

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

Department/Program **Finance**

Degree **M.S. in Business Administration,  
Concentration in Financial and Tax Planning**

Date Submitted **March 20, 2007**

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. 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?**

The focus of the Department of Finance's student learning objectives for the Financial and Tax Planning Concentration for 2006-7 is Goal 1, which states the student must demonstrate he or she can **determine a client's financial situation and needs**. Appendix 1 contains the complete set of SLO's for this program and the timeline that will be followed in future years for assessment.

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

All students in the financial and tax planning concentration take FIN589, Personal Financial Planning, during their first Fall semester (it is only offered in the fall). During that class student are provided a full personal financial planning case complete with client interview, source material (tax forms, insurance policies, etc), and financial planning process material. The case is broken down into fifteen assignments each requiring the student to fulfill a specific requirement. Many of those requirements relate directly to the learning objectives specified in Goal One.

The case is graded on a criterion basis. Those students receiving scores on a specific assignment of 0 to 3.2 have failed to meet the learning objective, at least to a certain extent. Those students earning 3.3-3.4 have met the learning objective. Those students' whose evaluation exceeded 3.4 demonstrated some knowledge and techniques advanced from what would be required to demonstrate proficiency.

During Fall 2006, 96 students were enrolled in FIN 589. Thirty of those were graduate students and five were in the financial and tax planning major. This method is a direct measure of students meeting the student learning objectives. An Indirect measure is the results of students taking the Certified Financial Planner national exam. These measures are used alternatively.

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

The Tables below show the results of the admittedly small number of students who participated in this activity (five).

The results were examined in three groups of "Learning Outcomes."

Part 1 examined Goal 1, SLO 1:

1. Determine a client's financial status by constructing and interpreting their financial statements.

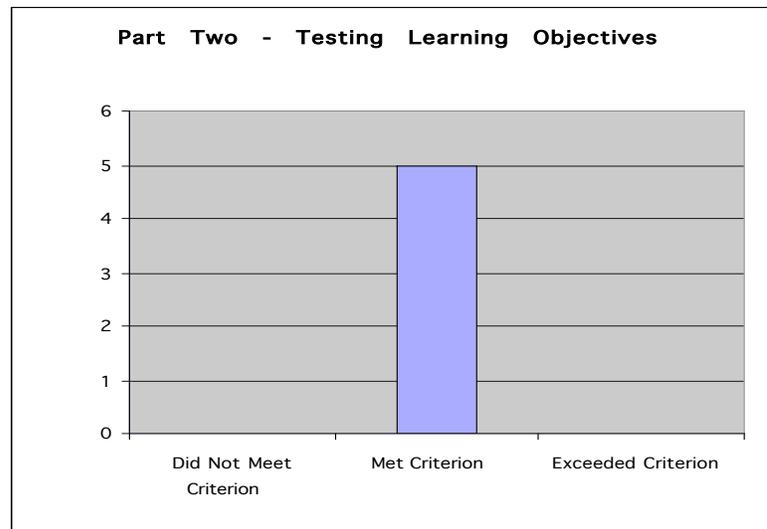
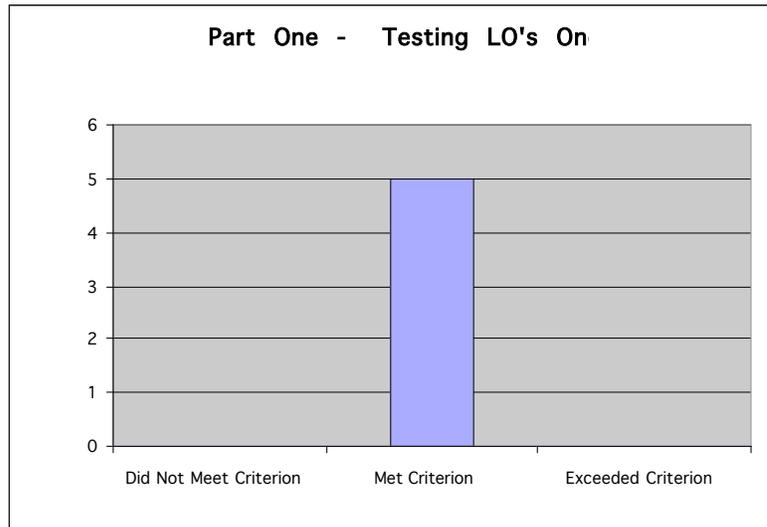
Part 2 examined Goal 1, SLO 2, 3, and 4:

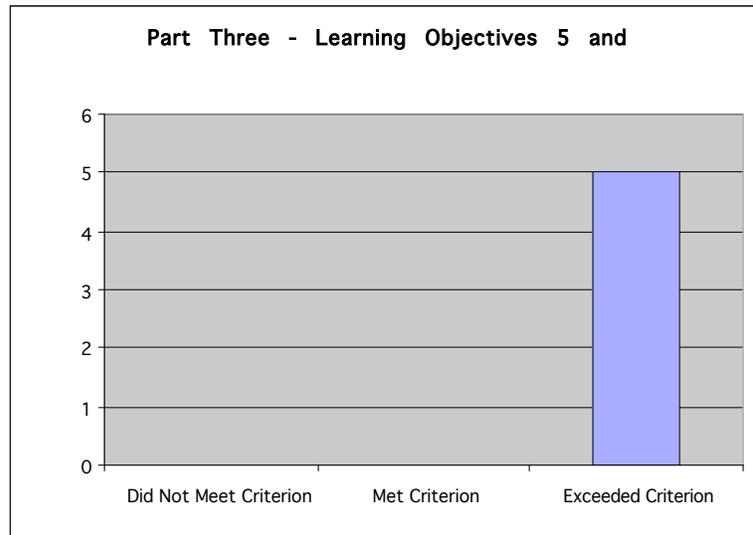
2. Recognize problems and opportunities, strengths and weaknesses of their current financial situation.

3. Evaluate client's attitudes so that a plan can be implemented that is not only feasible but also psychologically appropriate to the client. These include risk preferences, psychological profile and the results of behavioral finance research.
4. Help clients enunciate their life goals, enumerate the financial aspects of those goals, evaluate their ability to meet their goals, devise a plan to meet those goals.

Part Three examined Goal 1, SLO 5 and 6:

5. Evaluate the sufficiency of client's emergency funds, their preparation for fiscal stress, their credit worthiness and their use of debt and propose improvements in each.
6. Estimate the inflation adjusted cash flows and the present values for each goal, and build an accumulation plan to accomplish each goal.





The above charts demonstrate that all five students met all learning outcomes in Goal 1. It also stressed that students did exceptionally well in meeting SLOs 5 and 6.

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

There are several strategies that may be employed to improve the results. For one, a greater proportion of class time may be used to focus on the difficult issues in the Learning Outcomes One through Five, although the standards seem to have been met.

Second, the instructor felt that because graduate students in the class and undergraduate students in the class found different material difficult, it may be appropriate to split the class between graduate and undergraduate students (i.e., change 589 into 389 and 689)

Third, some software implementations may allow students to work with real life data that may benefit students. Morningstar data bases have recently been purchased to that end.

Report completed by Thomas Warschauer

Date March 19, 2007

**Appendix 1**  
**Goals and Student Learning Outcomes: MSBA – Financial & Tax Planning Concentration**

	<b>Scheduled for assessment</b>	<b>Assessment method</b>
<b>Goal 1: Determine Client Financial Situation and Needs.</b>		
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Determine a client’s financial status by constructing and interpreting their financial statements.</li> <li>2. Recognize problems and opportunities, strengths and weaknesses of their current financial situation.</li> <li>3. Evaluate client’s attitudes so that a plan can be implemented that is not only feasible but also psychologically appropriate to the client. These include risk preferences, psychological profile and the results of behavioral finance research.</li> <li>4. Help clients enunciate their life goals, enumerate the financial aspects of those goals, evaluate their ability to meet their goals, devise a plan to meet those goals.</li> <li>5. Evaluate the sufficiency of client’s emergency funds, their preparation for fiscal stress, their credit worthiness and their use of debt and propose improvements in each.</li> <li>6. Estimate the inflation adjusted cash flows and the present values for each goal, and build an accumulation plan to accomplish each goal.</li> </ol>	2006-7 (Fall)	Fin 589 - Comprehensive Plan
<b>Goal 2: Develop a Financial Plan</b>		
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Evaluate the economic and demographic environment to understand how it may affect clients’ plans, including current and anticipated--               <ul style="list-style-type: none"> <li>• Interest and inflation rates</li> <li>• Expected rates of return</li> <li>• Mortality</li> </ul> </li> <li>2. Help clients identify elements of risk they face and select appropriate means of dealing with them. These elements of risk include:               <ul style="list-style-type: none"> <li>• Insurable risks (life, health, property, liability)</li> <li>• Portfolio risks (optimizing investment portfolios)</li> </ul> </li> </ol>	2007-8	LO 1 Fin 657 – “Real” Financial Plan (Completed Spring 07)  LO 2 Fin 522 - Exam Questions Fin 652 – Exam Questions

<ul style="list-style-type: none"> <li>• Hedgeable risks (use of derivatives to control risk)</li> </ul> <ol style="list-style-type: none"> <li>3. Evaluate investment choices (securities and real assets) and select the most appropriate choices from among various investment and insurance alternatives in order to help clients achieve specific goals.</li> <li>4. Understand personal taxation and its affect on all the above strategies including the selection of those strategies that optimize a client's after-tax well being.</li> <li>5. Understand the legal alternatives with regard to choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the client's well being.</li> <li>6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives.</li> </ol>		LO 3 Fin 657 – “Real” Financial Plan (Completed Spring 07) Fin 652 - Exam Questions  LO 4 Acctg 503 Exam Questions  LO 5 Fin 705 Exam Questions  LO 6 Fin 523 Exam Questions
<b>Goal 3: Prepare to operate a financial planning practice</b>		
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Evaluate and resolve ethical dilemmas facing financial planners.</li> <li>2. Recognize the legal and regulatory constraints within which planners operate.</li> <li>3. Determine the appropriate business form for operating a financial planning practice.</li> <li>4. Evaluate financial planning software</li> </ol>	2008 – 9	LO 1,2 Fin 589 Exam Questions  LO 3,4 Fin 657 Assignment Evals.
<b>Goal 4: Specialty Goals (CFA, EA)</b>		
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Evaluate individual security characteristics and build portfolios at a level sufficient for a Professional Analyst (CFA).</li> <li>2. Prepare taxes and provide tax advice by selection of alternative strategies at a level of the Enrolled Agent (EA).</li> </ol>	2008 - 9	LO 1 Fin 652 Exam Questions  LO 2 Acct 655 Exam Questions