## The University of Southern Mississippi

# Detailed Assessment Report As of: 10/05/2012 08:15 AM EST 2011-2012 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.

<u>Student Learning Outcomes/Objectives, with Any Associations and Related Measures, Targets, Findings, and Action Plans</u>

## **SLO 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), ACC 401 (two cases), and ACC 407 (two cases).

Source of Evidence: Academic direct measure of learning - other

## 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 was taught by a different instructor than in Hattiesburg, and they assigned different cases to the students for purposes of

evaluating written communication skills. However, both instructors used the same rubric for assessing these skills for AOL purposes 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 she will use a rubric for evaluating writing skills similar to the one used by the ACC 325/327 instructors. The achievement target will have been met if the mean score for all traits assessed equals or exceeds 2.0 (proficient).

## Findings (2011-2012) - Target: Met

## ACC 325 (Hattiesburg):

Summary measures for the rubric applied to the case solution in ACC 325 in Hattiesburg are as follows (n = 45 students):

<u>Attribute</u>	Mean <u>Score</u>	% "needs improve"
Problem identification	1.64	48.9%
Grammar	1.80	28.9
Professional presentation	1.62	46.7
Writing style	1.65	42.2

## ACC 325 (Coast):

Summary measures for the rubric applied to the case solution in ACC 325 on the coast are as follows (n = 15 students):

<u>Attribute</u>	Mean <u>Score</u>	% "needs improve"
Problem Identification	1.87	13.3%
Grammar	1.73	26.7
Professional presentation	1.60	40.0

Writing style

1.67

33.3

**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 <u>relatively weak writing skills with mean scores on all four traits</u> below a 2.00 (i.e., the "proficient" level). In addition, significant percentages of the students received ratings of 1 (i.e., "needs improvement") on these writing traits.

## **ACC 327 (Hattiesburg and Coast)**

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) as described in the assessment target..

The mean scores for the four traits assessed on the two campuses are as follows (n = 39 in Hattiesburg and 37 on coast):

<u>Attribute</u>	Mear	1 Score
	H'burg	Coast
Problem Identification	2.08	2.05
Grammar	1.95	2.00
Professional Presentation	2.00	2.00
Writing style	1.92	2.03

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, 94.9% and 97.3% of the Hattiesburg and coast students, respectively, scored at the "proficient" level or above.

#### ACC 401 (Hattiesburg and Coast)

ACC 401 (which follows ACC 327 in the financial accounting sequence) was taught by the same instructor on both campuses, and she used a rubric for evaluating writing skills similar to the ones used by the ACC 325 and ACC 327 instructors. 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 as described in the assessment target section.

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

<u>Attribute</u>	Mean Score		
	H'burg	Coast	
Problem Identification	2.20	2.40	
Grammar	2.20	2.40	
Professional Presentation	1.90	2.20	
Writing style	1.90	2.20	

Notice that except for professional presentation and writing style 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 scores for these two traits in Hattiesburg were virtually at this point (i.e., each was 1.90). Very few students on either campus scored a 1 (i.e., "needs improvement") on any trait.

Although the scores on the writing assignments in ACC 401 on both campuses suggest the students have achieved adequate writing skills by their final case in this course, an alarming finding occurred relative to the Hattiesburg class. Of the 19 students in this class, only 8 (42%) turned in this assignment, while the vast majority of the coast students turned in the assignment. The instructor spoke to a number of the Hattiesburg students who failed to turn in the assignment, and their consistent response was that they simply did not have time to do the case, which was due in the latter part of the semester. Although ACC 401 was taught during the full semester in the spring 2012, most of the Hattiesburg students taking this class were also taking ACC 409 and ACC 407, which were both taught as eight-week classes in the second half of the spring 2012 semester. Not only did a large portion of the Hattiesburg ACC 401 students not have time to prepare this assignment, but their exam scores in the second half of the semester dropped dramatically below the scores of the students in the coast ACC 401 class. On the two exams given in the second half of the semester, the Hattiesburg students earned mean scores that were 14 points and 11 points lower than their counterparts on the coast campus. Such a discrepancy did not occur on the exams in the first half of the semester, nor has it occurred in any previous semester that the ACC 401 instructor has taught concurrently on both campuses. In addition to the ACC 401 students in Hattiesburg scoring lower on their exams in the second half of the semester than did the coast students, notice in the results above for the writing assignment that the Hattiesburg students scored lower than the coast students on the writing traits examined. Although the differences are not extremely large, they are telling from a directional standpoint in that the Hattiesburg students underperformed relative to the coast students on all four traits. Thus, it appears that even the few Hattiesburg students who turned in this assignment were likely not able to devote as much attention to it as they would have liked. Because of extenuating circumstances, the Hattiesburg class is deemed to have met the achievement target.

#### **Further Discussion:**

The assessment results for 2011-2012 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, 401, and 407). 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, 330, and 409). The point here is that the AOL 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. Concerning the

students' writing skills, the AOL 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.

Even though no curriculum adjustments directly related to writing skills appear warranted, the assessment results examined while evaluating writing skills suggest a change is needed to correct another problem. In particular, requiring the entire cohort of senior-level accounting majors in Hattiesburg to take the two compressed courses in the second-half of the spring semester presents a hardship for the majority of them and seems to be negatively impacting the quality of their learning experience at USM. The two compressed courses are necessitated by the spring internship program so that students performing an internship with a major CPA firm can take 12 credit hours during the semester of their internship. While the longitudinal assessment of writing skills across accounting courses achieves the assessment target, this assessment has flagged the need for an action plan to address the scheduling of compressed courses. This plan is included in the report.

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

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

# **Scheduling of Compressed Courses Related to Internship Programs**

Established in Cycle: 2011-2012

For USM to maintain a viable accounting program in terms of placing its graduates with quality firms, continuing two compress...

## 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

## Target:

Two assignments will be made evaluated in **ACC 407**, with the last assignment used for assessment. This course (Governmental Accounting) is taught by the same faculty member on the two campuses. 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 (2011-2012) - Target: Met**

On the final writing assignment in the Hattiesburg ACC 407 class, 29 (80.6%) of the 36 students completing the assignment received four out of four points available on the assessment rubric related to writing skills. In the independent study course for the coast, both students scored four out of four points available on the writing rubric. The ACC 407 instructor, accordingly, concluded that the students' writing skills by the end of this course <u>clearly met his expectations</u>.

# **Further Discussion:**

For USM to maintain a viable accounting program in terms of placing its graduates with quality firms, continuing two compressed courses (currently ACC 401 and ACC 407) during the second half of the spring semester is required. Last spring, compressed courses were scheduled for all students requiring the courses - both those returning from internships, and those not participating in the internship program. The majority of our students enrolled in the two compressed courses were not involved in the internship program. The result was that the non-intern students for the spring semester took a very light load the first half of the semester and then an extremely heavy load in the second half (i.e., for a senior-level non-intern student taking 15 hours in the spring, it results in the equivalent of a 9-hour load in the first half of the semester and a 21-hour load in the second half). This problem is exacerbated by the fact that many of the non-intern students are average students academically (i.e., a number of the better students land internships).

Even though the 2011-2012 assessment results in ACC 407 suggest the students on both campuses have developed adequate skills by the time they complete this course (which is typically a final-semester course), the ACC 407 instructor noted a discrepancy with the prior year's results that lends credence to findings discussed above for the Hattiesburg students in ACC 401. In particular, in ACC 407 in the spring 2011, 93.3% of the Hattiesburg students scored four out of four points available on the writing rubric; this percentage decreased to 80.6% in the spring 2012 for the Hattiesburg students. In the spring 2012 semester, the Hattiesburg students made careless errors in their writing that suggested to the ACC 407 instructor that the students did not take the time (or have the time) to proofread their cases carefully. Notice that ACC 407 was one of the two courses that graduating accounting seniors took as second half courses in the spring 2012 semester. The ACC 407 instructor commented in his assessment results that the Hattiesburg students frequently expressed to him that they felt overloaded. They were so overwhelmed at the end of the semester that they elected to test themselves twice during finals week (Monday and Wednesday) rather than take exam four the last week of class as is normally done in this course. An action plan addressing the scheduling of compressed courses (including ACC 407) has been initiated.

# SLO 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

## Target:

ACC 309 students will be required to complete a complex Excel spreadsheet problem that includes numerous distinct activities that can be independently assessed. The assessment target will have been achieved if 80 percent of the students assessed successfully complete 80 percent of the assigned activities correctly.

In addition to the spreadsheet assessment, students will be assessed in the use of XBRL (eXtensible Business Reporting Language). The XBRL project will be assessed using a rubric evaluating a student's performance in the following areas:

- a)Basic XBRL instance document design, formatting, and printing
- b)Location of corporate annual report
- c)Use of official coding taxonomies to tag accounting items
- d)Use of visual models to check accuracy of tagging taxonomies
- e)Use of SEC and FASB websites to locate tagging taxonomies
- f)Use of browser to verify financial statements are tagged
- g)Saving and uploading files
- h)Written report describing activities

The assessment rubric will score a student's XBRL project on the basis of 100 points available. The assessment target will be achieved if 80 percent of the students receive scores of 80 percent correct or greater.

### Findings (2011-2012) - Target: Met

The same instructor taught ACC 309 on both campuses and used a similar assignment for evaluating spreadsheet skills at both locations. The Excel project used for assessment purposes in ACC 309 was a detailed and lengthy assignment that required students to submit two Excel files (i.e., the assignment had two parts). Part one of the project consisted of over 40 distinct spreadsheet activities, while part two comprised 20 additional spreadsheet activities. Part one required students to create and manipulate two separate worksheets, while part two required them to create and manipulate five separate worksheets. The project covered many basic spreadsheet skills (e.g., creating and naming worksheets, formatting worksheets, and printing worksheets), as well as advanced skills such as statistical analysis, using functions for complicated calculations, nested IF statements, linking worksheets, horizontal and vertical lookup tables, graphical presentation of data, and extensive data manipulation, filtering and sorting

The Excel project in ACC 309 was evaluated for assessment and grading purposes using a detailed rubric covering all of the required activities. In the Hattiesburg class, 32 of the 35 enrolled students completed the project, while 16 of the 18 students enrolled in the coast class turned in their projects. On the grading/assessment rubric, 335 total points were possible. For the students completing the project, the mean points earned in Hattiesburg were 319 (95.2%) and on the coast were 311 (92.8%). On the Hattiesburg and coast campuses, 96.9% and 87.5%, respectively, of the students performed at or above the 80% proficiency level. Only one Hattiesburg student and two coast students performed below the 80% threshold; therefore the assessment target was achieved.

#### **Further Discussion:**

In the 2011-2012 academic year, a new instructor taught ACC 309, and he was aware that competency in Excel skills was a primary learning objective for this course. He devoted significant effort to ensuring that students in this course were exposed to many of the more sophisticated Excel functions available. In addition, students had to prepare a major, comprehensive Excel project requiring them to use the intricate capabilities of Excel, such as IF statements, lookup tables, statistical calculations, linking, and charting/graphing. The same instructor taught ACC 309 on both campuses, and the results column shows that students at both locations scored well on their major Excel project, with 96.9% and 87.5% of the Hattiesburg and coast students, respectively, scoring at or above the 80% proficiency level.

Thus, it appears that students completing ACC 309 are competent in spreadsheet usage overall, and this portion of the technology learning objective is met. The ACC 309 instructor noted, however, that one area where performance could be improved somewhat in relation to spreadsheet skills is with the advanced Excel functions (like IF statements and linking formulas). The ACC 309 instructor noted that most points lost on the Excel projects were lost in these areas. He believes this was because most of the students had very little exposure to these complex Excel functions prior to ACC 309. The ACC 309 instructor recommends, and the AOL team concurs, that the instructor of this course should spend more class time in the future with modeling and demonstrating the more advanced functions within Excel. The AOL team also recommends that the major Excel project in ACC 309 be maintained in the future, with appropriate assessment testing to determine if the students' abilities in the more difficult-to-apply Excel functions improve and to ascertain that the students' overall spreadsheet skills continue to be adequate.

As anecdotal evidence that ACC 309 is accomplishing its objective relative to spreadsheet skills, in the latter part of the spring 2012 semester, the tenure-track SoA faculty conducted oral comprehensive exams for graduating accounting students in the Honors College. One of these students had just returned from an internship with a Big 4 firm, and she was asked during her oral exam whether she felt her coursework had prepared her adequately for the internship. She said

yes and that an area she felt particularly prepared for was in spreadsheet skills. She had taken ACC 309 in the fall 2011 (i.e., the semester prior to her internship), and she said the knowledge gained in this course allowed her to do some things that other interns had difficulty with. Without ACC 309, she noted that she would have been deficient in spreadsheet skills for the internship. With ACC 309, though, she felt comfortable and prepared for the internship relative to spreadsheet skills.

#### XBRL Project:

In the prior year (i.e., 2010-2011), the XBRL assignment in ACC 309 was quite rudimentary and was designed solely to familiarize students with the need for XBRL and its capabilities. No hands-on assignment requiring application of XBRL was made last year, but the assessment team in the 2010-2011 AOL report recommended that the ACC 309 instructor incorporate a hands-on assignment in the current year because this was considered a critical skill needed for modern-day accountants. After diligent effort, the ACC 309 instructor located a textbook/user manual on XBRL written by Dr. Skip White at the University of Delaware. As recommended in last year's AOL report, the SoA Director secured funding to acquire sufficient copies of this manual to be used by our ACC 309 students. The ACC 309 instructor (who taught on both campuses) implemented an application based XBRL assignment in the 2011-2012 academic year.

The XBRL project consisted of two parts; the first part involved the preparation of four XBRL coded financial statements (i.e., balance sheet, income statement, financial statement disclosure, and an IFRS balance sheet). The second part of the assignment involved the students preparing a 1,000-word report on their XBRL activity. The XBRL manual purchased from Dr. White contained a series of workbook exercises that culminated in the students preparing the financial statements noted above. Students were required to locate an annual report of a publicly traded company and then locate the XBRL codes and tagging taxonomies on the SEC and FASB websites. They then used this information to run an XBRL file through their browser (usually Firefox) to prepare the financial statements and then uploaded this file into Blackboard. The XBRL project was graded and assessed using a rubric evaluating a student's performance in the following areas:

In the spring 2012, 35 students took ACC 309 in Hattiesburg with 33 of them completing the project, while 18 coast students took the course with 15 of them turning in the project. For the students completing the project, the mean scores achieved on the Hattiesburg and coast campuses were 93.75 and 93.46 (out of 100), respectively. In Hattiesburg, only five (15%) of the 33 students received scores lower than 80, while on the coast only 3 (20%) of the 15 students received scores lower than 80. Based on these results, the assessment target was met.

The 2010-2011 AOL report specifically recommended that a hands-on assignment be made in ACC 309 that required students to demonstrate a working knowledge of the XBRL reporting format for financial statements. This was not an easy task because XBRL programs are not yet available in the academic environment; however, the AOL team felt it was important for the students to have more than just book knowledge of XBRL, as it is the reporting format currently required of publicly traded companies submitting their reports to the SEC. In the current academic year, the ACC 309 instructor located a textbook/manual for XBRL and assigned a project requiring students to prepare a set of financial statements using the XBRL taxonomies. The results column in this report shows that the vast majority of ACC 309 students on both campuses performed well on their XBRL projects. This represents a clear "closing of the loop" in our AOL process as a recommendation for a curriculum modification was made in a prior year's AOL report to keep our program current with changes in the accounting profession. That recommendation was acted upon in the current year (i.e., 2011-2012) as the hands-on XBRL assignment was made in ACC 309, and the results from assessment testing this year demonstrate that students have acquired a working knowledge of XBRL, as well as a basic ability to apply the XBRL process in financial statement preparation.

Although the XBRL assignment accomplished its objective, the ACC 309 instructor noted that the XBRL concept is quite technical and difficult for students to comprehend, especially since there is no demo version or student coding software available and the commercial tagging software is

cost prohibitive for the classroom. For the actual hands-on project, the students had to create instance documents using a word processor and then use cut-and-paste operations and run the completed files through a browser. The process was inefficient at best; however, the ACC 309 instructor feels, and the AOL team concurs, that the XBRL project provided value to our students and exposed them to skills needed to stay at the forefront of accounting knowledge. The AOL team recommends that the XBRL project be continued in ACC 309 in the future, with appropriate assessment testing as well. The AOL team also recommends that the ACC 309 instructor remain vigilant in searching for new technology or software that will allow XBRL to be run more easily in a student environment.

#### M 4:ACC 401 Data Base Analysis Problem

The purpose of this assessment is to capture information relative to the students' spreadsheet skills near the end of their program of study.

Source of Evidence: Academic direct measure of learning - other

#### Target:

The project to be used for assessment purposes will be the seventh and final Excel assignment of the semester. On this project, the instructor will evaluate the following three spreadsheet skills or traits:

Trait 1 - Formulas (usage and correctness)

Trait 2 - Linkages between statements (usage and correctness)

Trait 3 - Financial statement presentation (correctly formatted)

For each student, each of the above traits will be rated into one of the following categories:

1 = unacceptable

2 = acceptable

3 = excellent

The assessment target will have been realized if 70 percent of the students achieve a score of 2.0 or better.

#### Findings (2011-2012) - Target: Partially Met

In Hattiesburg, 19 students took the course with 17 completing the project. On the coast, 14 students took the course with 12 completing the project. The mean scores for each trait on the Hattiesburg and coast campuses were as follows:

<u>Trait</u>	Hattiesburg <u>mean</u>	Coast mean
Trait 1	2.4	2.5
Trait 2	1.8	2.1
Trait 3	2.7	2.7

Overall, the scores were good, with means for most traits above 2.0 (i.e., the "acceptable" level). Furthermore, very few students on either campus scored at an "unacceptable" level on any trait. The only discrepancy between the students' performances on the two campuses was in the linkages trait (i.e., trait 2), where the coast students outperformed the Hattiesburg students

somewhat. The ACC 401 instructor believes this likely occurred because many of the coast students work in accounting or business positions and may have used this procedure in their work. Still, though, the instructor was pleased with the overall results on both campuses. The AoL (Assurance of Learning) team believes that the difference in performance between the two campuses may be attributed to how the Hattiesburg course was delivered; the Hattiesburg course was compressed into the last half of the semester in order to accommodate the internship program. Because the assessment target was "partially met" for the Hattiesburg campus, an action plan addressing the scheduling of compressed courses has been initiated.

#### **Further Discussion:**

The 2010-2011 AoL report recommended adding ACC 401 as a final collection point for assessing competency in spreadsheet skills. Formal assessment was already occurring in ACC 320 and ACC 309, but the AoL team also wanted assessment of spreadsheet skills in a senior-level course as a means of determining the competency level of our graduating students. In the current year, the ACC 401 instructor made several spreadsheet assignments over the course of the semester, with the final assignment a rigorous one requiring students to perform advanced Excel functions (e.g., linkages between worksheets); this assignment was used for assessment purposes. In the spring 2012, on both campuses, the students' mean scores were virtually at or above the "acceptable" level on all spreadsheet traits examined in the rubric applied to the Excel assignment in ACC 401. In addition to the students performing well on their Excel assignment, the ACC 401 instructor noticed a phenomenon that sheds light on the preparation of the students in terms of Excel skills learned in prior courses.

In particular, the assessment of spreadsheet skills in ACC 401 occurred in the spring 2012, which was a semester after the new instructor and format of ACC 309 were implemented in the fall 2011. Most of the ACC 401 students in the spring 2012 had taken the new format of ACC 309 in the fall 2011. Through conversations with students and observations, the ACC 401 instructor noticed that the students who had taken ACC 309 prior to the fall 2011 struggled with their major spreadsheet assignment in ACC 401. She further noted that the students who had taken ACC 309 in the fall 2011 (i.e., the current format) had little difficulty with the spreadsheet assignment in ACC 401 and even helped their classmates who had taken the earlier version of ACC 309. This anecdotal evidence indicates that the changes made to our curriculum to "beef up" the coverage of spreadsheet skills in ACC 309 produced the desired consequence of enhancing our students' ability in this area. Taken together, the assessment results in ACC 320, 309, and 401 this year indicate that our students are competent in Excel/spreadsheet skills when they graduate. The only change to ACC 401 recommended relative to spreadsheet skills is one provided by the instructor concerning her assessment rubric for future semesters. She intends to expand her rubric for the evaluation of spreadsheet skills to include more than the three traits that were evaluated in the current year. The AoL team concurs but makes no other recommendations for curriculum changes relative to ACC 401. However, the AoL team supports a restructuring of how compressed courses are scheduled and an associated action plan has been initiated.

# M 5: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

## 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 in the spring 2012, students will be assigned a case in which they will have to access data from an online database (i.e., WRDS), import that data into an Excel spreadsheet, formulate the data in Excel to compute the Dow Jones Industrial Average (DJIA), and examine the sensitivity of the DJIA

to movements in individual stock prices. The students will also compute other stock related ratios in Excel (e.g., price-earnings ratio). Students' abilities will be assessed using a rubric evaluating the following three traits.

Trait 1 - Ability to use technology to access financial information.

Trait 2 - Ability to organize the financial information in an Excel format that provides the information necessary to answer the case questions.

Trait 3 - Ability to answer questions of interest based on the financial information analyzed.

In the **Hattiesburg** ACC 320 class, students will be assigned a three research exercises case in which they will have to access data from an online database (i.e., WRDS), import that data into an Excel spreadsheet, formulate the data in Excel, and conduct a basic analysis of the data. Additionally one exercise will require students to demonstrate the use of regression analysis using Excel. The primary trait evaluated for assessment purposes on each of the four assignments was "understanding of accessing data and Excel spreadsheet analysis." For each assignment, a student was rated on this trait using the following scale:

Did not meet expectations (assignment < 70% correct)

Met expectations (assignment between 70% and 85% correct)

Exceeded expectations (assignment > 85% correct)

The achievement target for both campuses will have been met if 70 percent or greater of the students assessed in every trait "meets" or "exceeds" expectations.

## **Findings** (2011-2012) - Target: Met

ACC 320 is taught by different instructors on the coast and Hattiesburg campuses, and they use different assignments and rubrics for evaluating spreadsheet skills. In the 2010-2011 AoL report, it was noted that students in ACC 320 are not yet expected to have acquired significant expertise in Excel skills at the beginning of the program (i.e., students in ACC 320 are typically first semester juniors). Thus, elaborate Excel assignments are not made in this course, but rather moderately challenging assignments are given to enhance the students' spreadsheet skills. In the coast ACC 320 class in the spring 2012, students were assigned a case in which they had to access data from an online database (i.e., WRDS), import that data into an Excel spreadsheet, formulate the data in Excel to compute the Dow Jones Industrial Average (DJIA), and examine the sensitivity of the DJIA to movements in individual stock prices. The students also had to compute other stock related ratios in Excel (e.g., price-earnings ratio). Students' abilities were assessed using a rubric evaluating the three traits as described in the assessment target section..

The **coast ACC 320** class contained 18 students, and the mean score for each of the three traits as well as the percentage of the students scoring at the "met expectations" level or above are as follows:

	Mean <u>score</u>	% ≥ "met expectations"
Trait 1	2.41	88.9%
Trait 2	2.35	88.9
Trait 3	2.24	94.4

In the spring 2012 ACC 320 class in **Hattiesburg**, the instructor gave four assignments involving technology and spreadsheet skills that were evaluated for assessment purposes. The first assignment required students to construct an Excel spreadsheet that computed the DJIA (i.e., this assignment was very similar to the one described above for the coast ACC 320 class). The second assignment required students to prepare simple and multiple regression models using Excel. The third exercise required students to download audit fees and total fees for 23 companies from WRDS and then provide a longitudinal and industry analysis of changes in these fees across the 2001-2008 period. The purpose was to measure the impact on audit fees of the Sarbanes-Oxley legislation. The fourth assignment required students to compare two computer manufacturers by downloading data from WRDS and computing basic management and financial performance ratios.

The percentages of students scoring in each of these levels for the four assignments are show below.

	Assign:	1 Assign	2 Assign	13 Assign4
Did not meet expectations	28.6%	20.0%	20.0%	17.7%
Met expectations	31.4	22.9	34.3	11.8
Exceeded expectations	40.0	57.1	45.7	70.6

In general, notice that there was an upward trend in the performance of the students during the semester. For example, on the first assignment, 28.6% of the students performed at the "did not meet expectations" level, but the percentage in this category decreased to 17% on the fourth and final assignment. In addition, on the first assignment, 40% of the students scored at the "exceeds expectations" level, while the percentage in this category increased to 70.6% on the final assignment. The first assignment was turned in the second week of class, and many students at that point of the semester did not yet appreciate the level of rigor needed to pass this course. On the first two assignments, the instructor gave the students significant guidance. For example, on the second exercise (which involved regression analysis), the instructor provided a classroom lecture and demonstration of using the regression package in Excel as well as a podcast lecture and demonstration on this same topic. For the final two assignments, the instructor gave less detailed instructions concerning the Excel portions of the exercises.

During the course of the semester on these four assignments, students were exposed to several facets of spreadsheet analysis via Excel (e.g., downloading and analyzing data from WRDS, ratio computations, constructing charts and graphs from data sets, and performing simple and multiple regression). Although the scores were the lowest on the first assignment, the majority of students scored at the "met expectations" level or higher on each assignment (i.e., ranging from 71.4% on assignment one to 82.4% on assignment four).

#### **Further Discussion:**

In the Hattiesburg ACC 320 class, students prepared four Excel assignments that were evaluated for assessment purposes. Most students in this course have not yet taken ACC 309, where they learn the more sophisticated aspects of Excel. Thus, the Excel assignments in ACC 320 would be considered basic to moderate in terms of degree of difficulty. Still, though, the instructor provided less guidance to the students on the final two assignments relative to the first two assignments (i.e., students were more "on the own" as the semester progressed). On the fourth and

final assignment, 82.4% of the class performed at or above the "met expectations" level, with 70.6% of the class performing at the "exceeded expectations" level. ACC 320 represents an excellent venue for making Excel assignments because of the nature of the material covered in the course (i.e., cost/managerial accounting). In this course, students were introduced to spreadsheet functions such as accessing data using WRDS, data manipulation, rudimentary analysis, formula computations, constructing charts and graphs, and performing regression analysis. Based on the assessment results in this course, it clearly appears the Hattiesburg students' knowledge and ability in spreadsheet usage is appropriate for this stage of their academic careers.

In the coast ACC 320 class, only one Excel assignment was evaluated for assessment purposes. However, the results column shows that the students performed well on this assignment, with mean scores on all traits examined well above the "met expectations" level and very few students performing at the "did not meet expectations" level. Like the assignments described above for the Hattiesburg ACC 320 class, the Excel assignment for the coast class was appropriate for the stage of the students' academic careers and their prior training in Excel. The coast instructor collaborated with the Hattiesburg instructor on this assignment; thus, there existed ample consistency between campuses in this area. Overall, the assessment results indicate that the coast ACC 320 students also possess adequate spreadsheet skills for this point in their academic careers.

# M 6: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

#### 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 (2011-2012) - Target: Met

During 2011-2012, ten Hattiesburg students and one coast student performed formal internships where they were evaluated by their supervisors. This discrepancy between campuses in the number of students performing formal internships is a function of the differing make up of the student bodies on these campuses. Hattiesburg students are traditional students, and internships are becoming a primary means by which these students obtain permanent employment after graduation (i.e., the internship program has become the model for student placement on most residential college campuses). However, the coast students are non-traditional, with most of them already working full-time jobs, with many of them even in accounting positions at CPA firms or in private industry. Since most coast students already work full time, there is less opportunity for them to perform internships (i.e., they cannot quit their jobs to perform internships). This discrepancy between campuses in the number of students performing internships will likely continue into the future as well. Although information provided by the interns' supervisors is quite useful for assessment purposes because it represents the views of professional accountants concerning the readiness of our students, Caution must be used in relying on these results for the coast campus because of the small number of students on this campus performing internships. Still, though, for all learning objectives where the internship surveys are used as an assessment tool, ample alternative assessment procedures are used to enable the AoL team to draw conclusions concerning whether these learning objectives are met for students on the coast campus.

As described in the assessment target section, an intern's supervisor rated the intern's competency in current technology. The mean rating provided by the supervisors for the Hattiesburg interns was 2.20, and no student received a "below expectations" rating. The sole coast intern received an "exceeded 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 assessment target was therefore achieved.

#### **Further Discussion:**

Although the number of interns evaluated by their supervisors was relatively small in the current year (i.e., ten intern surveys for Hattiesburg students and one for a coast student), it was noted that the particular students involved are fairly representative of the students in the program. That is, these students (interns) were neither the absolute top performers nor were they the bottom performers in the program but would be considered perhaps high normal or slightly above average relative to all students in the program. The relatively high ratings given these interns by their supervisors in the area of competence in technology suggest these practitioners believe the students possess the skills needed in technology to function in entry level accounting positions. However, one supervisor completing the intern survey did comment that more experience in Excel would be helpful for interns. This supervisor had rated the intern as having "met expectations" in the area of demonstrating competency in current technology but added a footnote in the comments section relative to experience in Excel.

This is an important comment and is not taken lightly by the AoL team. A major directive in last year's AoL report was to enhance the depth and breadth of coverage of Excel skills in the program. For example, the increased attention to spreadsheet skills in ACC 309 in the current year has already been discussed in this report. In addition, last year's AoL report called for an expansion of Excel assignments across the accounting curriculum (i.e., all accounting courses except auditing and advanced business law now have at least one outside assignment requiring the students to use Excel skills). It is entirely possible the intern who received this comment from the supervisor may not have benefited from the expanded coverage of spreadsheet skills (e.g., perhaps the student performed the internship prior to taking ACC 309 or had taken ACC 309 in the previous academic year before the current focus on enhanced spreadsheet skills had been implemented in this course). Earlier in this column, it was noted that at least one intern felt very secure in her spreadsheet skills because she had completed ACC 309 (under the new format) prior to performing her internship. She noted that had she not taken ACC 309 prior to the internship, she would have had difficulty with the spreadsheet functions needed to perform well in the internship.

Because of the importance of having adequate spreadsheet skills in the internship setting, the AoL team recommends that ACC 309 be made a prerequisite for performing a formal internship and that this requirement be implemented immediately. Furthermore, the team recommends that during the advisement process, all accounting students be encouraged to take ACC 309 early in their program of study (e.g., perhaps in the second semester of the junior year or even earlier). This would better prepare them for their internships, which are normally performed in the senior year, and would also improve their performance on spreadsheet assignments in their senior-level courses (e.g., in ACC 401).

The AoL team recommends that the assessment procedure of having interns' supervisors complete a survey concerning the performance of our students be continued in the future and that the AoL team pay particular attention to the supervisors' responses to the question relating to the interns' competency in current technology. Overall, it appears that the accounting program is meeting the learning objective concerning competence in current technology, and it makes no further recommendations (i.e., other than those already noted above) for changes to the curriculum in this area. The team will monitor assessment procedures relative to this learning

objective closely in the future to ensure that our students continue to be prepared for the ever changing environment of technology in the workplace.

## SLO 3:Demonstrate competency in ethical decision making

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

#### **Related Measures:**

#### M 6: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

#### 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 (2011-2012) - Target: Met

The mean score for the 10 Hattiesburg interns evaluated by their supervisors on this trait was 2.30, with no students receiving a "below expectations" rating. The only coast student performing a formal internship and evaluated by her supervisor received an "exceeds expectations" rating for the ethical decision making trait. The assessment target was therefore achieved.

## M 7: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

## 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.

In addition to the rubrics used on the case assignment in ACC 409, the AOL team recommended in the 2010-2011 AOL report that ethical decision making also be evaluated in this course by examining the students' performance on ethics-related questions embedded in one of the regular exams during the semester. The assessment target will be achieved if students receive a score of 80 percent or above on the embedded questions.

## Findings (2011-2012) - Target: Met

The ACC 409 instructor in Hattiesburg assigned two ethics cases during the spring 2012 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 (2012) and the five previous years that ethics were evaluated using a case approach in the Hattiesburg ACC 409 class.



Notice 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 from 2009-2012.

In the spring 2012, the same instructor taught ACC 409 on both the Hattiesburg and coast campuses. She used the same assignments and procedures for evaluating ethical decision making on both campuses in 2012. For the three years prior to 2012 that ethics had been evaluated in ACC 409 on the coast, however, a different instructor taught the course on the coast and performed the evaluation of ethics (i.e., a different instructor from the Hattiesburg instructor). Although the different instructors used the same rubric for evaluating ethical decision making, they used different case assignments for making the evaluations. The mean scores on the two ethics traits for the current and three prior years on the coast campus are as follows:

```
Trait 1: Ability to identify an ethical issue
2012 - 2.36

2011 - 2.93

2010 - 2.75

2009 - 2.50

Trait 2: Ability to integrate ethical considerations into the response.
2012 - 2.28

2011 - 2.87
```

2009 - 2.56

Note that even though the performance of the coast students appears to have declined in 2012 on both traits relative to prior years, the AoL team does not believe this is the case. Instead, the decline in the mean scores on these traits is likely due to the fact that a different instructor performed the evaluations on the coast in 2012 than performed them in the three prior years. Indeed, when compared to the mean scores above for the Hattiesburg students in 2012, the coast students' 2012 scores are quite good and virtually the same as their Hattiesburg counterparts. As noted earlier, the same instructor taught ACC 409 on both campuses in the spring 2012.

In the spring 2012, the ACC 409 instructor embedded nine multiple-choice questions relating to ethics on an exam. The same nine questions were asked on this exam on both the Hattiesburg and coast campuses. The mean correct response rates on these nine questions were 88% and 84% for the Hattiesburg and coast students, respectively. In the prior year (i.e., spring 2011), no ethics questions were asked in the Hattiesburg ACC 409 section, but nine ethics questions were asked on an exam in the coast section (i.e., the two sections were taught by different instructors in 2011). The mean correct response rate on these questions for the coast students in the spring 2011 was 84% (i.e., the same correct response rate as in 2012). Therefore, the assessment target was achieved.

On the eight ethics related questions embedded in the final exam in ACC 480, the students on both campuses scored well and virtually the same as they scored on the non-ethics related questions on this exam. The ACC 480 students scored poorly on only one of the ethics questions (i.e., scored lower than a 50% correct response rate on both campuses). This question required the students to make the distinction between different ethics theories and was more of a "textbook" type of question; the instructor had spent little time on this particular topic in class. The instructor believes this is a valid question covering a topic the students should understand. In the future, she plans to devote more class time to the different ethics theories. The AoL team concurs with this recommendation and also suggests that this same question appear as one of the ethics questions asked next year as well so a determination can be made concerning whether the increased class coverage of this topic remedies the deficiency noted this year.

## M 8:Business Law Exam Ethics Questions

In an effort to expand the coverage of ethics in the curriculum and the assessment of the students' competency in ethical decision making, the 2010-2011 AOL report recommended that the ACC 480 (advanced business law) instructor add a section to this course on ethical decision making and assess the students' prowess in this area by evaluating their performance on embedded test questions dealing with ethics. The assessment target will be achieved if 80 percent of the students assessed score 80 percent or higher on the embedded ethics questions.

Source of Evidence: Standardized test of subject matter knowledge

## Target:

ACC 480 (advanced business law) examinations will include embedded questions on ethical decision making. The assessment target will be achieved if 80 percent of the students assessed score 80 percent or higher on the embedded ethics questions.

#### Findings (2011-2012) - Target: Met

In ACC 480, on the final exam, eight of the total 56 multiple-choice questions were ethics-related questions. For the Hattiesburg section, the mean correct response rate for the ethics questions was 81.5%, which compared very favorably with the mean correct response rate on the non-ethics questions on this exam for the Hattiesburg students of 79.1%. For the coast section, the mean correct response for the ethics questions was 80.8%, which also compared favorably with the mean correct response rate on the non-ethics questions on this exam for the coast students

of 80.9%. Therefore, the assessment target was achieved.

On the eight ethics related questions embedded in the final exam in ACC 480, the students on both campuses scored well and virtually the same as they scored on the non-ethics related questions on this exam. The ACC 480 students scored poorly on only one of the ethics questions (i.e., scored lower than a 50% correct response rate on both campuses). This question required the students to make the distinction between different ethics theories and was more of a "textbook" type of question; the instructor had spent little time on this particular topic in class. The instructor believes this is a valid question covering a topic the students should understand. In the future, she plans to devote more class time to the different ethics theories. The AoL team concurs with this recommendation and also suggests that this same question appear as one of the ethics questions asked next year as well so a determination can be made concerning whether the increased class coverage of this topic remedies the deficiency noted this year.

## M 10: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

## Target:

The assessment target will be achieved if assessed students score at the 70th percentile or above on the Legal & Environmental Section of the ETS major field exam.

## Findings (2011-2012) - Target: Met

On the Legal and Social Environment section of the ETS exam in the spring 2012, the Hattiesburg and coast students scored at the 93<sup>rd</sup> and 99<sup>th</sup> percentiles, respectively. These percentiles are nationally normed based on all students in the U.S. taking the ETS exam in the spring 2012. At USM, the ETS exam is given as part of MGT 400, which is a capstone course taken in the final semester of coursework by all CoB majors. Thus, the ETS exam scores reflect knowledge possessed by our students as they exit the program.

This assessment procedure performed for evaluating ethical decision making skills measured the performance of USM's senior accounting majors on the Legal and Social Environment section of the ETS exam. The results provided evidence that USM's accounting majors scored extremely well on this portion of the exam relative to other students, both at USM and nationally. While knowledge of the law and its role in society certainly does not guarantee an individual will make ethical decisions, it does provide a baseline or an understanding of what is expected of someone to function in society. For example, copying software borrowed from a friend might appear to be an ethical activity if the software is copied with the friend's permission. However, knowledge of the law in this area and how software piracy affects the livelihood of the owners of the copyrighted software helps an individual understand that, indeed, this is an unethical activity and is detrimental to both business and society at large. Thus, having a strong understanding of the law as evidenced in the ETS scores noted earlier gives USM's accounting majors a good background or base from which to draw as they rationalize or deliberate in making decisions involving ethical dilemmas.

## SLO 4:Demonstrate functional knowledge of basic accounting skills

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

## **Related Measures:**

M 6: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

#### 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 (2011-2012) - Target: Met

For this learning objective, the mean rating for the ten Hattiesburg students performing formal internships was 2.18, with no student receiving a "below expectations" rating. The sole coast intern received an "exceeds expectations" rating.

In this assessment the rubric completed by the interns' supervisors included the statement, "The intern was able to demonstrate functional knowledge of basic accounting skills." The mean response by the evaluators for the Hattiesburg interns was 2.18, which was very similar to the prior year's mean of 2.20. A rating of 2.00 means an intern "met expectations;" thus, 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 11 (i.e., one on the coast and ten in Hattiesburg), the AoL 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 (at least in Hattiesburg), and the reliability of this assessment procedure will be enhanced as a result. The AoL team believes the intern assessments in the spring 2012 provide externally validated evidence that our students possess functional knowledge of basic accounting and have the skills needed to apply that knowledge in practice.

#### M 9: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

#### Target:

Two traits will be evaluated using rubrics applied to the case. The first trait will represent the ability to identify the need for a cutoff test to determine if transactions are recorded in the proper period. The second trait will be the ability to identify transactions that are not recorded in the proper

period. The scale on the rubric in ACC 409 for evaluating students' performances on the two transactions cycle traits will be as follows: did not meet expectations=1, met expectations=2, exceeded expectations=3. The achievement target will have been met if the mean score for each trait assessed is equal to or exceeds 2.0 ("met expectations").

## **Findings (2011-2012) - Target: Met**

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 2.25 and 2.24, 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 2.22 and 2.20, respectively. It should be noted that the same instructor taught ACC 409 on both campuses in the spring 2012, and she used the same assignment on both campuses for evaluating the students' understanding of transactions cycles. These results confirm that the assessment target was achieved.

## **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. The procedure is now an integral part of ACC 409 and performed every year on both campuses. The two traits measured for evaluating a student's understanding of transactions cycles are (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 AoL 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 auditing professor made the two assignments as recommended and performed assessment evaluations on the second one. As expected, the results improved, and the instructor continues this practice today on both campuses. For example, in the current year (i.e., spring 2012), the Hattiesburg students' mean scores on the two transactions cycle traits were 2.25 and 2.24, respectively, and the coast students' mean scores on the two traits were 2.24 and 2.20, respectively. In addition to the improved scores in the transactions cycle traits measured in the evaluation rubrics in the last few years, 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.

## M 10: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

#### 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 (2011-2012) - Target: Met

In the spring 2012, USM's senior accounting majors on the Hattiesburg and coast campuses scored at the 98<sup>th</sup> and 89<sup>th</sup> percentiles, respectively, on the portion of the ETS exam evaluating accounting knowledge and skills. The previous semester (i.e., fall 2011), USM's accounting majors on the Hattiesburg and coast campuses scored at the 97<sup>th</sup> and 98<sup>th</sup> percentiles, respectively, on the accounting portion of the ETS exam. Note that these percentiles are for a national cohort of students.

On the accounting portion of the ETS Major Field Tests, USM's senior accounting majors performed well on both campuses in the current year. For example, the coast students scored in the 98<sup>th</sup> and 89<sup>th</sup> percentiles in the fall 2011 and spring 2012, respectively. The Hattiesburg students scored at the 97<sup>th</sup> and 98<sup>th</sup> percentiles in the fall 2011 and spring 2012, respectively. The above scores represent national percentiles based on all students taking the accounting portion of the ETS exam. The strong performance of USM's accounting students on the accounting portion of the ETS 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, though, 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 these high percentiles 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.

## M 11: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

#### 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), and 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 (2011-2012) - Target: Met

Although they used the same overall scoring procedure and evaluation process for the Accounting Cycle Problem, ACC 325 was taught by different instructors between the Hattiesburg and coast campuses in the spring 2012. For the students completing the ACP, the mean performance rating for the Hattiesburg campus was 2.33 with only 12.5% of the students scoring at the "unacceptable" level. On the coast campus, the mean performance rating was 2.22 with only 16.7% of the students scoring at the "unacceptable" level. Therefore, the assessment target was achieved.

#### **Further Discussion:**

In the 2008-2009 assessment report, the 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 in the 2009-2010 and 2010-2011 academic years and continued in the current year (2011-2012). The results column this year

shows that the mean scores on the overall evaluations of the students' performances on the ACP for spring 2012 were 2.33 and 2.22, respectively, for the Hattiesburg and coast campuses. Only a relatively small portion of the students on either campus scored at the "unacceptable" level, and most of the students scoring at this level were the weakest students, many of whom did not pass the course. Even though the scores on the ACP were good, overall, in the current year, there was somewhat of a decrease from last year on the mean score on the ACP for the coast campus (i.e., from 2.68 in spring 2011 to 2.22 in spring 2012). Part of this discrepancy may be attributable to a different ACC 325 instructor on the coast in the spring 2012 from prior semesters, and he may have graded a little more rigorously than his predecessor. Still, though, the coast ACC 325 instructor believes the students' performances on the ACP can be improved, and he intends to spend more time on the accounting system chapter next year to enhance the students' understanding of the accounting process. The AoL team believes the ACP is working as prescribed and that those students who successfully complete the project and the course are adequately prepared in terms of their knowledge of the accounting cycle. With the exception of the change just noted concerning the coast ACC 325 instructor's enhanced coverage of the accounting systems chapter, the AoL team recommends no changes to the curriculum and that the ACP continue to be assigned and evaluated for assessment purposes in ACC 325

#### M 12:Academic Rigor in ACC 325

Intermediate Accounting I (ACC 325) is the "gatekeeper" course to the accounting major. All students enrolling in ACC 325 must pass the Principles of Accounting Competency Examination (PACE). This new requirement, combined with personnel and pedagogical changes, were initiated to increase the academic rigor in ACC 325, thereby enhancing those financial accounting courses that follow this course.

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

## Target:

The 2010-2011 AoL report documented that the ACC 325 class on the coast in prior years appeared to lack the rigor needed to prepare students adequately for the successor financial accounting courses (i.e., ACC 327 and ACC 401). As a result of this finding and to better utilize faculty resources, the AoL team recommended last year a change in both the instructor and the pedagogy in the coast ACC 325 class beginning in the fall 2011. To ascertain whether this change in ACC 325 resulted in better preparation of the coast students for subsequent financial accounting courses, the performance of the coast students in ACC 327 in the spring 2011 (i.e., before the changes in ACC 325) will be compared to the performance of the coast ACC 327 students in the spring 2012 (i.e., after the changes in ACC 325).

The assessment target will be realized based on significant improvement in student GPAs and pass rates for ACC 327 (coast). Note that the assessment is not course grades, but the change in course GPA combined with an increased pass rate.

## Findings (2011-2012) - Target: Met

In the spring 2011 (i.e., **before** the change in ACC 325 on the coast had occurred), the mean GPA in the coast <u>ACC 327 class was 1.471, with 35% of the students earning an F</u>. In the spring 2012 (i.e., **after** the change in ACC 325 on the coast had occurred), the <u>mean GPA in the coast ACC 327 class was 2.222, with only 6% of the students earning an F</u>. It should also be noted that in the spring 2011 and spring 2012, the mean GPAs in the Hattiesburg ACC 327 classes were 2.294 and 2.275, respectively. Thus, before the change in instructor and pedagogy in the coast ACC 325 class (i.e., in the spring 2011), the performance of the coast students in ACC 327 (i.e., mean GPA of 1.471) fell far short of the performance of the Hattiesburg ACC 327 students (i.e., mean GPA of 2.294). However, after the changes in the coast ACC 325 class were implemented, the performance of the coast ACC 327 students improved to the point where they were on par with the Hattiesburg ACC 327 students (i.e., mean GPAs in the spring 2012 coast and Hattiesburg ACC 327 classes of 2.222 and 2.275, respectively). In addition, on both campuses in the spring 2012, 78% of the students completing ACC 327 earned grades of A, B, or C. It should be noted that the same instructor taught ACC 327 on both campuses during the period of evaluation; thus, no

pedagogical differences existed between campuses in ACC 327. This suggests the improved performance of the coast students in ACC 327 between spring 2011 and spring 2012 is likely the result of the pedagogical changes made in the coast ACC 325 class to better prepare the students for the rigors encountered in later courses.

## **Further Discussion:**

The justification for the PACE and the benefits it provides are extensively documented in the 2009-2010 AoL report. In addition, last year's report (i.e., 2010-2011) documented very well the success of the PACE in improving the performance of students in ACC 325 (i.e., using a pre-and post-PACE analysis of performance in ACC 325). However, this analysis last year helped identify another problem in need of attention. In essence, it was determined that the ACC 325 course on the coast lacked the rigor needed to prepare students for the follow-up courses in the financial accounting sequence (i.e., ACC 327 and ACC 401). For example, the ACC 327 instructor had noticed that coast students in ACC 327 as a whole drastically underperformed relative to their counterparts in the Hattiesburg ACC 327 class. See last year's AoL report for more detail on the extent of this problem. To remedy this situation, the AoL team last year recommended a change both in instructors and in pedagogy for ACC 325 on the coast beginning in the fall 2011. In addition, the team recommended that the performance of students in ACC 327 on the coast be evaluated subsequent to the change in ACC 325 on the coast to ascertain if the changes in ACC 325 brought about the desired consequences.

The results column in this year's report clearly indicates that the changes in ACC 325 on the coast resulted in the cohort of students being better prepared for ACC 327 after the changes than they were before the changes. For example, after the changes in the coast ACC 325 class, the coast ACC 327 students in the spring 2012 on average earned a GPA of 2.222, while the year before (and prior to the change in ACC 325) the coast ACC 327 students earned an average GPA of 1.471. The coast ACC 327 students now appear to be on an even keel with the Hattiesburg ACC 327 students (i.e., the mean GPAs in ACC 327 on the coast and Hattiesburg in the spring 2012 were 2.222 and 2.275, respectively). These findings demonstrate a positive "closing of the loop" in our assessment process as a problem was identified through assessment procedures in a prior cycle, and recommendations were made in last year's AoL report for changes to the curriculum to correct the problem. Assessment procedures performed in the current year suggest the recommended changes brought about the desired results.

Even though the changes in the coast ACC 325 class this year produced the desired effects overall (i.e., improved performance in ACC 327 on the coast), the ACC 327 instructor noticed one area where the coast students still underperformed relative to the Hattiesburg students. Four exams are given in ACC 327, and each exam is comprised of 20 multiple-choice questions (40% of exam points) and four problems (60% of exam points). This represents the traditional format for intermediate accounting exams, and all intermediate instructors in Hattiesburg (both intermediate one and intermediate two instructors) use some variation of it. On the first exam given in ACC 327 in the spring 2012 (i.e., after the changes in the coast ACC 325 course), the Hattiesburg students scored a mean of 75.13 (out of 100), while the coast students scored a mean of only 63.25. There were 46 and 37 students who took ACC 327 on the Hattiesburg and coast campuses, respectively, that semester. Note that the ACC 327 exam content was identical between campuses as was the pedagogy employed. For example, on both campuses, the ACC 327 classes met on the same days of the week (i.e., Tuesday/Thursday) and for the same duration (i.e., one hour and fifteen minutes per class period). The coast students clearly appeared to struggle more with the exam format than did the Hattiesburg students. Many of the coast students did not seem to use good time management on this first exam, which resulted in some of them leaving problems blank or hurriedly worked. The Hattiesburg students did not experience this problem, as they were able to complete the exam during the testing period.

By the fourth and final exam in ACC 327 in the spring 2012, though, this discrepancy between campuses in the students' test taking abilities had disappeared. For example on the fourth exam (which is the most difficult of the four exams), the mean scores between campuses were virtually

identical (i.e., coast mean = 71.03 and Hattiesburg mean = 70.78). In essence, the coast students had learned how to prepare for and take a traditional intermediate exam by the end of the semester. However, their poor performance on the exam(s) early in the semester put many of them at a disadvantage relative to the Hattiesburg students, who were already familiar with the exam format from intermediate one. For the ACC 327 instructor, the most common comment on his student evaluations for the coast section in the spring 2012 was that the students felt unprepared for the exam format in ACC 327. No similar comments were received from the Hattiesburg ACC 327 students. Even though the coast ACC 327 students were told the exact exam format well in advance of the first exam, they apparently had not experienced this format in their prior intermediate course (ACC 325) and, thus, struggled with it when actually confronted by the exam.

To ensure that students on both campuses are prepared for the exam format they will experience in most of their upper-level accounting courses, the AoL team recommends that all intermediate instructors (i.e., both ACC 325 and ACC 327) give exams in a similar format. (i.e., approximately 40%-50% multiple-choice questions and 50%-60% problems). This format is recommended for two reasons. First, it is the format used in most problem-solving accounting courses (e.g., ACC 320, 325, 327, 330, 401, and 407) because it allows the instructor to gauge a student's ability in solving situations requiring involved processes (i.e., problems) as well as the student's knowledge on a broad spectrum of topics (i.e., multiple choice). Second, it is consistent with the CPA exam format, which for the most part uses multiple-choice questions and problems (i.e., simulations). This issue will be revisited in next year's AoL report to ensure that the proposed testing format for intermediate accounting has been adopted uniformly.

As noted previously, the purpose of the PACE and the justification for it are amply documented in prior years' AoL reports. Last year's report shows that the PACE, overall, is working as prescribed (i.e., see the pre- and post-PACE analysis in last year's report). In the current year, however, it was noted that the average pass rate on the PACE of approximately 80% is higher than originally intended. The PACE committee felt the pass rate increased from the prior year because only one version of the PACE exists. Students have three attempts to pass the PACE; thus, those repeating the exam were seeing an unchanged version. Even though the exam was non-disclosed, students repeating the exam could remember what was on the exam from an earlier attempt. In addition, this version had been used for two years. The PACE committee felt these factors likely inflated the pass rates in 2011-2012. Thus, the PACE committee recommended, and the AoL team concurs, that three versions of the PACE should be developed and rotated in the administration of the exam to reduce the likelihood of repeat candidates seeing the same exam twice. The average pass rate on the PACE for the 2012-2013 academic year will be examined to determine if the multiple versions of the exam lower the pass rate back to a more desirable percentage (i.e., about 75%)

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

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

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

Established in Cycle: 2010-2011

ACC 325, ACC 327, ACC 401 (Financial Accounting) In the assessment report for the 2007-2008 academic year, the assessment team...

#### M 13: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

#### 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 (2011-2012) - Target: Met

Each of the four exams in ACC 327 in the spring 2012 contained 20 multiple-choice questions (40% of exam points) and four problems (60% of exam points). On each exam, two of the multiple-choice questions (i.e., 4% of exam points) tested the students' knowledge of IFRS. Overall, the students performed well on their eight IFRS questions, with a mean correct response rate of 76% on these questions. The same instructor taught ACC 327 on both campuses and used the same IFRS multiple-choice questions between campuses. There was <u>virtually no difference</u> <u>between campuses in the correct response rates</u> on the IFRS questions. The 76% correct response rate on the IFRS questions compares favorably with the students' mean correct response rate on the U.S. GAAP multiple-choice questions of 74.5%.

#### **Further Discussion:**

Two years ago, 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, for both 2010-2011 and 2011-2012, the students' performance on 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 AoL 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 last two cycles 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.

## **SLO 5:Research databases**

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

## **Related Measures:**

# M 14:Solve cases requiring research of the professional accounting standards

Students are required to solve cases in which they research the professional accounting standards [in ACC 325 (one case), ACC 327 (two cases), and ACC 401 (two cases)], and then write a report . Students' research skills are assessed using rubrics that measure 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

#### 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

ACC 325, 327, and 401 are financial accounting courses, and the research in these courses involve accessing 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 though 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 <u>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.</u>

ACC 325 will be used to establish a baseline for longitudinal improvement in ACC 327 and ACC 401 with the expectation that most ACC 325 students will not meet acceptable expectations. 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 (2011-2012) - Target: 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 1.67, while the mean score on the second trait (i.e., ability to apply the standard to the case and reach the appropriate conclusion) was 1.53. The class contained 15 students with seven students scoring at the "unacceptable" level on each of the two traits (not necessarily the same students on both traits though). In the Hattiesburg ACC 325 class, the mean scores on the first and second traits were 1.33 and 1.36, respectively. Thirty-three of the 45 students completing this assignment in Hattiesburg scored at the "unacceptable" level on each of the two research traits (again, though, not necessarily the same students on both traits). 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. However, the results on both campuses 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, with large portions of the students on both campuses scoring at the "unacceptable" level on these research traits).

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 2.13, with none of the 39 students performing at an "unacceptable" level. The mean score on the second trait (i.e., drawing an appropriate conclusion) was 2.00, with only 5 (13%) of the students performing at the "unacceptable" level. For the coast ACC 327 class, the mean score on the first trait was 2.03, with only 2 of the 37 students performing at the "unacceptable" level. The mean score on the second trait was 2.11, with none of the students performing at the "unacceptable" level. 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 both campuses. 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 or above the "acceptable" level on both traits (i.e., mean scores at or above 2.00), with very few students performing at an "unacceptable" level on either trait.

The improvement in research skills noted in ACC 327 continued in ACC 401. In particular, on the key research trait (i.e., ability to locate the appropriate standard), the mean score for the coast class was 2.20. The mean score for the Hattiesburg class was also 2.20. The vast majority of ACC 401 students on both campuses scored at the "acceptable" level or above on this trait. The same instructor taught ACC 401 on both campuses and used the same case at both locations to evaluate this research trait. The results from ACC 327 and ACC 401 provide evidence of longitudinal improvement in student's meeting this assessment target over time.

#### **Further Discussion:**

In the assessment report for the 2007-2008 academic year, the AoL 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 following years' AoL 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. A large proportion 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.

Although the results overall showed a strong improvement in research skills over the financial sequence of courses in the last few years, in the 2010-2011 AoL report the instructors in ACC 327 and ACC 401 documented 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 provided 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 a lack of understanding concerning the concept and application of an accrual based adjusting entry, which is a topic taught and learned in ACC 325.

The information noted above provided corroborating evidence of what the ACC 327 and ACC 401 instructors had observed over 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 exhibited 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 was that a significantly larger percentage of coast students (relative to Hattiesburg students) performed at the "unacceptable" level on this case. In the 2010-2011 report, the AoL team determined that the coast ACC 325 class lacked the rigor needed to prepare students for the challenges they would face in their subsequent financial accounting courses (i.e., ACC 327 and ACC 401).

Based on recommendations in the 2010-2011 AoL report, beginning in the fall 2011, the teaching and primarily the testing and grading in ACC 325 on the coast were changed to make them more similar to the procedures used in ACC 325 in Hattiesburg. In particular, previously, a heavy portion (approximately 55%-60%) of a student's grade in ACC 325 on the coast was based on work performed outside of class, where a student could get help from other students or additional sources. Thus, it appeared that many students had successfully completed ACC 325 on the coast without truly understanding the material covered, which left them disadvantaged when trying to handle the difficult topics addressed in ACC 327 and 401. The new format in ACC 325 on the coast eliminated the heavy use of out-of-class assignments (including take-home exams) in grade

determination and instead now relies largely on in-class exams to gauge students' individual knowledge. Outside assignments are still being given, but count a much lower percentage of a student's final grade than occurred in the past. The new ACC 325 format on the coast now parallels the teaching style not only of ACC 325 in Hattiesburg but of the other upper-level accounting courses as well.

In addition to recommending the changes to the coast ACC 325 class, the 2010-2011 AoL report also recommended comparing the performance of the coast students in ACC 327 with their counterparts in the Hattiesburg ACC 327 class in the spring 2012 to determine if the changes to the coast ACC 325 class brought about the desired result (i.e., improved performance of the coast students in ACC 327). The recommended changes to the coast ACC 325 class were implemented in the fall 2011 as prescribed, and the result is that the coast ACC 327 students in the spring 2012 showed significant improvement in their research skills and case analyses compared to the prior year and performed on an even par in this area with the Hattiesburg ACC 327 students. This positive finding demonstrates a clear "closing of the loop" in our AoL process as a problem was identified in a prior assessment cycle (i.e., coast ACC 325 class appeared to lack the rigor needed for preparing students for higher level accounting courses). Changes were made to the curriculum to remedy the problem, and subsequent assessment procedures (i.e., in the current year) indicate the problem has been resolved

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

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

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

Established in Cycle: 2010-2011

ACC 325, ACC 327, ACC 401 (Financial Accounting) In the assessment report for the 2007-2008 academic year, the assessment team...

## 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 reports. 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

#### 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 on a scale of 1 (unacceptable) to 4 (exceptional). The achievement target will be met if 70% or greater of students assessed perform at a score of 3 or better.

# Findings (2011-2012) - Target: Met

In the spring 2012, ACC 407 was taught by the same instructor on both campuses who used the same case and rubric for evaluating research skills on both campuses. Thirty-six students took the ACC 407 in Hattiesburg in the spring 2012, while only two coast students took the course that semester. These two coast students took the course as an independent study, but the instructor gave them the same exams and cases as their Hattiesburg counterparts. Because so few coast students signed up for ACC 407 when it was offered in the spring 2012, a section of it had to be created for the summer 2012. However, assessment results for the summer section are not included in this report because the results were not available in time to prepare the report. Instead, a decision was made to conduct assessment of research skills in ACC 407 on the coast as originally planned (i.e, in the spring 2012, which is the semester designated for collecting assessment data overall). Although the number of students in this coast section was quite small, the individuals represented typical coast students (i.e., were not extreme in either direction).

In the Hattiesburg ACC 407 class, 31 (86.1%) of the 36 students received four out of four points available on the assessment rubric for the trait related to researching GASB standards. For the coast class, (i.e., the independent study course), both students received four out of four points on the assessment rubric for researching GASB standards. The assessment target was achieved.

#### **Further Discussion:**

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' performance 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 the 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 and hopefully improve their skills in this area.

The curriculum change to ACC 407 recommended in the 2009-2010 AoL report (i.e., to add a second research case) 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 positive results continued into the current year (i.e., 2011-2012) as, overall, 87% of the total students (both Hattiesburg and coast combined) located the correct standard in the GASB codification for use in solving their final case in ACC 407. These results document a clear "closing of the loop" in our assessment process as a problem was initially identified in our 2008-2009 AoL 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 results in two assessment cycles (i.e., 2010-2011 and 2011-2012) suggest the problem has been resolved. The AoL 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.

## M 16:Accessing/downloading/analyzing data in ACC 327

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. This is now a requirement in every upper-level accounting course, and it was evaluated for assessment purposes using an assignment in ACC 327.

Source of Evidence: Academic direct measure of learning - other

#### Target:

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 327 instructor will apply a rubric to evaluate the following traits:

· Accessing WRDS - student was able to access the WRDS/COMPUSTAT database and extract the appropriate data.

- Manipulation of WRDS data student was able to import the WRDS data into an Excel spreadsheet and compute the proper ratios to solve the case.
- **Report preparation** based on the data collected and ratios computed, the student was able to prepare a well-reasoned and logical report with the conclusions supported by the student's findings.

A student's performance on each of the above traits will be rated as either

- 1 = unacceptable
- 2 = acceptable
- 3 = exceptional

The assessment target will be met if the mean for each trait equals or exceeds 2.0.

# **Findings** (2011-2012) - Target: <u>Met</u>

On the Hattiesburg and coast campuses, 36 and 31 students, respectively, completed the assignment and were evaluated by the instructor. The mean scores earned by the students on the three traits for the Hattiesburg and coast campuses are as follows:

<u>Trait</u>	<u>Hattiesburg</u>	Coast
Accessing WRDS	2.00	2.00
Manipulation of WRDS data	1.97	2.03
Report preparation	2.14	2.06

Overall, the students seemed very capable of researching this empirical database and using the data from their research to perform appropriate analyses. More specifically, for each of the three traits evaluated, the mean score on both campuses was at an "acceptable" level (i.e., mean of approximately 2.00), with very few students scoring at the "unacceptable" level on any trait. The only trait where a few students (i.e., seven in Hattiesburg and five on the coast) performed at an "unacceptable" level was in report preparation, where the students received a poor rating because they did not address all the issues in their report they were asked to address. Based on these results, the assessment target is considered achieved.

In the spring 2010, the SoA began requiring students to access the WRDS database in most of the upper-level accounting courses. This recommendation came from the AoL team and was made to acclimate our students to online empirical databases and, in particular, to hone their ability to extract data from such a database and manipulate that data into useful information for decision making purposes. Although these online database assignments are made in virtually all upper-level accounting classes, the AoL team last year designated ACC 327 as the course in which official assessment of the students' skills in this area is carried out. The results of this year's assessment shows that the ACC 327 students on both campuses performed well on all three traits involving research of online empirical databases (i.e., WRDS). The AoL team believes students have developed the skills needed in this area and recommend no changes to the curriculum. Assessment testing will continue in ACC 327 in the future to ensure these positive results remain constant.

# M 17:Tax Research Case (ACC 330)

In the 2010-2011 assessment report, the AoL team recommended that a tax research case be included in the assignments evaluated for determining the students' ability to research databases. This addition was made to broaden the research skills of our students in the spirit of continuous improvement. Accordingly, beginning in the current year (i.e., 2011-2012), students will be evaluated on their ability to research the

RIA Online tax research database and formulate opinions based on this research. Assessment of these skills will occur via a rubric applied to a case in ACC 330.

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

### Target:

## Hattiesburg campus

The students' solutions to a tax research case assigned in ACC 330 will be evaluated for assessment purposes using a rubric rating their performance relative to the following four traits:

- · Overall effort
- · Form/procedure
- · Content
- · Communication skills

Each trait was rated in one of the following categories:

- · No credit
- · Needs work
- · Adequate
- Outstanding

The assessment target will be met if at least 70% of the assessed students perform at an "adequate" level or better.

## **Coast campus**

In evaluating a student's tax memo, the instructor rated the student on the following four traits that are important in preparing tax research documents:

- Trait 1 Ability to identify and refine the tax issue
- Trait 2 Ability to research the tax sources to determine the tax law applicable to the issue
- Trait 3 Ability to interpret the results of the research and arrive at the correct solution.
- Trait 4 Ability to communicate the solution to the taxpayer succinctly and effectively in written form

For each of the above traits, a student was rated on the following scale:

- 1 = did not meet expectations
- 2 = met expectations
- 3 = exceeded expectations

The assessment target will be achieved if 70% of the students achieve a mean score of 2.0 or greater on every trait.

## Findings (2011-2012) - Target: Met

In the spring 2012 ACC 330 class in **Hattiesburg**, the instructor gave the students several assignments requiring them to perform tax research using the RIA Checkpoint database. One such assignment was evaluated for assessment purposes. On this assignment, students were required to prepare a formal document presenting relevant facts, issues, conclusions, and the reasoning for their conclusions. Preparing such documents is a skill widely valued among tax professionals. The case was a rather intricate tax dilemma and somewhat demanding for students at this level (i.e., novice tax researchers in ACC 330).

The instructor normally spends at least one class period each semester on RIA Checkpoint research skills. In addition, he encourages students to visit his office to discuss early drafts of their research memos, where he guides them in areas such as refining the issues and the facts of the case. 75% of the class to score at the "adequate" level or above on the traits evaluated on the assessment rubric.

In the spring 2012, ACC 330 on the **coast** was taught by a different instructor than the one in Hattiesburg. The coast instructor also made an assignment in which the students were required to use tax research sources (e.g., RIA Checkpoint) to provide substantiation for advice given to a taxpayer concerning a specific tax issue. The students had to prepare a tax memo detailing the issue and referencing the tax law or rulings they relied upon in providing their advice to the taxpayer.

For the 35 students in the coast ACC 330 class, the mean rating and the percentage of students scoring at or above the "met expectations" level are as follows:

	Mean <u>score</u>	% at or above "met expectations"
Trait 1	2.32	80.0%
Trait 2	2.35	91.4
Trait 3	2.29	88.6
Trait 4	2.42	94.3

Thus, in both the Hattiesburg and coast ACC 330 classes, the students appear to have developed adequate skills in both researching tax databases and in drawing appropriate conclusions based on their research.

In the spirit of continuous improvement, the AoL team recommended last year the addition of a tax research database to the cadre of databases with which our students become familiar. The AoL team had been reluctant to make this recommendation prior to then because our undergraduate tax class (i.e., ACC 330) had 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, had not been a required component of ACC 330. Recently, however, ACC 330 was dropped as a requirement for BA majors, and the course is now populated solely with accounting majors. Thus, the AoL team recommended a tax research assignment be added to ACC 330 in the spring 2012 requiring students to research the online RIA Checkpoint tax research database and formulate their opinions based on this research.

As suggested in the 2010-2011 AoL report, this curriculum change was implemented in the current academic year, and the results column in this year's report indicates that ACC 330 students on both campuses performed well on the rubrics evaluating their ability to research tax databases and prepare appropriate reports and conclusions based on their research. The AoL team makes no recommendations for curriculum changes relative to this research skill, but

instead suggests that assessment of the students' abilities to perform tax research continues in ACC 330 to ensure this important skill set is maintained in future student cohorts as well.

## Details of Action Plans for This Cycle (by Established cycle, then alpha)

## 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 2010-1011 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

**Projected Completion Date:** 09/29/2012 **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.

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

#### ACC 325, ACC 327, 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 have 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: Academic Rigor in 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

**Projected Completion Date:** 09/29/2012

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

#### **Scheduling of Compressed Courses Related to Internship Programs**

For USM to maintain a viable accounting program in terms of placing its graduates with quality firms, continuing two compressed courses (currently ACC 401 and ACC 407) during the second half of the spring semester is required. Last spring, compressed courses were scheduled for all students requiring the courses - both those returning from internships, and those not participating in the internship program. The majority of our students enrolled in the two compressed courses were not involved in the internship program. The result was that the non-intern students for the spring semester took a very light load the first half of the semester and then an extremely heavy load in the second half (i.e., for a senior-level non-intern student taking 15 hours in the spring, it results in

the equivalent of a 9-hour load in the first half of the semester and a 21-hour load in the second half). This problem is exacerbated by the fact that many of the non-intern students are average students academically (i.e., a number of the better students land internships).

Next spring (i.e., spring 2013), ACC 401 is slated to be one of the two senior-level accounting courses offered as a compressed course. The ACC 401 instructor has offered to teach this course in Hattiesburg the full semester so that the non-intern students do not have to take it on a compressed basis in the second half of the semester. For the students performing spring internships in the first half of the semester, the ACC 401 instructor will teach the course to them on a compressed basis in the second half of the semester by providing extra class periods and/or using a hybrid instructional format. Obviously, this would be extra work with little additional pay for the ACC 401 instructor, and she is to be commended for the sacrifice she is willing to make for our program and its students. The AoL team believes that a change is needed to improve the quality of education for our senior-level non-intern students in the spring semester, and it endorses the ACC 401 instructor's proposal. Assessment procedures next year will determine if the suggested curriculum change levels out the workload for the non-intern students so that it is more manageable for them. Additionally, two ACC 407 courses will be scheduled in the spring - one compressed, and one for the full semester.

**Established in Cycle:** 2011-2012 **Implementation Status:** In-Progress

Priority: High

Relationships (Measure | Outcome/Objective):

Measure: Writing skills on case solutions | Outcome/Objective: Communicate Effectively in Writing

**Projected Completion Date:** 09/01/2013 **Responsible Person/Group:** SoA Director

## **Analysis Questions and Analysis Answers**

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

# **Accreditation:**

The University of Southern Mississippi's College of Business is accredited by the Board of Directors of AACSB - The Association to Advance Collegiate Schools of Business. This designation places Southern Miss in exclusive company as one of only 643 AACSB accredited schools in the world and just 475 in the United States. More impressively, Southern Miss is one of only 167 schools in the U.S. that are <u>separately accredited in business and accounting</u>. Fewer than five percent of business schools worldwide have earned AACSB accreditation and less than one percent has achieved both business and accounting accreditation. To realize separate accounting accreditation, an institution must first earn or maintain AACSB Business Accreditation, which requires an institution to undergo a meticulous internal review and evaluation process. In addition to developing and implementing a mission-driven plan to satisfy the 21 business quality standards, accounting accreditation requires the satisfaction of an additional set of 15 standards that are specific to the discipline and profession of accounting.

In early November, 2011, USM's School of Accountancy underwent an Accounting Maintenance of Accreditation Review by the AACSB. Accounting received an outstandingly "clean" review. Not only was accounting accreditation extended another five years (next review is scheduled for 2016-2017), but no items were identified that require corrective action prior to our next review. Accounting faculty celebrated this unqualified success with colleagues in the College of Business, who also received an outstanding maintenance of accreditation review.

The accounting accreditation report formally commended the USM accounting program for the following "strengths, innovations, and unique features" (which is quoted from the AACSB report):

**Continuity and Consistency of School Leadership** The School has benefited greatly from the vision and administrative leadership of its Director, the academic leadership of the recently hired endowed chair, and commitment and contributions of other faculty leaders, who are all to be commended.

**Principles of Accounting Competency Examination (PACE)**: all students enrolling in Intermediate Accounting I 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. PACE is about retention and student success. If students can be directed into academic areas in which they can do well within the university, then they probably will stay at the University.

Integration of WRDS and ASC Research Data Bases into Required Coursework: 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. All upper level accounting courses (300 level and above with the exception of BLaw) have WRDS assignments required as coursework. 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 students to research the ASC to solve cases.

**British Studies Abroad Program:** Annually, the school sponsors a study abroad program primarily in London, Amsterdam and Brussels. For many of the students, this is their first trip outside Mississippi. Thus, this program provides some much needed cultural diversity.

**College Computerized Testing Center:** The School faculty fully embrace using this computerized testing center to free up class time for additional instruction. Additionally, the preparation materials and content of the PACE exam is handled by this facility.

Assessment of Student Learning Outcomes: As demonstrated in the Assurance of Learning Reports and University Awards of Commendation included in the Appendix to their report, the School has championed the assessment of student learning outcomes for both the AACSB and SACS accrediting bodies. The faculty approach to achieve continuous improvement in student learning can be described as a "bottoms-up" approach to assessment. The School's AoL program was formally commended by the University both in 2010 and in 2011, not only for assessing student learning outcomes, but also for developing action plans to ensure continuous improvement in future student learning.

This accreditation review represents a major achievement in that it provides the USM accounting program with much-deserved recognition. This recognition is a major determinant of how other accounting programs nationwide view us, and in how accounting firms nationwide view our employment-seeking graduates.

#### **University Ranking of Academic Programs:**

The assessment information supports the strength of the BSBA in Accounting as a quality program that produces qualified candidates for entering graduate school and thence, the public accounting profession. Of 257 academic programs prioritized by the University Priorities Committee in 2010, the BSBA program in Accounting (Hattiesburg campus) was ranked #2, and the BSBA program in Accounting (Gulf Coast campus) was ranked #5. Our assessment process, which is ably led and broadly supported by the faculty, provides systematic measures to ensure that the BSBA program continues to produce quality graduates.

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

Increasing Academic Rigor 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. Although discernible progress has been made in increasing the academic rigor of this course (as documented in this report), there is still much to do. The faculty recommends comparing the pass rates and grades of the coast ACC 325 classes on a continuing basis; 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 monitor 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.

Implementing Hands-On Exercises Using XBRL Significant progress was made in introducing students to XBRL in ACC 309 (Accounting Information Systems) this past academic year. The School procured 100 booklets written by the nation's foremost accounting educator on this topic, and students began to use this material to complete hands-on XBRL assignments as documented in this report. However, this topic is so new that sufficient teaching materials have yet to be developed to fully integrate this important skill set in ACC 309.

#### **Annual Report Section Responses**

## **Program Summary**

### **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 ACC 330, 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. Achieved an outstandingly "clean" accreditation review. Not only was accounting accreditation extended another five years (next review is scheduled for 2016-2017), but no items were identified that require corrective action prior to our next review and five initiatives were specifically commended by the accreditation team. 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.
- 2. 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.
- 3. The SoA has a growing regional reputation for teaching excellence. Six SoA teaching faculty members have received prestigious teaching awards over the past four years.
- 4. The SoA has been commended for excellence in assessing student learning outcomes in 2010, 2011, and 2012.
- 5. The enrollment in the MPA program has almost doubled over the last three years (23 students currently enrolled in Fall 2012).
- 6. The enrollment in the BSBA program has increased by 15.8% in Fall 2011 (541) enrollment over that of Fall 2010 (467).
- 7. 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.
- 8. 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.

- 9. 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.
- 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.

The School of Accountancy's initiatives to increase student retention are focused on increasing faculty-student interaction out of the classroom. At the beginning of the 2009-2010 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 dinners; 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**

In the spirit of continuous improvement, the assessment team recommended in 2010-2011 the addition of a tax research database assignment 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 therefore recommended 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. This additional assessment was incorporated in the School's Assurance of Learning plan, and is documented in this report.

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

In 2011-2012, ACC 402 was subsumed by ACC 401, along with its assessment demands. The addition of a major spreadsheet project in ACC 401 for assessment purposes, as previously conducted in ACC 402, created 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, the requirement for assessing research of online databases (i.e., WRDS) shifted to ACC 327 (Intermediate II). This change in assessment responsibility was incorporated in the

## **Closing the Loop**

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

### ACC 325 Coast

In addition to recommending the changes to the coast ACC 325 class, the 2010-2011 AoL report also recommended comparing the performance of the coast students in ACC 327 with their counterparts in the Hattiesburg ACC 327 class in the spring 2012 to determine if the changes to the coast ACC 325 class brought about the desired result (i.e., improved performance of the coast students in ACC 327). The recommended changes to the coast ACC 325 class were implemented in the fall 2011 as prescribed, and the result is that the coast ACC 327 students in the spring 2012 showed significant improvement in their research skills and case analyses compared to the prior year and performed on an even par in this area with the Hattiesburg ACC 327 students. This positive finding demonstrates a clear "closing of the loop" in our AoL process as a problem was identified in a prior assessment cycle (i.e., coast ACC 325 class appeared to lack the rigor needed for preparing students for higher level accounting courses). Changes were made to the curriculum to remedy the problem, and subsequent assessment procedures (i.e., in the current year) indicate the problem has been resolved.

#### **ACC 407**

The curriculum change to ACC 407 recommended in the 2009-2010 AoL report (i.e., to add a second research case) 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 positive results continued into the current year (i.e., 2011-2012) as, overall, 87% of the total students (both Hattiesburg and coast combined) located the correct standard in the GASB codification for use in solving their final case in ACC 407. These results document a clear "closing of the loop" in our assessment process as a problem was initially identified in our 2008-2009 AoL 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 results in two assessment cycles (i.e., 2010-2011 and 2011-2012) suggest the problem has been resolved. The AoL 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.

## Students will be able to demonstrate competency in current technology

#### **ACC 309**

The 2010-2011 AoL report specifically recommended that a hands-on assignment be made in ACC 309 that required students to demonstrate a working knowledge of the XBRL reporting format for financial statements. This was not an easy task because XBRL programs are not yet available in the academic environment; however, the AoL team felt it was important for the students to have more than just book knowledge of XBRL, as it is the reporting format currently required of publicly traded companies submitting their reports to the SEC. In the current academic year, the ACC 309 instructor located a textbook/manual for XBRL and assigned a project requiring students to prepare a set of financial statements using the XBRL taxonomies. The results column in this report shows that the vast majority of ACC 309 students on both campuses performed well on their XBRL projects. This represents a clear "closing of the loop" in our AoL process as a recommendation for a curriculum modification was made in a prior year's AoL report to keep our program current with changes in the accounting profession. That recommendation was acted upon in the current year (i.e., 2011-2012) as the hands-on XBRL assignment was made in ACC 309. The results from assessment testing this year demonstrate that students have acquired a working knowledge of XBRL, as well as a basic ability to apply the XBRL process in financial statement preparation.

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

#### **ACC 409**

The SoA has two faculty members who teach ACC 409, and both of them have been diligent in their efforts to improve the ethical decision making skills of our students over time. Only one faculty member taught ACC 409 in the spring 2012 though, and she devoted class time to teaching specific techniques useful in structuring solutions to ethical dilemmas and provided students with examples of the critical points to consider in responding to an ethics issue. Plus, in class, she presented students with a step-by-step outline approach to resolving an ethical dilemma. The work of our ACC 409 instructors demonstrates a clear "closing of the loop" in our assessment process that has transcended several cycles. For example, when assessment of ethical decision making first occurred several years ago in ACC 409, the students scored well below the 2.00 ("met expectations") mark. However, through the work of the ACC 409 instructors and the attention they devoted to ethical decision making skills in the classroom and in their assignments, the students have, for several years now, scored well on their rubrics measuring ethical decision making skills.

# Students will be able to demonstrate functional knowledge of basic accounting skills ACC 409

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. The procedure is now an integral part of ACC 409 and performed every year on both campuses. The two traits measured for evaluating a student's understanding of transactions cycles are (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 AoL 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 auditing professor made the two assignments as recommended and performed assessment evaluations on the second one. As expected, the results improved, and the instructor continues this practice today on both campuses. For example, in the current year (i.e., spring 2012), the Hattiesburg students' mean scores on the two transactions cycle traits were 2.25 and 2.24, respectively, and the coast students' mean scores on the two traits were 2.24 and 2.20, respectively. In addition to the improved scores in the transactions cycle traits measured in the evaluation rubrics in the last few years, 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.

## **ACC 327**

Two years ago, 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, for both 2010-2011 and 2011-2012, the students' performance on 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 AoL 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. Subsequent

assessment testing in the last two cycles 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.

#### ACC 325 Coast

The results column in this year's report clearly indicates that the changes in ACC 325 on the coast resulted in the cohort of students being better prepared for ACC 327 after the changes than they were before the changes. For example, after the changes in the coast ACC 325 class, the coast ACC 327 students in the spring 2012 on average earned a GPA of 2.222, while the year before (and prior to the change in ACC 325) the coast ACC 327 students earned an average GPA of 1.471. The coast ACC 327 students now appear to be on an even keel with the Hattiesburg ACC 327 students (i.e., the mean GPAs in ACC 327 on the coast and Hattiesburg in the spring 2012 were 2.222 and 2.275, respectively). These findings demonstrate a positive "closing of the loop" in our assessment process as a problem was identified through assessment procedures in a prior cycle, and recommendations were made in last year's AoL report for changes to the curriculum to correct the problem. Assessment procedures performed in the current year suggest the recommended changes brought about the desired results.