

**Student Learning Outcomes Committee 2009  
Department/Program Assessment Results Report**

Department/Program **School of Accountancy** Degree/Program **Masters (MSA)**  
Date Submitted **March 27, 2009**

The purpose of this report is to communicate the assessment activities that have taken place during the last academic year, as well as to convey how the results are being used *to improve student learning at the program level*. The report should be kept as succinct as is possible, while answering the following questions clearly and conscientiously:

**I. Working from your assessment report of last year, please discuss some changes made or strategies implemented in response to last year's results.**

- The assessment results from last year indicated that student performance met expectations in Oral Communication presentations. Thus, no significant change to the program was required. However, because of the positive effect of using presentation assessment forms in Acct 790, this practice will continue each semester. Students benefit from a detailed discussion of the rubric and of the important elements in a presentation. One change implemented this past year, was to use the assessment rubric developed by the College Assessment Committee for Oral Communication.
- Last year the assessment report contained a formal summary of the Teaching Assistant (TA) in-class evaluations. Of the nine evaluations done, only one person did not meet expectations. As discussed in the report, the in-class visitations in TA classrooms were to continue each semester, along with the appropriate levels of training and mentoring to enhance the educational experience. This year the evaluations were done and mentoring was conducted to develop the TA's skills. However, we have instituted a change in the delivery of our introductory accounting courses effective for Fall 2009. Teaching Assistants will no longer be responsible for separate sections of introductory accounting courses. Instead, there will be large lecture sections with a tenure-track professor, and graduate assistants will conduct breakout sessions for problems and other types of activities. The details of the breakout sessions still have to be developed. Since there will no longer be TA's who have full responsibility to teach courses, the continuation of the TA Report in its current form would not provide information for the future program. The change of format for delivery of the introductory accounting courses was a result of multiple factors, including consideration of accreditation standards and California budgetary constraints on the CSU and SDSU programs.
- As a result of reviewing our SOA program and course learning outcomes, we made a minor change to our MSA learning outcomes. In addition, we developed a more detailed Assessment Plan. These are included in Appendices A and B.

**II. Drawing upon the goals and objectives contained in the department/program student learning assessment plan, what was the focus of the department's student learning assessment for the past academic year?**

- A. This section should list the student learning goals and objectives that were the focus for the report year (selected from your complete set of goals and objectives).

**Appendix A contains our complete set of Goals and Learning Outcomes.**

**Appendix B contains our multi-year assessment plan.**

The focus for the past year was the following.

**GOAL 3: Acquire the capacity to address accounting problems**

**Learning Outcome 3.1:**

- **Apply ethical reasoning to accounting issues**

- B. It would also be helpful to note here the student learning goals and objectives that you intend to assess during the next year.

**GOAL 3: Acquire the capacity to address accounting problems**

**Learning Outcome 3.2:**

- **Research and report on accounting related issues**

**III. What information was collected, how much, and by whom?**

- A. This section should briefly describe the methodology used to examine the targeted goals and objectives. Please attach relevant scoring rubrics, surveys, or other materials used to examine student learning to the back of the report, as Appendices.

**Apply ethical reasoning to accounting issues**

**Assessment Instrument**

The instrument used in the assessment is the Accounting Ethical Dilemma Instrument (AEDI) developed by Thorne (2000, *Behavioral Research in Accounting*) to measure accounting-specific ethical reasoning. The AEDI contains four ethical dilemmas that address audit-based ethical principles in the AICPA Code of Professional Conduct such as conflicts of interest, objectivity, due care, integrity, and confidentiality. Specifically, the AEDI used in this assessment measured the level of deliberative ethical reasoning (DER) applied to the resolution of the four accounting-specific ethical dilemmas. The AEDI is attached as Appendix C.

**Assessment Sample**

The assessment was conducted in Accounting 790, the capstone course for the MSA program. Data were collected during the second week of the semester in Spring 2008, Summer 2008, and Fall 2008. The timing of the data collection was designed to allow for the assessment of students' ethical reasoning prior to the completion of ACCTG 790, during which ethical judgment and decision making in accounting is reviewed. Thus, the timing of the study was chosen to minimize any demand (recency) effects caused by the ethics instructions in the MSA capstone course and to provide a cleaner assessment of students' ethical reasoning resulting from the general MSA curriculum. Table 1 summarizes the sample selection for the analysis.

<b>Sample Selection</b>	
Total number of instruments completed	79
Less: Missing data	13
Less: Failed internal validity check	7
Total valid and complete responses	59

- B. Please note that the expectation here is that programs will make use of *direct* measures of student learning outcomes.

**IV. What conclusions were drawn on the basis of the information collected?**

- A. This section should briefly describe the results (in summary form) in regard to how well students have met the targeted goals and objectives. For example, what percentage of students met the objectives? Is this a satisfactory level of performance? What areas need improvement?

Overall, the results of the assessment indicated that our MSA students perform as well as their benchmarks at other accounting programs. An additional analysis indicated that 83% of the subjects score at an acceptable level prior to the coverage of ethical issues contained in the capstone Acct 790 course. In addition, we found no difference between those students with an undergraduate degree in accounting and those who entered the MSA with a degree in another field.

### Assessment Analysis

Table 2 presents descriptive statistics for DER score results from the sample.

		<u>Statistic</u>
Mean		30.34
95% Confidence Interval for Mean	Lower Bound	27.49
	Upper Bound	33.19
5% Trimmed Mean		30.07
Median		30.00
Standard Deviation		10.92
Minimum		10.00
Maximum		57.50

The results from three recent research studies published in high quality academic journals (*Issues in Accounting Education*, *Journal of Accounting Education*, and *Journal of Business Ethics*) were used as a benchmark for the MSA students' level of ethical reasoning. These studies used the AEDI and collectively report the results from a total of 151 accounting student responses, with a mean (standard deviation) DER score of 28.41 (12.40). Table 3 provides a comparison of the DER scores of the MSA students and this benchmark sample.

	<u>n</u>	<u>DER Score</u>	<u>t</u>	<u>p-value (2T)</u>
MSA Students	59	30.34 (10.92)	1.05	0.29
Benchmark Sample	151	28.40 (12.40)		

Table 4 provides frequency results of DER scores categorized into three groups; with DER scores below 20 considered below an acceptable level of ethical reasoning.

**TABLE 4**  
**DER Score Categorical Frequency Analysis for SDSU MSA Students**

	<u>Frequency</u>	<u>Percent</u>
DER Scores < 20	10	16.9
DER Scores 20 – 40	39	66.1
DER Scores >40	10	16.9

A distinguishing characteristic of the SDSU MSA program is that there are two main groups of students – those that have undergraduate degrees in accounting and those that do not. Therefore, additional analysis of the ethics assessment data was conducted to examine whether students with undergraduate accounting degrees exhibited a different level of accounting-specific ethical reasoning than their contemporaries in the MSA program. Table 5 provides a comparison of the DER scores for these two MSA student groups.

**TABLE 5**  
**DER Score Assessment Comparison**

	<u>n</u>	<u>Deliberative P-Score</u>	<u>t</u>	<u>p-value (2T)</u>
UG Accounting Majors	25	30.15 (9.13)	-0.16	0.88
Non-UG Accounting Majors	34	30.60 (13.18)		

- B. Whenever it is possible to do so, please organize and present collected data by way of tables and/or graphs. [Note: the committee expects and welcomes both quantitative and qualitative data, so this suggestion should not be construed as seeking quantitative data only.]

**V. How will the information be used to inform decision-making, planning, and improvement?**

- A. This section should describe the strategies that will be implemented for program improvement as a result of the conclusions drawn from the assessment activities.

The information from the assessment of our students' ability to apply ethical reasoning to accounting issues was favorable with 83% of the students demonstrating acceptable levels of ethical reasoning. Although the Assessment Committee was especially concerned with whether the program was providing sufficient ethical exposure to our students who come from non-accounting undergraduate majors, the results indicate that these students were as prepared as students who had completed an undergraduate degree in accounting. Thus, the results of this year's assessment suggest that no programmatic changes are necessary in this area. The coverage of ethics material in the capstone class of Accounting 790 to reinforce professional ethics should be a sufficient remedy for possible shortfalls in particular individuals.

- B. The program change may pertain to curricular revision, faculty development, student services, resource management, and/or any other activity that connects to student success.

**Report completed by: Professor Carol F. Venable**

**Date: March 27, 2009**

**Appendix A: MSA Goals and Learning Outcomes****MAJOR GOALS AND LEARNING OUTCOMES FOR THE  
M.S. ACCOUNTANCY PROGRAM**

**GOAL 1:** Obtain an understanding of current influences on and factors within the accounting profession

Learning Outcomes:

- Assess the political, social, legal and regulatory environment of the profession
- Evaluate new developments effecting the profession

**GOAL 2:** Acquire the ability to communicate effectively about accounting issues

Learning Outcomes:

- Express and defend reasoned opinion about accounting issues
- Write well-organized memos and reports
- Prepare oral and visual presentations for appropriate business audiences

**GOAL 3:** Acquire the capacity to address accounting problems

Learning Outcomes:

- Research and report on accounting related issues
- Apply ethical reasoning to accounting issues

**Appendix B: Five Year Assessment Plan****MSA  
ASSESSMENT PLAN**

**Mission/Vision Statement: To advance the knowledge and practice of accounting in public, private, and governmental organizations by developing students to be lifelong learners and future practitioners and users of accounting information.**

**Goals & Student Learning Outcomes****I. Obtain an understanding of current influences on and factors within the accounting profession.****Student Learning Outcomes:**

**SLO #1.1:** Assess the political, social, legal and regulatory environment of the profession.

**SLO #1.2:** Evaluate new developments within the profession.

- **Content Delivered in:** Embedded in all MSA courses
- **Assessment Method:** Portfolio in 790

**II. Acquire the ability to communicate effectively about accounting issues****Student Learning Outcomes:**

**SLO #2.1:** Express and defend reasoned opinion about accounting issues.

**SLO #2.2:** Write well-organized memos and reports.

- **Content Delivered in:** Acctg 790
- **Assessment Method:** Portfolio in Acctg 790

**SLO #2.3:** Prepare oral and visual presentations for appropriate business audiences.

- **Content Delivered in:** Acctg 790
- **Assessment Method:** Presentation in Acctg 790

**III. Acquire the capacity to address accounting problems.****Student Learning Outcomes:**

**SLO #3.1:** Apply ethical reasoning to accounting issues.

- **Content Delivered in:** Embedded in all MSA courses
- **Assessment Method:** Ethics Case in Acctg 790

**SLO #3.2:** Research and report on accounting related issues

- **Content Delivered in:** Embedded in all MSA courses
- **Assessment Method:** Portfolio in Acctg 790

### Assessment Timeline

GOAL	SLO	1 <sup>st</sup> Cycle	2 <sup>nd</sup> Cycle
<b>I</b>	<b>1.1, 1.2 (Portfolio Part 1 Essay)</b>	<b>2006-2007</b>	<b>2010-2011</b>
<b>II</b>	<b>2.1, 2.2 (Portfolio Part 1 Article Memos)</b>	<b>2006-2007</b>	<b>2011-2012</b>
<b>II</b>	<b>2.3 (Presentation)</b>	<b>2007-2008</b>	<b>2012-2013</b>
<b>III</b>	<b>3.1 (Ethics Case)</b>	<b>2008-2009</b>	<b>2013-2014</b>
<b>III</b>	<b>3.2 (Portfolio Part 3)</b>	<b>2009-2010</b>	<b>2014-2015</b>

Timeline represents a five year cycle.

### MSA Curriculum Map

<u>Course</u> SLO	All MSA Courses	Acctg 790
1.1	X	
1.2	X	
2.1		X
2.2		X
2.3		X
3.1	X	
3.2	X	

**Appendix C: Accounting Ethical Dilemma Instrument (AEDI)****GENERAL INSTRUCTIONS**

When analyzing and answering the questions for the following cases, please **answer according to how you believe the accountant described in the case would realistically respond, taking into consideration the pressures and tradeoffs that influence accountants' behaviors on the job.**





**John and the Folders Audit**

John is a senior CPA in charge of the field work for two legally unrelated audit clients: the Folders Company and Colby Corporation. While on the Folders job, John learns that Colby is the only supplier of a product that is crucial to the manufacturing for Folders’ final output. The next day, John learns from Colby’s management that they are greatly increasing the price of their primary products, and the new pricing policy can bankrupt Folders. John knows that Folders recently considered the acquisition of a small company in Asia that, with some effort, can redirect its production to produce a product similar to the one made by Colby. However, the estimated unit cost was greater than the present (known and assumed stable) prices offered by Colby. Based on their limited information, Folders did not seriously consider the purchase of the small company.

Realistically, should John disclose Colby’s plans to Folders? (Check one)

Yes       Can’t decide       No

In the process of advising John whether he should disclose Colby’s plans to Folders, many different items need to be considered. Below is a list of some of these issues. Please indicate the importance of each of the following considerations:

**Importance**

Great	Much	Some	Little	No	
					1. Is John obliged to maintain client confidentiality regardless of circumstance?
					2. Whether the partner on the audit will endorse John's actions.
					3. What is best for the reputation of John's firm?
					4. Whether Folders' reliance on a single supplier is disclosed in the financial statements.
					5. Whether client confidentiality is the ultimate prelude to the necessity of rendering an adult opinion.
					6. Which course of action will bring about the greatest good for all society?
					7. How will John's actions be perceived by others in the audit firm?
					8. Whether the Folders Company brought this upon itself by relying solely upon one supplier.
					9. Whether John's actions are against regulatory standards with respect to insider information.
					10. What values are the basis for determining which stakeholder's interest takes precedence when they conflict?
					11. Would John's actions be consistent with what he believes is just?
					12. Whether the reputation of the audit profession will suffer if Folders goes bankrupt.

From the list above, rank the four items of the greatest importance to a “**realistic**” response:

Most Important     2<sup>nd</sup> Most Important     3<sup>rd</sup> Most Important     4<sup>th</sup> Most Important

**Bob and Cora Limited**

Bob is a brand new partner in a medium-size audit firm. Bob has inherited a substantive book of business as a result of the unanticipated demise of one of the firm’s founders. In fact, Bob has had the good fortune to have been granted the audit firm’s largest and oldest client, Cora Limited, and its 70 percent owned subsidiary, Corinne Incorporated. Bob discovers that Cora Limited has historically been charging an exorbitant management fee to Corinne Incorporated. Bob is concerned that the interests of the minority shareholders of Corinne Incorporated are materially compromised by such an arrangement. In discussions with the client, Bob learns that this procedure was undertaken several years ago upon the advice of his own firm’s tax department. This procedure is used to boost Cora’s earnings to take advantage of significant tax savings that would otherwise be lost to Cora Limited. Cora’s management is not amenable to losing these tax savings. The magnitude of all related-party transactions between Cora Limited and Corinne Incorporated are disclosed in the financial statements as required by the accounting standard. Consequently, submits Cora’s management, the financial statements of Cora Limited and Corinne Incorporated are fairly presented.

Realistically, should Bob insist on separate disclosure of the management fee by Cora Limited?

\_\_\_ Yes     \_\_\_ Can’t decide     \_\_\_ No

In the process of advising Bob on whether he should insist that Cora disclose the management fee, many different issues need to be considered. Below is a list of some of these issues. Please indicate the importance of each of the following considerations:

**Importance**

Great	Much	Some	Little	No	
					1. Whether other partners in the firm will support Bob's position.
					2. Would it be fair to the tax department if Bob did not insist that the management fee be disclosed?
					3. Whether anybody really cares about GAAP in their efforts to exploit everyone else.
					4. Whether a retroactive adjustment to the financial statements is required.
					5. Whether disclosure of the management fee would benefit more people to a greater extent.
					6. What is the quintessence of an audit apart from displacement, especially for minority shareholders?
					7. Is Bob obliged by professional standards to assess the reasonableness of the management fee?
					8. Whether it is generally accepted that firms manipulate the amount of the management fees between associated companies to minimize their tax liability.
					9. What is the financial importance of the Cora audit to Bob?
					10. Does Bob have a professional duty to protect the right of minority shareholders?
					11. Would Bob's decision be consistent with his own personal beliefs?
					12. What values are the basis for governing fair presentation when specific accounting standards do not result in full disclosure?

From the list above, rank the four items of the greatest importance to a “realistic” response:

\_\_\_ Most Important     \_\_\_ 2<sup>nd</sup> Most Important     \_\_\_ 3<sup>rd</sup> Most Important     \_\_\_ 4<sup>th</sup> Most Important