **Achievement Target:**

The assessment on the ACP will be an overall rating on the project for each student. A student's performance will be rated as follows: Met expectations = 3 (very few problems or none at all) Acceptable = 2 (some minor problems) Unacceptable = 1 (major problems). The achievement target will have met if the overall mean assessment equals or exceeds 2.50, and 80 percent or more student performances are "acceptable" or better.

#### **Findings (2010-2011) - Achievement Target: Met**

The assessment on the ACP was an overall rating on the project for each student. A student's performance was rated as follows: Met expectations = 3 (very few problems or none at all) Acceptable = 2 (some minor problems) Unacceptable = 1 (major problems) For the students completing the ACP, the mean performance rating for the Hattiesburg campus was 2.69 with only 9% of the students scoring at the "unacceptable" level. On the coast campus the mean performance rating was 2.68 with none of the students scoring at the "unacceptable" level. Therefore the achievement target was met.

#### **Further discussion:**

In the 2008-2009 assessment report, the assessment team recommended an assessment procedure be used to evaluate students' accounting skills on their comprehensive accounting cycle project (ACP) in ACC 325. As recommended, this evaluation was carried out last year (2009-2010) and continued in the current year (2010-2011). The results column this year shows that the mean scores on the overall evaluations of the students' performances on the ACP for spring 2011 were 2.69 and 2.68, respectively, for the Hattiesburg and coast campuses. The scores are comparable to those achieved last year. Thus, in general, those students who complete the ACP continue to perform above the "acceptable" level (which is a 2.00 rating). The main problem noted by the instructors last year was that a large number of students simply did not complete an ACP. For example, in the spring 2010 ACC 325 classes in Hattiesburg, 22 (35.5%) of the 62 total students did not turn in an ACP. At that time, the failure rate in this course (i.e., first intermediate) was quite high, and it appeared a large number of students took this course without the base level knowledge of accounting needed to successfully complete the course and its assignments. As discussed elsewhere in this report, PACE was implemented in the current year in an attempt to improve the performance of students in ACC 325 by ensuring that students entering this course possessed at least a basic understanding of the accounting cycle. The completion rate of the ACP in the Hattiesburg ACC 325 class indicates that PACE produced positive results as only 6.9% of the students failed to complete their ACP in the spring 2011 (as opposed to 35.5% in the spring 2010, which was prior to the PACE requirement). This demonstrates a clear "closing of the loop" in our assessment process as a problem was identified through a prior year's assessment measures (i.e., low ACP completion rate), changes were made to the curriculum to address the problem (i.e., implementation of PACE), and subsequent assessment testing shows a noticeable

improvement in student performance (i.e., significant enhancement in ACP completion rate post-PACE).

**Related Action Plans (by Established cycle, then alpha):**

For full information, see the *Action Plan Details* section of this report.

**Increase Prerequisites for ACC 325**

*Established in Cycle: 2009-2010*

In addition to the PACE, a second recommendation by the assessment team to attempt to enhance the pass rate of students in ACC...

**PACE Implementation**

*Established in Cycle: 2009-2010*

In the prior year's assessment report, the assessment team noted that assessment procedures in place at that time evaluated th...

**M 11: Principles of Accounting Competency Exam (ACC 325)**

The Principles of Accounting Competency Examination for ACC 325 Intermediate Accounting I allows students to understand their level of preparedness for upper-level accounting work.

Source of Evidence: Faculty pre-test / post-test of knowledge mastery

**Achievement Target:**

Beginning in the fall 2010, successful completion of the Principles of Accounting Competency Exam (PACE) was added as a prerequisite for entrance into ACC 325. Prior years' assessment procedures had revealed an unacceptably low success rate in ACC 325 (i.e., first intermediate), which indicated too many students were entering this course ill prepared for the rigors they would face in this difficult class and in the accounting program in general. PACE was implemented as a means of improving the likelihood that students entering ACC 325 could successfully complete the course by ensuring that the students possessed at least base level knowledge of the accounting cycle prior to taking the course. Students who fail PACE are encouraged to obtain these basic skills and retake PACE or choose a major other than accounting. As noted earlier, the academic year 2010-2011 represents the first year PACE has been used. Thus, comparisons will be made of the pass rates and overall grades obtained in ACC 325 during 2009-2010 (i.e., pre-PACE) and 2010-2011 (i.e., post-PACE). The achievement target will have been met if Hattiesburg ACC 325 experiences discernible increases in pass rates and GPAs. No achievement target can be set for coast ACC 325 during this assessment cycles as coast ACC 325 is implementing an Action Plan aimed at increasing academic rigor which should result in lower pass rates and GPAs. This Action Plan was commenced mid-cycle in 2010-2011, and is first documented in this assessment report. The coast ACC 325 will be included in the achievement target upon conclusion of this Action Plan.

**Findings (2010-2011) - Achievement Target: Met**

The effectiveness of the PACE exam is measured by comparing the successful completion (i.e., pass) rates and average GPAs in ACC 325 for 2009-2010 (pre-PACE) with those in 2010-2011 (post-PACE). The pass rate is defined as the percentage of students earning a "C" or better divided by all students who did not drop the course prior to the six-week

drop date (i.e., the denominator includes students awarded grades plus those receiving WP's and WF's). The average GPA is simply the mean for students receiving a grade in ACC 325. For the Hattiesburg and coast campuses, the pre- and post-PACE results in ACC 325 are as follows:

<u>Year</u>	<u>Pass rate</u>	<u>Avg GPA</u>
<b>Hattiesburg</b>		
2009-2010 (pre-PACE)	38%	1.22
2010-2011 (post-PACE)	60%	1.57
<b>Coast</b>		
2009-2010 (pre-PACE)	83%	2.54
2010-2011 (post-PACE)	69%	2.13

Based on the above results for **Hattiesburg ACC 325**, the achievement target has been met.

The two prior years' AOL reports (i.e., 2008-2009 and 2009-2010) provide in significant detail the justifications for implementing PACE in the current year. Although the benefits of PACE can be numerous, its primary impetus was the high failure rate of students in ACC 325. As noted previously, it appeared that too many students were entering this course without the requisite skills needed for even a chance to complete it successfully. The result was that many students wasted their time and money repeating the course, often multiple times. Thus, PACE is intended to help with student retention and graduation by either diverting students not capable of achieving an accounting degree into other majors or ensuring that students without the basic skills needed for ACC 325 acquire those skills prior to entering the course. In addition, having a number of unprepared students in ACC 325 meant that the instructor could not cover as much material as needed in this course because a significant amount of time was required reviewing/covering basic principles. PACE would thus permit more in-depth coverage of material in ACC 325, as only students demonstrating functional knowledge of the accounting cycle would be allowed in the course. The discussion above concerning the completion rate of the ACP in ACC 325 has already demonstrated a much higher completion rate on this comprehensive project on the Hattiesburg campus in the post-PACE era relative to the pre-PACE period. More importantly, comparisons were also made of the overall pass rates and mean GPAs in ACC 325 pre- and post-PACE. The results column shows that for the Hattiesburg campus, the students' performance in ACC 325 improved dramatically after implementation of PACE. For example, the pass rate in this course increased from 38% the year before PACE to 60% after its implementation. While the mean GPA in this course post-PACE is still relatively low (i.e., 1.57), it is markedly above the mean pre-PACE GPA of 1.22. It should be noted that the improved pass rate and GPA in ACC 325 occurred despite the fact that ACC 325 in the post-PACE year (i.e., 2010-2011) covered three more chapters than had been taught in this class prior to PACE. Relative to the pre-PACE ACC 325, this represents about a 30% increase in the amount of material covered in this class subsequent to PACE.

It was not expected that PACE would allow all students to complete ACC 325 successfully

as this course is still the primary gate keeping course for the accounting program, and one of its main purposes is to complete those students who are willing to do the level of work required in the accounting curriculum. PACE's intent is to help ensure that students coming into this course have the requisite knowledge of accounting needed for them to be able to perform in the class. Passing PACE by no means is an indication a student will actually pass ACC 325, as this is a function of an individual student's willingness to put forth the effort needed to do so. The substantial increase in the pass rate in the Hattiesburg ACC 325 course from 38% (pre-PACE) to 60% (post-PACE) is precisely what the assessment team had hoped for when it recommended implementing PACE. More specifically, a pass rate in ACC 325 of 38% is unacceptably low and suggests that a large portion of the pre-PACE students taking ACC 325 were simply unprepared for the rigors of this course. The assessment team feels the 60% post-PACE pass rate in this course is an acceptable and even desirable metric, as it shows the majority of students taking the course were able to complete it successfully, and yet the course still maintained its gate keeping function, which an academic responsibility of the first intermediate accounting course. These results demonstrate a clear "closing of the loop" in our assessment process as prior assessment procedures identified a weakness in our curriculum (i.e., unreasonably low pass rates in ACC 325 because students were unprepared for this course), changes were made to the curriculum to address the problem (i.e., PACE was implemented to ensure students entering ACC 325 possess functional knowledge of the accounting cycle), and subsequent assessment measures show the changes brought about the desired results (i.e., a significant improvement in the pass rate and performance of students in ACC 325).

The results column for the pre- and post-PACE ACC 325 pass rates and mean GPAs on the coast, however, indicate two distinct points that highlight another problem in need of attention. First, the results show that ACC 325 pass rates and mean GPAs actually declined on the coast after PACE's implementation. This counterintuitive finding occurred because the ACC 325 pass rates and grades have simply been too high in the past on the coast, resulting in an **Action Plan to increase the academic rigor of coast ACC 325**. The decrease in pass rates and GPAs for coast ACC 325 students is consistent with the increase of academic rigor in coast ACC 325 as required in the action plan; this decrease potentially swamps any increase in pass rates and GPAs resulting from PACE implementation. Therefore, an achievement target was not specified for the coast ACC 325 course during the current assessment cycle.

In addition to implementing PACE, a second recommendation by the assessment team last year to attempt to enhance the pass rate of students in ACC 325 is a requirement to increase the prerequisites for the course. Last year, only one accounting principles course is required to be able to enroll in ACC 325. The assessment team recommended last year that the prerequisite for ACC 325 be increased to two accounting principles courses. This recommendation was documented as an "Action Plan" in last year's assessment report, and has subsequently been successfully completed. This change should better prepare students for the rigors of intermediate accounting. The new course prerequisite became effective for the 2011-2012 academic year. Since this requirement was not effective for the current year (i.e., 2010-2011), no assessment testing was performed this year. However, the assessment team recommends that next year the performance of students in ACC 325 be evaluated by comparing grades and pass rates to a prior year when only one principles course was required for ACC 325.

### Related Action Plans (by Established cycle, then alpha):

For full information, see the *Action Plan Details* section of this report.

#### **Increase Academic Rigor in Coast ACC 325**

*Established in Cycle:* 2010-2011

ACC 325, ACC327, ACC 401 (Financial Accounting) In the assessment report for the 2007-2008 academic year, the assessment team ...

#### **M 12: Implementation of IFRS in Financial Accounting Courses**

Beginning in the spring of 2010, coverage of International Financial Reporting Standards (IFRS) was added to all financial accounting courses.

Source of Evidence: Standardized test of subject matter knowledge

#### **Achievement Target:**

In ACC 327 (intermediate Accounting II) the instructor will embed exam questions on IFRS that will be used for assessing the students' knowledge of international accounting standards. On each of four exams, two (of 20) multiple-choice questions (i.e., 4% of exam points) will assess the students' knowledge of IFRS. The achievement target will have been met if mean correct responses equal or exceed 70 percent.

#### **Findings (2010-2011) - Achievement Target: Met**

The average correct response rates on the eight IFRS-based questions for the Hattiesburg and coast campuses were 72.1% and 74.6%, respectively. The overall (i.e., combined) correct response rate for both campuses on multiple-choice questions dealing strictly with U.S. GAAP was 68.9%. Thus, the students performed comparably or even slightly better on their IFRS-based questions relative to their performance on questions addressing solely U.S. GAAP. Therefore the achievement target was met. Last year, as an additional measure of determining whether students possess functional knowledge of basic accounting skills, the AOL team recommended that their understanding of IFRS be evaluated in one of the three courses where this information is taught. Accordingly, this year the students' performance on the embedded IFRS questions on the multiple-choice portions of the ACC 327 exams were evaluated, and it was found that the students correct response rates on the IFRS questions were favorable on both campuses relative to the correct response rates on questions dealing with U.S. GAAP. Thus, the assessment team believes that our BSBA students possess the basic skills and understanding of international accounting standards needed to function in entry level accounting positions. This finding demonstrates a positive "closing of the loop" in our assessment process as a prior year's assessment report identified a change needed to keep the curriculum current with practice (i.e., coverage of IFRS), the change was implemented, and subsequent assessment testing in the present year shows the change produced the desired results (i.e., students possess basic knowledge of international accounting standards). The team recommends no changes to the curriculum relative to teaching international accounting standards but suggests that students' knowledge of IFRS continue to be evaluated as part of the annual assessment process to ensure this objective is met in the future as well

#### **O 5: Research databases**

Students will be able to research databases and formulate appropriate solutions based on this research and logical reasoning.

#### **Related Measures:**

### **M 13: Solve cases requiring research of the professional accounting standards**

Students are required to solve cases in which they are required to research the professional accounting standards in ACC 325 (one case), ACC 327 (two cases), and ACC 401 (two cases) and then report. Students' research skills are assessed using rubrics that measure both their ability to research online data bases; student writing skills are included in this assessment as a written research assignment is required.

Source of Evidence: Academic direct measure of learning - other

#### **Achievement Target:**

On the cases assigned in ACC 325, ACC 327, and ACC 401 two primary research traits will be assessed. The first one will measure a student's ability to locate the appropriate standard in the online Accounting Standards Codification (ASC) needed to solve the case. The second trait will measure a student's ability to apply the standard to the facts of the case and through logical reasoning draw the appropriate conclusion. On each of these two traits, students' performances will be evaluated as follows: unacceptable=1 acceptable=2 exceptional=3 The ACC 401 instructor will use a different form of evaluation rubric than was applied in ACC 325 and ACC 327, yet the rubric will measure the same two traits (e.g., first trait = the ability to research the professional standards, and second trait = the ability to draw an appropriate conclusion). ACC 325, 327, and 401 are financial accounting courses, and the research in these courses involved a common database (i.e., the ASC). Multiple courses will be required to assess this learning objective because the student's ability to successfully perform professional standards research should improve as he/she progresses through the accounting curriculum. It is assumed that most students beginning the accounting curriculum will perform research of the professional accounting standards poorly/unsatisfactorily. Therefore, assessment of ACC 325 will not be assigned an achievement target, but rather will be used as a baseline for measuring improvement across the financial accounting course progression. In ACC 327 and ACC 401, the achievement target will be met if 70% or greater of students assessed perform at "acceptable" or above.

#### **Findings (2010-2011) - Achievement Target: Partially Met**

In the **coast ACC 325** class, the mean score for the first trait (i.e., ability to locate the appropriate standard in the ASC) was 1.94, while the mean score on the second trait (i.e., ability to apply the standard to the case and reach the appropriate conclusion) was 2.00. In the **Hattiesburg ACC 325** class, the mean scores on the first and second traits were 1.15 and 1.03, respectively. It should be noted that different instructors and cases were used between the two campuses, and this likely explains a significant portion of the discrepancy in the performance ratings on the two campuses. The results on the Hattiesburg campus in ACC 325 show that students performed at relatively low levels in terms of this learning objective (i.e., mean scores for both traits **were well below the "acceptable" level of 2.00**).

In the Hattiesburg ACC 327 class on the second and final case of the semester, the mean score on the **first trait** (i.e., ability to locate the appropriate standard in the ASC), was 1.94 with 81.3% of the students performing at an "acceptable" level or above, while the mean score on the **second trait** (i.e., drawing an appropriate conclusion) was 1.91 with 78.1% of the students performing at the acceptable level or above. For the coast ACC 327 class, the mean score on the first trait was 1.80 with 66.6% of the students performing at the "acceptable" level or above while the mean score on the second trait was 1.87 with 60% of the students performing at the "acceptable" level or above. For ACC 327, the

same instructor taught on both campuses and used the same case at both locations. Notice there exists a definite improvement in student performance between ACC 325 and ACC 327 on the Hattiesburg campus. That is, for both traits the students performed at a very “unacceptable” level (i.e., mean scores well below 2.00) in ACC 325. However, by the final case in ACC 327, the students performed at a nearly “acceptable” level on both traits (i.e., mean scores only slightly below 2.00), with the vast majority of the students performing at the “acceptable” level or above.

The improvement in research skills noted in ACC 327 continued in ACC 401. In particular, on the **first trait** (i.e., ability to locate the appropriate standard), the mean score for the coast class was 2.13; Seventy-five percent (75%) of students scored at the acceptable level or above. The mean score for the Hattiesburg class was somewhat lower at 1.84. The same instructor taught ACC 401 on both campuses but did so in different semesters (i.e., ACC 401 on the coast was taught and assessed in the fall, while the Hattiesburg class was taught both fall and spring and assessed in the spring), and unique cases were used each semester. The instructor noted that the discrepancy between campuses in the mean scores on this trait is likely due to the difficult nature of the case assigned in the spring 2011 when assessment occurred for the Hattiesburg ACC 401 class. The case was difficult because it dealt with a truly “gray” area with no specific authoritative source for a solution. Students had to recognize that there was no direct authoritative source on the issue and instead had to rely on other more general standards that had symmetry with the issue. The instructor noted that 13 of the 19 (68%) students in the Hattiesburg class scored at the “acceptable” level or above on this trait, and he felt this was a very good performance given the difficulty of the reporting issue involved in this particular case.

On the **second trait** (i.e., ability to draw an appropriate conclusion based on application of the standard located) in ACC 401, the mean scores on the Hattiesburg and coast campuses were 1.79 and 1.73, respectively. Although these mean scores are somewhat below the “acceptable” level score (i.e., 2.00), they are a bit deceptive in that on both campuses the majority of students scored either at the “acceptable” or “exceptional” levels. In Hattiesburg 16 of the 30 (60%) students scored at the “acceptable” level or above, while on the coast 12 of 19 (63%) students scored at the “acceptable” level or above.

In summary, the achievement target was met by the ACC 327 students in Hattiesburg, ACC 401 students on the Coast (trait 1 only).

#### **Related Action Plans (by Established cycle, then alpha):**

For full information, see the *Action Plan Details* section of this report.

#### **Increase Academic Rigor in Coast ACC 325**

*Established in Cycle:* 2010-2011

ACC 325, ACC327, ACC 401 (Financial Accounting) In the assessment report for the 2007-2008 academic year, the assessment team ...

#### **M 14: ACC 402 (now ACC 401) Data Base Analysis Problem**

In the 2008-2009 assessment report, the AOL team recommended that in addition to researching professional standards, students should be able to research online databases containing empirical data and download selected data from these databases for analysis. Supporting this recommendation, the College of Business acquired the Wharton Research Data Services (WRDS) in 2009, in addition to financial and auditing data bases. Integrating WRDS assignments is now a

School of Accountancy requirement for all upper-level accounting course; this research skill is assessed this year using an assignment in ACC 402. As ACC 402 was phased out in the 2010-2011 academic year, this assessment will be shifted to another course in 2010-2011.

Source of Evidence: Academic direct measure of learning - other

#### **Achievement Target:**

The ability to access an online database and extract empirical data will be evaluated in ACC 402 via an assignment requiring students to use WRDS/Compustat. The course is taught by the same instructor on both campuses, and the same assignment will be given at both locations. To evaluate the students' ability to research an online database containing empirical data, extract data from that database, and formulate appropriate solutions based on research and logical reasoning, the ACC 402 instructor will use the following evaluation criteria to form her overall conclusions: •Successfully retrieved data without additional input from the instructor. •Successfully analyzed data without additional input from the instructor. •Incorporated data in the format as instructed into a written report. The instructor's overall assessment of this learning objective and the students' performance will be categorized as follows: "unacceptable," "acceptable," and "excellent". The achievement target will have been met if the 70 percent of students who performed the exercise are assessed as "acceptable" or "excellent."

#### **Findings (2010-2011) - Achievement Target: Met**

The results of the assessment for empirical data retrieval and analysis in ACC 402 for the Hattiesburg and coast campuses are as follows: Percentage of students in ACC 402 completing the Exercise Campus Unacceptable Acceptable Excellent Hattiesburg 12.5% 71.9% 15.6% Coast 7.5% 66.6% 25.9% Thus, the vast majority of students on both campuses performed at an "acceptable" level or above on the assessment for this learning objective in ACC 402, and the achievement target was exceeded. It is worth noting, however, that a number of good students (i.e., those making "A's" and "B's" in the course) simply chose not to do this assignment, as it was taken up late in the semester at a time when these students realized the points involved in the assignment would move their course grade neither up nor down. This was especially pronounced in the Hattiesburg class. The results above are based on the students who completed the assignment; the results would likely have been even better if the good students had turned in an assignment. The instructor in this course (which becomes ACC 401 in the fall 2011) will take steps in the future to ensure all students perform the WRDS assignment (e.g., by using an earlier due date or making the assignment worth more points).

#### **Further discussion:**

The assessment procedures performed this year indicate that the learning objective that students be able to research databases and formulate appropriate solutions based on this research and logical reasoning is currently being met. The particular databases analyzed were the ASC for financial accounting, GASB standards for governmental accounting, and WRDS/Compustat as a general online database containing empirical data. In the spirit of continuous improvement, the assessment team recommends the addition of a tax research database to the cadre of databases with which our students become familiar. The assessment team has been reluctant to make this recommendation in the past because our undergraduate tax class (i.e., ACC 330) has been required not only for accounting majors but also for general business administration (BA) majors. Tax research was not considered a high priority item for these BA majors and, accordingly, has not been a required component of ACC 330. Recently, however, ACC 330 was dropped as a

requirement for BA majors and is now populated solely with accounting majors. The assessment team recommends a tax research assignment be added to ACC 330 in the spring 2012 requiring students to research the online RIA tax research database and formulate their opinions based on this research. The assignment would count as a part of a student's course grade and also be evaluated for assessment purposes.

**Related Action Plans (by Established cycle, then alpha):**

For full information, see the *Action Plan Details* section of this report.

**ACC 402 WRDS Exercise changed to ACC 401 WRDS Exercise**

*Established in Cycle: 2009-2010*

The spring 2010 semester was the first time our students were required to access the WRDS/COMPSTAT database. It was also the...

**M 15: ACC 407 Data Base Research**

Students are required to solve cases in which they are required to research the governmental accounting standards in ACC 407 and then provide a written report. Students' research skills are assessed using a rubric that measure their ability to research published data bases; student writing skills are included in this assessment as written research assignments are required.

Source of Evidence: Written assignment(s), usually scored by a rubric

**Achievement Target:**

ACC 407 will include two case assignments requiring research of the GASB standards; the second case will be evaluated for assessment purposes. That is, only one research case with a single research trait will be assessed. On this trait, students' performances will be evaluated as follows: unacceptable=1 acceptable=2 exceptional=3 The achievement target will be met if 70% or greater of students assessed perform at "acceptable" or above.

**Findings (2010-2011) - Achievement Target: Met**

ACC 407, Governmental Accounting, requires students to research the GASB standards, which are codified in print form and not online. Last year's AOL report noted a weakness in the students' ability to research GASB standards as they performed at "unacceptable" levels on both campuses. The AOL team felt the students' ability to research GASB standards was much lower than their ability to research financial accounting standards (i.e., the ASC) because of the multiple cases requiring research of the ASC in ACC 325, 327, and 401 but only one case requiring research of the GASB standards (i.e., in ACC 407). To address this deficiency, last year's AOL report recommended making two case assignments in ACC 407 requiring research of the GASB standards with the second case evaluated for assessment purposes. As recommended, this change was implemented in the current year (i.e., 2010-2011). ACC 407 is taught by different instructors between the two campuses. Each instructor used different cases and assessment rubrics, yet both instructors required research of the GASB standards and the students' performances on this trait were evaluated by their respective instructors.

On the second and final case, the coast instructor, who taught the class in the summer 2011, evaluated the **single research trait** on a 3-point Likert scale (i.e., unacceptable=1, acceptable=2, exceptional=3). On this trait (i.e., the ability to locate and reference the appropriate GASB standard), the mean rating for the **coast ACC 407** students was 2.40. In the **Hattiesburg ACC 407** class, 26 (86.7%) of the 30 students received four out of four points on the assessment rubric for the trait related to researching the GASB standards.

Thus, it appears that the changes made to the curriculum this year (i.e., the addition of a second research case in ACC 407) yielded positive results as our assessment procedures suggest the students are now proficient at researching the GASB standards.

Results from the assessment rubric applied to the case in ACC 407 in the 2008-2009 and 2009-2010 academic years indicated problems existed with the students' performances in researching the GASB standards. In 2007-2008, students solved three research cases in ACC 407, but this was cut back to one assignment in 2008-2009 because the AOL team recommended additional cases be added to ACC 401 to ensure that students were exposed to a series of cases over sequenced courses (i.e., ACC 325, 327, and 401). In 2007-2008, with three case assignments in ACC 407, students performed well overall on their third and final case in this course. However, during 2008-2009 and 2009-2010, ACC 407 students had less exposure to researching GASB standards since only one case per semester was assigned; this likely contributed to their poor performances on the assessment rubrics for those years. In last year's (i.e., 2009-2010) AOL report, the AOL team recommended increasing the number of research case assignments in ACC 407 to two, with assessment evaluation to occur on the second case. This was to give ACC 407 students more exposure to researching GASB standards, which should improve their skills in this area.

#### **Further Discussion:**

Last year one of the ACC 407 instructors noted on his evaluation of students' research skills that many of the students were able to research the online ASC in his ACC 401 class. Yet, these same students could not locate the appropriate GASB standard in their research in ACC 407. These are two drastically different databases with one online (i.e., ASC), and the other one (i.e., GASB standards) available only in print form in the library. Because of their extensive exposure to the ASC online database in ACC 325, 327, and 401, many of the ACC 407 students tried to do their research of GASB standards using internet searches. This proved to be inadequate in ACC 407 because much of the detail is not available anywhere except in the actual printed standards. Thus, in last year's assessment report, the team recommended that in addition to increasing the number of case research assignments in ACC 407 the instructors should also emphasize to the students that competent research requires use of the GASB standards in the library rather than an internet search.

The curriculum changes to ACC 407 recommended in last year's assessment report (i.e., to add a second research case and have the instructors emphasize to the students that their research had to be in the printed GASB standards) produced the desired results in the students' ability to research this important database. For example, in 2009-2010 in the Hattiesburg ACC 407 class, only 27% of the students located the correct standard in the GASB codification in their case analysis. In 2010-2011, however, almost 87% of the students on the final case in the Hattiesburg ACC 407 class located the correct standard in the codification. In addition, in the coast ACC 407 class in 2009-2010, the mean score on the research trait was 1.89 (i.e., below the "acceptable" rating of 2.00); however, this score increased to well above the "acceptable" rating (i.e., to 2.40) in 2010-2011. These results clearly demonstrate a positive "closing of the loop" in our assessment process as a problem was initially identified in our 2008-2009 assessment report and confirmed in the following year's report (i.e., 2009-2010) as a systemic and continuing issue, curriculum changes were then recommended and made in an attempt to remedy the problem, and subsequent assessment results in the current year suggest the problem has been resolved. The assessment team recommends the current procedures used to ensure that

students possess the skills needed to research the GASB standards and draw appropriate conclusions from their research be continued in the future along with appropriate assessment evaluations of this learning objective.

**Related Action Plans (by Established cycle, then alpha):**

For full information, see the *Action Plan Details* section of this report.

**Increase Case Research Assignments in ACC 407**

*Established in Cycle:* 2009-2010

In the assessment report for the 2007-2008 academic year, the assessment team recommended adding a case research requirement in ...

**Action Plan Details for This Cycle (by Established cycle, then alpha)**

**Increase projects requiring research databases and analysis**

In the assessment report for the 2007-2008 academic year, the assessment team recommended adding a case research requirement in Acc 325 so that changes in the students' abilities could be evaluated longitudinally during their undergraduate career (i.e., from Acc 325 through Acc 327 and finally in Acc 401) to determine if their research skills improved significantly during the program. Indeed, the 2008-2009 results indicate the students' abilities to research databases and draw proper conclusions based on their research appeared to improve dramatically in the sequence of financial accounting courses as a large portion of the students performed at an unsatisfactory level in Acc 325 but by the final case in Acc 401 the vast majority of students performed at an acceptable level. Based on these results, the assessment team recommends that the current structure of case assignments in the financial accounting sequence of courses be continued in the future with proper assessment to ensure this learning objective continues to be met. Results from the assessment rubric applied to the case in Acc 407 in the 2008-2009 academic year, however, suggest improvements are needed in researching the governmental accounting standards. Almost half the students in Acc 407 performed at a low level on the research case in this course. In the prior year (i.e., 2007-2008), students solved three research cases in Acc 407, but this was cut back to one assignment in 2008-2009 because the assessment team recommended additional cases be added to Acc 401 to ensure that students were exposed to a series of cases over sequenced courses (i.e., Acc 325, 327, and 401). In the prior year, with three case assignments in Acc 407, students performed well overall on their third and final case in this course. However, in 2008-2009, the Acc 407 students had less exposure to researching GASB standards since only one case was assigned; this likely resulted in their poor performance on the assessment rubric this year. The assessment team recommends increasing the number of research case assignments in Acc 407 to three, with assessment evaluation to occur on the third case. This will give Acc 407 students more exposure to researching GASB standards, which should improve their skills in this area. The current assessment procedures measure the ability of students to research the professional standards, which is important. However, the assessment team believes students' research skills should be broadened to include the ability to research databases containing empirical (i.e., financial) data and the ability to download selected data from these databases for analysis. The assessment team recommends that in one or more senior level accounting courses a project be added requiring students to access the Compustat database and import financial data into an Excel spreadsheet for appropriate analysis. The project should be included as part of the course grade and evaluated for assessment purposes as well.

**Established in Cycle:** 2008-2009

**Implementation Status:** Finished

**Priority:** High

**Implementation Description:** This action plan has been subsumed by a new and more demanding action plan commencing in the 2010-2011 assessment cycle.

**Completion Date:** 08/01/2009

**Responsible Person/Group:** Accounting faculty teaching at 300 level and above, Assessment team, Director

### **Introduce students to XBRL technology**

The assessment team recommends that the current assessment procedure in MIS 309 be continued but that the content of this course be broadened to include coverage of XBRL as a financial reporting format. Currently, this technology is not addressed in the curriculum but will soon be the primary reporting format for publicly traded companies. A project or assignment should be given in MIS 309 allowing the students' knowledge of XBRL to be evaluated both for grading and assessment purposes. This change is facilitated by a change in ownership of this course; beginning in academic year 2010-2011 the course will be taught by accounting faculty as a core requirement (Accounting Information Systems).

**Established in Cycle:** 2008-2009

**Implementation Status:** In-Progress

**Priority:** High

**Implementation Description:** Fall semester 2010

**Completion Date:** 09/30/2012

**Responsible Person/Group:** Director

**Additional Resources Requested:** This plan is prefaced on the current plan for the School of Accountancy to acquire (either hire or gain by transfer) an instructor capable of teaching Accounting Information Systems.

### **ACC 402 WRDS Exercise changed to ACC 401 WRDS Exercise**

The spring 2010 semester was the first time our students were required to access the WRDS/COMPUSTAT database. It was also the first exposure to the database for many of our faculty. As such, the ACC 402 instructor was relatively inexperienced with this database as were her students. The research assignment she made was somewhat rudimentary and could even be considered experimental in this first semester. Many of the students simply emailed the COMPUSTAT output to the instructor without first downloading it to an Excel spreadsheet where they could have seen their results were inappropriate. Note that this occurred even though the written instructions told the students to save their output into an Excel spreadsheet. The relatively poor performance of the students in ACC 402 for both campuses shown in the results column were not completely unexpected this initial semester because of both the instructor's and the students' inexperience with the COMPUSTAT database. To improve student performance next year, the instructor has already become more familiar with this database and learned some of the mistakes students can make in using it. She will apply this knowledge to prepare more complete instructions for the students and develop a more substantial project requiring more analysis on the students' part in the using the output from COMPUSTAT. The assessment team agrees with the instructor that these are appropriate changes; research skills for extracting empirical data from an online database and downloading it for analysis will be evaluated next year (i.e., 2010-2011) in ACC 402 to ensure that these changes bring about improved student performance. Anecdotally, ACC 320's instructor was familiar with the WRDS data base and had used it extensively in the classroom at his prior school; his class successfully completed several WRDS requirements during the Spring 2010 semester. This tends to confirm that the results were more a result of instructor inexperience with this data base than student learning. In 2010-2011, this assessment was included in ACC 401, as ACC 402 was phased out. The instructor successfully implemented the assessment, and the achievement target was met. However, there was not full class participation in this exercise as discussed in the findings. Therefore, this action plan will remain active

until the instructor achieves full class participation in demonstrating student ability to access the WRDS database.

**Established in Cycle:** 2009-2010

**Implementation Status:** In-Progress

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 402 (now ACC 401) Data Base Analysis Problem | **Outcome/Objective:** Research databases

**Completion Date:** 09/30/2012

**Responsible Person/Group:** ACC 402 Instructor, Assessment Committee, Director

### **Increase Case Research Assignments in ACC 407**

In the assessment report for the 2007-2008 academic year, the assessment team recommended adding a case research requirement in ACC 325 so that changes in the students' abilities could be evaluated longitudinally during their undergraduate career (i.e., from ACC 325 through ACC 327 and finally in ACC 401) to determine if their research skills improved significantly during the program. Indeed, the 2008-2009 results in last year's assessment report and the 2009-2010 results in the current year's report indicate the students' abilities to research databases (i.e., professional standards) and draw proper conclusions based on their research appeared to improve dramatically in the sequence of financial accounting courses, as a large portion of the students performed at an unsatisfactory level in ACC 325, but by the final case in ACC 401 the majority of students could research the standards at an acceptable level. Yet, the assessment results indicate that many students continue to struggle somewhat even in ACC 401 with being able to the standard they have located to the case and make the most appropriate decision or conclusion. This is not from lack of exposure to these cases, as students have had six unstructured financial accounting cases assigned to them by the end of this three course financial accounting sequence (i.e., ACC 325, 327, and 401). Being able to make these in-depth type of analytical/logical decisions is a main reason accounting students need a fifth year of study, primarily in the graduate program. The assessment team does not recommend adding more financial accounting cases at the undergraduate level but believes the current number is appropriate. Instead, the AOL team recommends that the faculty strongly encourage our qualified undergraduate students, and especially those who intend to enter public accounting to obtain the MPA degree, where their critical thinking skills will be honed dramatically. Results from the assessment rubric applied to the case in ACC 407 in the 2008-2009 academic year in Hattiesburg indicated problems existed with the students' performances in researching the GASB standards. The results for the current year (i.e., 2009-2010) on both campuses confirm this problem was not isolated to the year 2008-2009 but appears to be systemic and continuing. Improvements are needed in researching the governmental accounting standards. In 2007-2008, students solved three research cases in ACC 407, but this was cut back to one assignment in 2008-2009 because the assessment team recommended additional cases be added to ACC 401 to ensure that students were exposed to a series of cases over sequenced courses (i.e., ACC 325, 327, and 401). In 2007-2008, with three case assignments in ACC 407, students performed well overall on their third and final case in this course. However, in the recent past, ACC 407 students had less exposure to researching GASB standards since only one case per semester was assigned; this situation likely contributed to their poor performances on the assessment rubrics for the last two years. The assessment team recommends increasing the number of research case assignments in ACC 407 to two, with assessment evaluation to occur on the second case. This will give ACC 407 students more exposure to researching GASB standards, which should improve their skills in this area. One of the ACC 407 instructors noted on his evaluation of students' research skills that many of the students were able to research the online ASC in his ACC 401

class. Yet, these same students couldn't locate the appropriate GASB standard in their research in ACC 407. These are two drastically different databases with one online (i.e., ASC) and the other one (i.e., GASB standards) available only in print form in the library. Because of their extensive exposure to the ASC online database in ACC 325, 327, and 401, many of the ACC 407 students tried to do their research of GASB standards using internet searches. This proved to be inadequate in ACC 407 because much of the detail is not available anywhere except in the actual printed standards. The assessment team recommends that in addition to increasing the number of case research assignments in ACC 407, the instructors should also emphasize to the students that complete and accurate research requires use of the GASB standards in the library rather than an internet search.

**Established in Cycle:** 2009-2010

**Implementation Status:** Finished

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 407 Data Base Research | **Outcome/Objective:** Research databases

**Implementation Description:** Implementation complete. Monitoring of ACC 407 is included in a new action plan.

**Completion Date:** 09/30/2011

### **Increase Prerequisites for ACC 325**

In addition to the PACE, a second recommendation by the assessment team to attempt to enhance the pass rate of students in ACC 325 is a requirement to increase the prerequisites for the course. Currently, only one accounting principles course is required to be able to enroll in ACC 325. The assessment team recommended this year that the prerequisite for ACC 325 be increased to two accounting principles courses. This should better prepare students for the rigors of intermediate accounting. The new course prerequisite becomes effective for the 2011-2012 academic year. The PACE and the additional accounting principles course prerequisite were added to the curriculum to improve students' performances in ACC 325; the effects of the PACE on the success of students in this course will be evaluated in next year's assessment report.

**Established in Cycle:** 2009-2010

**Implementation Status:** Finished

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 325 Accounting Cycle Project | **Outcome/Objective:** Demonstrate functional knowledge of basic accounting skills

**Implementation Description:** Prerequisites in place.

**Completion Date:** 09/30/2011

**Responsible Person/Group:** Director, School of Accountancy

### **Increasing ACC 320 Technology-related assignments on the Coast campus**

The coast ACC 320 instructor recommends and the assessment team concurs with the following changes to address this outcome. In the current year (i.e., spring 2010), the instructor devoted only one class period to regression in general and using Excel to perform regression analysis. Next year, the instructor will devote two class periods to this topic. The instructor will also add an additional WRDS/Excel/regression assignment earlier in the semester. Thus, when the final and more comprehensive case is assigned, students will be more familiar with the methodology and technology

needed to prepare an adequate solution. Making these changes will bring the coast class in line with the Hattiesburg class where multiple class periods/discussions and assignments are devoted to this particular technology issue

**Established in Cycle:** 2009-2010

**Implementation Status:** In-Progress

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 320 Data Analysis | **Outcome/Objective:** Demonstrate competency in current technology.

**Completion Date:** 09/30/2012

**Responsible Person/Group:** Coast Acc 320 Instructor, Assessment Team

### **PACE Implementation**

In the prior year's assessment report, the assessment team noted that assessment procedures in place at that time evaluated the accounting knowledge of students in upper level accounting courses only. The team believed the level of accounting knowledge gained in the principles courses is also important, but no procedure existed to gauge the knowledge level attained in these courses. The team recommended implementing an entrance exam for students enrolling in the first intermediate accounting course. Such an exam would serve three purposes. First, it would provide assessment results concerning the knowledge gained in the accounting principles courses. Second, it would permit more in-depth coverage of material in the first intermediate accounting course as only students capable of passing the entrance exam would be allowed in this course. Third, it would help with student retention and graduation by diverting students not capable of achieving an accounting degree into other majors (i.e., fewer students would become perpetually stuck in the upper level accounting courses). For administrative reasons, this entrance exam would not become effective until the fall 2010. During the 2009-2010 academic year, data were collected to ensure that such an entrance exam into ACC 325 is needed. In particular, the success rates of students in the first intermediate accounting course (i.e., ACC 325) were examined. For the calendar year 2009, only 44% of the Hattiesburg students who started ACC 325 completed it successfully (i.e., made either an "A," "B," or "C") and could therefore move on to the next accounting course. ACC 325 is a difficult course and is a rude awakening for many students. A significant failure rate in this course is commonplace at most universities as the class is a primary "gatekeeper" to the profession and many students simply do not have the desire to perform at the high level needed for success in accounting. However, the assessment team feels a failure rate of 56% is simply too high and suggests too many students come into the course without the requisite accounting "principles" knowledge necessary for success in ACC 325. Armed with these results, it became apparent to the assessment team that an entrance exam into ACC 325 measuring knowledge of the accounting cycle was indeed needed. Thus, during the 2009-2010 academic year, a committee was formed to develop a Principles of Accounting Competency Exam (PACE ). The committee worked diligently to develop a PACE website that informed students of the exam and provided them ample study guides for the PACE, which included podcasts, a detailed review of the accounting cycle, and practice problems. In addition, several accounting cycle boot camps were held at both campuses to help interested students review accounting principles in preparation for the PACE. The PACE exam was developed and put into place in the fall 2010 semester.

**Established in Cycle:** 2009-2010

**Implementation Status:** Finished

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 325 Accounting Cycle Project | **Outcome/Objective:** Demonstrate functional knowledge of basic accounting skills

**Completion Date:** 09/30/2011

**Responsible Person/Group:** Director, School of Accountancy, Accounting Faculty

**ACC 320 Research Exercises**

In the Hattiesburg ACC 320 class, a large portion (i.e., 56.1%) of the students performed at the "below expectations" level on the trait measuring the students' ability to produce an acceptable spreadsheet of their own design. The instructor noted that a major problem observed when evaluating student performance on this trait was the inability to use logical cell formulas. Several students did not even utilize cell formulas at all but resorted to typing in the data used in the spreadsheets. Glaring errors were also noted in the students' failure to understand how to use formulas to link the budgets together. On the trait measuring the ability to communicate the information in the spreadsheet in an organized manner, the students performed somewhat better, with only 29.3% of the class scoring at the "below expectations" level. The performance of the students in ACC 320 was assessed primarily to provide a baseline for evaluating improvement during the program. However, remedial action is required to improve student learning in ACC 320. In the coast ACC 320 class, the spreadsheet assignment did not involve the preparation of budgets (as was done in Hattiesburg) but instead required students to extract data from WRDS and manipulate and analyze this data using the regression and data analysis functions within Excel. On two of the three spreadsheet traits examined, the coast students performed well with only a small minority of them rated at the "did not meet expectations" level (i.e., 17% on trait 1 and 13% on trait 3). However, on trait 2 (i.e., understanding regression analysis in a cost accounting context using Excel), a significant portion of the class (i.e., 39%) performed at the "did not meet expectations" level. The instructor believes the relatively poor performance on this trait was at least partly due to the fact that only one class period was used to cover regression analysis using Excel. Next year, the instructor plans to use two class periods to enhance the students' understanding of this skill, with one period focusing on basic Excel with simple regression and the second period concentrating on the use of multiple regression within Excel. The assessment team concurs with this proposal and suggests that these skills be assessed again next year to determine if the recommended change to the ACC 320 curriculum produces improved student performance. An Action Plan was implemented last year to address this deficiency in the coast ACC 320 class; this plan is extended through the 2011-2012 assessment cycle. The deficiency arising from the Hattiesburg assessment is a surprise, because the achievement target for last year's assessment for this learning objective was met. In last year's assessment, the instructor used a similar assessment vehicle as the coast instructor (assessing online data bases, downloading into Excel, providing basic analysis (including regression)). Last year three research assignments were required and student progress was tracked. The following is an excerpt from last year's report (*italics*): The final technology assignment in the Hattiesburg ACC 320 class required students to collect data from both the SEC's EDGAR database as well as WRDS and perform analyses of the data using Excel. The purpose of this exercise was to acclimate students to an additional popular online database for accountants. The results of this assignment are shown below. Understanding of accessing data Excel spreadsheet analysis % of students Good to excellent (85-100% correct) 50.0% Adequate (70-85% correct) 33.3% Inadequate ( The assessment conducted for ACC 320 during the current assessment cycle was different that the prior year, as was the instructor. The current instructor assigned a spreadsheet problem which required budget formatting and that budgetary estimates articulate across various budgets (this is a more challenging assignment). This assignment requires more advanced spreadsheet skills than that required by the prior instructor. The prior instructor assessed students on their ability to download online data bases and then conduct rudimentary analyses. As noted previously,

accounting students normally take ACC 320 in the first semester of their junior year. Many of them have taken neither MIS 300 nor ACC 309 at this point of their academic careers, and these two courses are where Excel skills are covered in some depth. Thus, it is not surprising that a significant percentage of ACC 320 students could not demonstrate an ability to use Excel effectively in an articulated budget spreadsheet assignment. In summary, in focusing on the budgetary use of spreadsheets (which is more complex) rather than the download of online data and rudimentary analysis using spreadsheets, the expectation for achieving this learning objective may have been set too high. The assessment team recommends that the ACC 320 instructor return to an assessment that requires research assignments that assess a student's ability to access online data bases, download data into an Excel spreadsheet, and conduct rudimentary analysis. This would better position the assessment of student learning with a student's acquired skill in manipulating Excel spreadsheets, and better align the assessments of Hattiesburg and coast ACC 320 instructors. If the deficiency continues to be observed, then a different action plan will be required in the next assessment cycle. If the deficiency is not observed, the conclusion will be that an inappropriate assessment vehicle was used in the current assessment cycle.

**Established in Cycle:** 2010-2011

**Implementation Status:** Planned

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** ACC 320 Data Analysis | **Outcome/Objective:** Demonstrate competency in current technology.

**Completion Date:** 09/30/2012

**Responsible Person/Group:** Director, ACC 320 Instructor

### **Increase Academic Rigor in Coast ACC 325**

ACC 325, ACC327, ACC 401 (Financial Accounting) In the assessment report for the 2007-2008 academic year, the assessment team recommended adding a case research requirement in ACC 325 so that changes in the students' ability could be evaluated longitudinally during their undergraduate careers (i.e., from ACC 325 through ACC 327 and finally in ACC 401) to determine if their research skills improved significantly during the program. Indeed, the results in the 2008-2009 and 2009-2010 assessment reports (as well as the results for the current year) indicate the students' ability to research databases (i.e., professional standards) and draw proper conclusions based on their research appeared to improve dramatically in the sequence of financial accounting courses, as a large portion of the students performed at an "unacceptable" level in ACC 325, but by the final case in ACC 401 the majority of students could research the standards at an "acceptable" level. Yet, the assessment results indicate that many students continue to struggle somewhat even in ACC 401 with being able to apply the standard they've located to the case and make the most optimal decision or conclusion. This is not from lack of exposure to these cases as students have had five unstructured financial accounting cases, assigned to them by the end of this three course financial accounting sequence (i.e., ACC 325, 327, and 401). Being able to make these in-depth type of analytical/logical decisions is a main reason accounting students need a fifth year of study, primarily in the graduate program. The assessment team does not recommend adding more financial accounting cases at the undergraduate level but believes the current number is appropriate. Instead, the assessment team recommends that the faculty strongly encourage our qualified undergraduate students, and especially those who intend to enter public accounting, to obtain the MPA degree, where their critical thinking skills will be honed dramatically. Although the results overall show a strong improvement in research skills over the financial sequence of courses (i.e., from ACC 325 to ACC 327 and finally to ACC 401), the instructors in ACC 327 and ACC 401 noticed some significant differences between the performance of students on

the coast versus those in Hattiesburg. The ACC 327 instructor teaches this course on both campuses as does the ACC 401 instructor. This provides these instructors a unique view into comparisons in student performance between the two campuses. For example in ACC 327, on the research case evaluated for assessment purposes in the spring 2011, it was noticed that 81.6% of the Hattiesburg students were able to identify the appropriate authoritative source in the ASC at an "acceptable" level or above, while on the coast only 66.6% of the students did so. In Hattiesburg, 78.1% of the students were able to draw an appropriate conclusion to the case based on their research and logical reasoning at an "acceptable" level or above while on the coast only 60% did so. It should be noted that the same research case was assigned and evaluated on both campuses. In ACC 401 in the fall 2010 when the coast students' research skills were evaluated via their performance on the ASC case, the instructor noted that their ability to locate the appropriate standard in the ASC was good and on par with the Hattiesburg students, who were assigned the same case. However, relative to the Hattiesburg class, a much larger percentage of the students in the coast section had difficulty in applying the standard to the case and drawing an appropriate conclusion. The difficulty stemmed from the fact that many of the coast students did not appear to understand that the recognition of an expense and a liability occurs concurrently in an adjusting journal entry for an accrued expense. That is, there was an apparent lack of understanding by coast students concerning the concept and application of an accrual based adjusting entry, which is a topic taught and learned in ACC 325. The information above provides corroborating evidence of what the ACC 327 and ACC 401 instructors have observed over the past several semesters. In particular, relative to Hattiesburg students in ACC 327 and ACC 401 (and especially in ACC 327), the coast ACC 327 and ACC 401 students exhibit a much higher variance in their performances on both exams and out-of-class assignments. For example in the research case evaluated for assessment purposes in ACC 327 in the spring 2011, a slightly higher percentage of the coast students performed at the "exceptional" level relative to the Hattiesburg students. However, much more alarming is that a significantly larger percentage of coast students (relative to Hattiesburg students) performed at the "unacceptable" level on this case. The assessment team has determined that the coast ACC 325 class lacks the rigor needed to prepare students for the challenges they will face in their subsequent financial accounting courses (i.e., ACC 327 and 401). Beginning in the fall 2011, the teaching and primarily the testing and grading in ACC 325 on the coast will be changed to make it more similar to ACC 325 in Hattiesburg. In particular, currently, a heavy portion (approximately 55%-60%) of a student's grade in ACC 325 on the coast is based on work performed outside of class, where a student can get help from other students or additional sources. Thus, it appears that many students have successfully completed ACC 325 on the coast without truly understanding the material covered, which leaves them disadvantaged when trying to handle the difficult topics addressed in ACC 327 and 401. The new format in ACC 325 on the coast will eliminate the heavy use of out-of-class assignments (including take-home exams) in grade determination and instead will largely use in-class exams to gauge students' individual knowledge. Outside assignments will still be given but will count a much lower percentage of a student's final grade than is presently occurring. The new ACC 325 format on the coast will parallel the teaching and testing style not only of ACC 325 in Hattiesburg but of the other upper-level accounting courses as well. The performance of coast students in courses subsequent to ACC 325 (i.e., ACC 327 and ACC 401) will be evaluated in the future to determine if the proposed changes in ACC 325 produce the desired results. In addition, a change in the coast ACC 325 instructor was made with the full support of the two faculty members involved (the switch in teaching responsibilities was suggested by these faculty members).

**Established in Cycle:** 2010-2011

**Implementation Status:** In-Progress

**Priority:** High

**Relationships (Measure | Outcome/Objective):**

**Measure:** Principles of Accounting Competency Exam (ACC 325) | **Outcome/Objective:** Demonstrate functional knowledge of basic accounting skills

**Measure:** Solve cases requiring research of the professional accounting standards |  
**Outcome/Objective:** Research databases

**Completion Date:** 09/30/2012

**Responsible Person/Group:** Director Coast ACC 325 Instructor ACC 327 Instructor ACC 327 Instructor

## Analysis Answers

**What specifically did your assessments show regarding proven strengths or progress you made on outcomes/objectives?**

### **Principles of Accounting Competency Examination (PACE):**

First implemented in Fall 2010, PACE is the Principles of Accounting Competency Examination, which all students enrolling in Intermediate Accounting I (ACC 325) must pass with a score of 70 percent or greater. PACE is designed to allow students to understand their level of preparedness for upper-level accounting work. The exam is graded on a pass/fail basis only. Therefore, a student will not receive an actual score for their grade. The student may obtain their outcome by clicking on the "Competency Exam Scores" on PACE's BLACKBOARD homepage. Outcomes (pass/fail) are automatically posted after the exams are graded. Every attempt will be made to get PACE results posted as soon as possible after each exam, and in most cases results will be posted within 3 business days. Students may take the PACE up to three times in a single semester. Students enrolled in ACC 325 but failing to take or to pass the PACE will be disenrolled. The window for enrolling in ACC 325 Intermediate Accounting I after passing the PACE is two (2) semesters (the current semester and the next semester). After that time, students must retake the exam.

The PACE covers the most basic principles of accounting and involves both multiple-choice questions and problems covering all aspects of the accounting cycle.

It is important for students and faculty alike to understand the motivation for the PACE. The School of Accountancy's faculty members are dedicated to the individual success of our students. We want to maximize their probability of successfully completing our program in accounting and having a successful career upon leaving the University of Southern Mississippi.

Students repeating the same class multiple times face costly penalties added to their tuition. Retention (the ability to complete a program of study) and matriculation (the ability to complete a program in a timely manner) have become major issues. Further, as the level of rigor continues to grow in ACC 325 Intermediate Accounting I, more students are finding themselves unprepared. While the reasons are many and varied, the outcome for many students is the same, paying tuition for a course where the student missed the opportunity for a tuition refund and enrollment in an alternate course.

PACE is about retention and student success. If students can be directed into academic areas in which they can do well at USM, then they probably will stay at USM. If students who are ill-prepared or not suited for the accounting major are permitted to languish in accounting's demanding upper level courses, they will eventually become discouraged at their lack of academic progress and probably leave USM. PACE is a form of "tough love" that accounting faculty can appreciate from their own upbringing. Also, PACE allows the accounting faculty to increase the academic rigor in the BSBA program and better prepare our BSBA graduates for future employment or graduate school. Again, this outcome is focused on student success.

### **Integration of WRDS and ASC Research Data Bases into Required Coursework**

Beginning in August 2009, the University of Southern Mississippi (USM) acquired a site license for the Wharton Research Data Services (WRDS) along with several financial data bases including Standard & Poors COMPUSTAT. At this time, USM was the only university within the State to have a WRDS site license. Also in August 2009, as part of its educational mission, the Financial Accounting Foundation, in a joint initiative with the American Accounting Association, began providing the online FASB Accounting Standards Codification (ASC) Professional View (the Codification) to faculty and students in accounting programs at post-secondary academic institutions at a reasonable fee. The SoA immediately subscribed to the ASC web-based service.

WRDS is a powerful Web interface that provides instant access to important databases in the fields of finance, accounting, banking, economics, management, marketing and public policy. USM's current data bases focus on accounting and finance. WRDS provides a university-wide site license, thereby offering web-based access to all authorized University faculty and graduate students through individual accounts. Undergraduate student access can be authorized through class accounts or through IP-access terminals in the library. WRDS essentially unlocks access to the major financial data bases, currently available to only a few business researchers, for usage by all USM faculty and students. The SoA quickly embraced WRDS, by integrating WRDS research projects into the curriculum. During the Fall 2009 semester, WRDS research assignments were integrated into managerial accounting courses in both the MBA and MPA programs. Beginning in the Spring Semester 2010, all upper level accounting courses (300 level and above with the exception of BLaw) had WRDS assignments required as coursework.

Whereas at most universities, WRDS is primarily used to enable research by finance and accounting faculty, at USM the dominant use is for introducing students to the power of financial data bases in enabling financial analysis. Queries can quickly find selected financial information, which then is downloaded into an Excel spreadsheet for analysis.

Similarly to WRDS integration in accounting coursework, requirements to access the Accounting Standards Codification (ASC) website have been incorporated into both Intermediate Accounting courses (I and II) and Advanced Accounting by requiring to research the ASC to solve cases. The access to the Codification is enabling students to get involved with serious accounting study on both a "real time," real-life basis. It should be noted that the CPA exam now tests Codification and other research skills. Students' increased familiarity with the Codification helps to give students an increased understanding of accounting standards and the logic required to apply these standards.

### **IFRS**

Beginning in the spring 2010, coverage of International Financial Reporting Standards (IFRS) was added to the course content in ACC 325, 327, and 401 to keep the curriculum current and reflective of practice. Assessment of this change in the curriculum began in 2010-2011, and indications that the achievement target was met is included in this report.

Beginning in the fall 2010, successful completion of the Principles of Accounting Competency Exam (PACE) was added as a prerequisite for entrance into ACC 325. Prior years' assessment procedures had revealed an unacceptably low success rate in ACC 325 (i.e., first intermediate), which indicated too many students were entering this course ill prepared for the rigors they would face in this difficult class and in the accounting program in general. PACE was implemented as a means of improving the likelihood that students entering ACC 325 could successfully complete the course by ensuring that the students possessed at least base level knowledge of the accounting cycle prior to taking the course. The achievement target was met as the Hattiesburg ACC 325 experienced discernible increases in pass rates and GPAs. The Coast ACC 325 could not be assigned an achievement target as this course was under guidance from the School's Director to increase academic rigor (resulting in lowering pass rates and

GPA's).

### **Four Action Plans were successfully completed**

1. Increased Projects Requiring Databases and Analysis
2. Increase Case Research Assignments in ACC 407
3. Increase Prerequisites for ACC 325
4. PACE Implementation

### **What specifically did your assessments show regarding any outcomes/objectives that will require continued attention?**

#### **Increasing Academic Rigor**

Simply put, it appears that in the past ACC 325 on the coast (intermediate I) has been allowing too many students to proceed to ACC 327 (Intermediate II) without the requisite skills needed to pass this course or complete the curriculum in general. The result is a significant number of coast students repeat ACC 327 and ACC 401 multiple times and some must change majors deep into their curriculums because they cannot complete the accounting coursework.

The Accounting faculty believe the lack of rigor in the coast ACC 325 class stems more from the grading procedure used in the course than from a particular teaching style. More specifically, in ACC 325 on the coast, half a student's exam scores are determined by take-home exams where a student can receive help from other students. Coupled with their out-of-class assignments (e.g., ACP and written case), this means that about 55%-60% of a student's course grade consists of work outside the classroom, which for students who receive significant help from others means they are awarded inflated grades that do not reflect their true knowledge or understanding of the material covered. The Accounting faculty consulted the SoA Director about this problem who, in turn, discussed it with the coast instructors. A joint decision was made by the Director and the coast instructors to change the ACC 325 instructor on the coast and eliminate the take-home portion of the exams in this course. These changes will be implemented in the fall 2011 and are being made to better utilize our faculty resources and to increase the likelihood that students completing ACC 325 have the requisite skills and knowledge needed to complete the program in a timely manner. The faculty recommends comparing the pass rates and grades of the coast ACC 325 classes next year with those of the Hattiesburg ACC 325 classes to ascertain whether the level of rigor in ACC 325 is approximately equal on the two campuses. The ACC 327 and ACC 401 instructors will also be asked to provide evidence on the level of preparedness of the students coming into their classes on both campuses as additional ways to ascertain that students are on a level playing field between campuses in relation to ACC 325.

#### **Faculty Familiarization with WRDS**

In assessing the objectives related to technology and researching data bases, we have implemented a relatively new resource - Wharton Research Data Services (WRDS). This web-based data service is used by all major research universities, primarily for faculty research. USM was the first Mississippi university to acquire WRDS, and we immediately moved to incorporate its usage in all upper-level accounting courses. Although WRDS has been successfully used in most courses, some instructors who were not familiar with WRDS are still having problems.

#### **Implementing Hands-On Exercises Using XBRL**

Even though the ACC 309 (Accounting Information Systems) instructor covered XBRL this year (i.e., 2010-2011), she was unable to acquire the software needed for students to complete sample tasks of creating and retrieving data using XBRL because the software underwent a major overhaul by the developer and was unexpectedly unavailable for installation in our labs. The long-time ACC 309 instructor retired effective June 30, 2011, and has been replaced by a new instructor. As the new instructor continues the

inroads into teaching XBRL made by the former instructor, the faculty would like to expand them and acquire the software for our labs needed for students to get hands-on experience using XBRL to create and retrieve data. The faculty further recommends that the SoA Director follow up with the ACC 309 instructor on this issue and secure the funding needed to acquire the software.

## Annual Reports

### **Program Summary**

Accounting is frequently described as the "language of business," and all business majors are required to complete ACC 200, Principles of Financial Accounting, and ACC 300, Principles of Managerial Accounting. In addition to ACC 220, students majoring in Business Administration are required to complete ACC330, Individual Income Tax. Finally, students majoring in Finance must complete ACC 325, Intermediate Accounting I. These accounting courses are also open to all USM students, with the caveat that beginning in Fall 2010, all students enrolling in ACC 325 must first pass the Principles of Accounting Competency Examination (PACE). There is currently no Accounting minor, nor are there certificate programs in Accounting. We are working with other departments within the College of Business to develop a Foundations of Business certificate program that will include accounting courses.

The School of Accountancy has recently been recognized for the following achievements:

1. The School of Accountancy's (SoA's) BSBA in Accounting (Hattiesburg) was ranked #2 of 257 academic initiatives prioritized by the University Priorities Committee in 2010; the SoA's BSBA in Accounting (Gulf Coast) was ranked #5 of 257.
2. The SoA has a growing regional reputation for teaching excellence. Six SoA teaching faculty members have received prestigious teaching awards over the past three years
3. The SoA has been commended for excellence in assessing student learning outcomes in both 2010 and 2011.
4. The enrollment in the MPA program has almost doubled over the last two years (28 students currently enrolled in Fall 2011).
5. The enrollment in the BSBA program has increased by 15.8% in Fall 2011 (541) enrollment over that of Fall 2010 (467).
6. The BSBA in Accounting program has historically been ranked as USM's 6th largest degree-granting program. Approximately 25 percent of all degrees in accounting awarded by all four-year public universities in the state of Mississippi are from USM's SoA.
7. First implemented in Fall 2010, PACE is the Principles of Accounting Competency Examination, which all students enrolling in Intermediate Accounting I (ACC 325) must pass. PACE is about retention and student success. If students can be directed into academic areas in which they can do well at USM, then they probably will stay at USM. If students who are ill-prepared or not suited for the accounting major are permitted to languish in accounting's demanding upper level courses, they may decide to leave the University.
8. Average class sizes: Principles of Financial/Managerial Accounting - average 8. Average class sizes: Principles of Financial/Managerial Accounting – average < 46 (this will increase with the inclusion of the increasing number of on-line sections); upper level courses – average < 30.
9. The School of Accountancy is unique in that it is separately accredited by the AACSB in addition to being accredited as part of the College of Business. Within the state, only Mississippi State and Ole Miss share this distinction.
10. Another unique aspect of the SoA is the growing external demand that students complete internships in accounting as part of their academic program. The School has a long-standing program for students to intern with local accounting firms.

Our support for the President's priority on student retention is focused on increasing faculty-student interaction out of the classroom. At the beginning of the academic year, faculty were

challenged to double their out-of-classroom contact with students. One manifestation of this has been heavy faculty attendance at the weekly meeting of the accounting student honorary fraternity, Beta Alpha Psi. Also, the Director has encouraged faculty to adopt his program of requiring his students to schedule an office visit during the first three weeks of the semester so that the faculty member can get to know and develop a rapport with each student. The faculty have embraced this program. Accounting students are recognized at the College's annual awards dinner; the SoA leads the College in the number of student awards presented. Faculty are also engaged in counseling graduating students as to their career choices, and actively involved in student placement.

In summary, the SoA has had a significant impact in providing qualified entry-level accountants throughout the South and especially within Mississippi. Our special relationship with those in the accounting profession has enabled our students to commence successful careers in accounting, while providing the profession with qualified entry-level accountants. Our alumni have been generous in giving back to the University and to the SoA, enabling us to continue to meet the challenges of state-funded higher education.

## **Continuous Improvement Initiatives**

### **General**

The faculty's continued commitment to assessment-driven curriculum management enables continuous improvement. This is documented in this report's sections describing Action Plans - both Finished and In-Progress, and in the many examples provided in the section titled "Closing the Loop." In addition the specific examples below reflect ongoing changes to both pedagogy and assessment in the spirit of continuous improvement.

### **Assessing Tax Research**

The assessment procedures performed this year indicate that the learning objective that students be able to research databases and formulate appropriate solutions based on this research and logical reasoning is currently being met. The particular databases analyzed were the ASC for financial accounting, GASB standards for governmental accounting, and WRDS/Compustat as a general online database containing empirical data. In the spirit of continuous improvement, the assessment team recommends the addition of a tax research database to the cadre of databases with which our students become familiar. The AOL team has been reluctant to make this recommendation in the past because our undergraduate tax class (i.e., ACC 330) has been required not only for accounting majors but also for general business administration (BA) majors. Tax research was not considered a high priority item for these BA majors and, accordingly, has not been a required component of ACC 330. Recently, however, ACC 330 was dropped as a requirement for BA majors and is now populated solely with accounting majors. The assessment team recommends a tax research assignment be added to ACC 330 in the spring 2012 requiring students to research the online RIA tax research database and formulate their opinions based on this research. The assignment would count as a part of a student's course grade and also be evaluated for assessment purposes.

### **Course Change in Assessing Technology**

In 2011-2012, ACC 402 is subsumed by ACC 401, along with its assessment demands. The addition of a major spreadsheet project in ACC 401 for assessment purposes, as now conducted in ACC 402, creates a significant assessment burden on this class as it is already scheduled for assessment in relation to research and writing skills (i.e., two assignments) as well assessment of research skills associated with online databases such as WRDS (i.e., one assignment). In the past, the assessment of research skills associated with WRDS occurred in ACC 402. However, beginning in the fall 2011, ACC 402 along with its assessment responsibilities will be collapsed into ACC 401. Thus, to lessen the assessment load in ACC 401 and make the addition of spreadsheet assessment feasible in this course, the assessment

team recommends eliminating the requirement for assessing research of online databases (i.e., WRDS) in this course. The team recommends that for assessment purposes this skill be evaluated in ACC 327 in the future.

### **Closing the Loop**

Example 1: The curriculum changes to ACC 407 recommended in last year's assessment report (i.e., to add a second research case and have the instructors emphasize to the students that their research had to be in the printed GASB standards) produced the desired results in the students' ability to research this important database. For example, in 2009-2010 in the Hattiesburg ACC 407 class, only 27% of the students located the correct standard in the GASB codification in their case analysis. In 2010-2011, however, almost 87% of the students on the final case in the Hattiesburg ACC 407 class located the correct standard in the codification. In addition, in the coast ACC 407 class in 2009-2010, the mean score on the research trait was 1.89 (i.e., below the "acceptable" rating of 2.00); however, this score increased to well above the "acceptable" rating (i.e., to 2.40) in 2010-2011. These results clearly demonstrate a positive "closing of the loop" in our assessment process as a problem was initially identified in our 2008-2009 assessment report and confirmed in the following year's report (i.e., 2009-2010) as a systemic and continuing issue, curriculum changes were then recommended and made in an attempt to remedy the problem, and subsequent assessment results in the current year suggest the problem has been resolved.

Example 2: In the spring 2010, almost half the ACC 402 students on both campuses performed their WRDS/Compustat assignment incorrectly, while in the spring 2011 92.5% and 87.5% of the coast and Hattiesburg students, respectively, performed at an "acceptable" level or above on their assignment dealing with the extraction and analysis of empirical data from an online database (i.e., WRDS/Compustat). These rates in the current year would have been even higher except, as noted in the results column, several of the better students chose not to turn in this assignment. However, this does not mean those students were not exposed to assignments emphasizing this learning objective as virtually all upper-level accounting courses have mandatory WRDS assignments. Based on these results, the assessment team believes that our students are adept at retrieving and analyzing empirical data from online databases. The results also demonstrate a positive "closing of the loop" in our assessment process as a problem was identified in last year's report (i.e., unsatisfactory performance on the online empirical database project in ACC 402), changes were recommended to and made by the instructor to address this problem, and assessment results in the current year indicate the problem has been resolved.

Example 3: A problem noted by the instructors last year was that a large number of students simply did not complete an Accounting Cycle Project. For example, in the spring 2010 ACC 325 classes in Hattiesburg, 22 (35.5%) of the 62 total students did not turn in an ACP. At that time, the failure rate in this course (i.e., first intermediate) was quite high, and it appeared a large number of students took this course without the base level knowledge of accounting needed to successfully complete the course and its assignments. As discussed previously in this report, PACE was implemented in the current year in an attempt to improve the performance of students in ACC 325 by ensuring that students entering this course possessed at least a basic understanding of the accounting cycle. The completion rate of the ACP in the Hattiesburg ACC 325 class indicates that PACE produced positive results as only 6.9% of the students failed to complete their ACP in the spring 2011 (as opposed to 35.5% in the spring 2010, which was prior to the PACE requirement). This demonstrates a clear "closing of the loop" in our assessment process as a problem was identified through a prior year's assessment measures (i.e., low ACP completion rate), changes were made to the curriculum to address the problem (i.e., implementation of PACE), and subsequent assessment testing shows a noticeable improvement in student performance (i.e., significant enhancement in ACP completion rate post-PACE).

Example 4: The substantial increase in the pass rate in the Hattiesburg ACC 325 course from 38% (pre-PACE) to 60% (post-PACE) is precisely what the assessment team had hoped for when it recommended implementing PACE. More specifically, a pass rate in ACC 325 of 38% is unacceptably low and suggests that a large portion of the pre-PACE students taking ACC 325 were simply unprepared for the rigors of this course. The assessment team feels the 60% post-PACE pass rate in this course is an acceptable and even desirable metric, as it shows the majority of students taking the course were able to complete it successfully, and yet the course still maintained a significant "weed out" rate, which should exist in the first intermediate accounting course. These results demonstrate a clear "closing of the loop" in our assessment process as prior assessment procedures identified a weakness in our curriculum (i.e., unreasonably low pass rates in ACC 325 because students were unprepared for this course), changes were made to the curriculum to address the problem (i.e., PACE was implemented to ensure students entering ACC 325 possess functional knowledge of the accounting cycle), and subsequent assessment measures show the changes brought about the desired results (i.e., a significant improvement in the pass rate and performance of students in ACC 325).

Example 5: Last year, as an additional measure of determining whether students possess functional knowledge of basic accounting skills, the assessment team recommended that their understanding of IFRS be evaluated in one of the three courses where this information is taught. Accordingly, this year the students' performance on the embedded IFRS questions on the multiple-choice portions of the ACC 327 exams were evaluated, and it was found that the students correct response rates on the IFRS questions were favorable on both campuses relative to the correct response rates on questions dealing with U.S. GAAP. Thus, the assessment team believes that our BSBA students possess the basic skills and understanding of international accounting standards needed to function in entry level accounting positions. This finding demonstrates a positive "closing of the loop" in our assessment process as a prior year's assessment report identified a change needed to keep the curriculum current with practice (i.e., coverage of IFRS), the change was implemented, and subsequent assessment testing in the present year shows the change produced the desired results (i.e., students possess basic knowledge of international accounting standards).

Example 6: In the 2009-2010 academic year, the Hattiesburg auditing professor made the two assignments as recommended and performed assessment evaluations on the second one. She continued this procedure in the current year (i.e., 2010-2011). The results showed improvement from year to year as the mean rating on the first trait increased from 2.00 in spring 2009 to 2.13 in spring 2010 to 2.18 in spring 2010. The mean rating on the second trait increased from 2.03 in spring 2009 to 2.11 in spring 2010 to 2.15 in spring 2011. In addition to the improved scores in the transactions cycle traits measured in the evaluation rubrics in the last two years in the Hattiesburg ACC 409 class, no students having performed internships (nor their supervisors) have noted the students were ill prepared in this area since we began emphasizing transactions cycles in ACC 409 (and ACC 610 as well). The actions taken in relation to transactions cycles demonstrate a clear "closing of the loop" in our assessment process as a problem was identified through assessment procedures one year, the curriculum was changed the subsequent year, and assessment results for the following cycles (years) suggest the deficiency has been corrected.