

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

Department/Program: College of Business Administration. Finance Department
Degree/Program: Master of Science in Business Administration
Concentration in Financial and Tax Planning
Date Submitted: March 18, 2009

The purpose of this report is to communicate the assessment activities that have taken place during the last calendar 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.

Last year it was reported that the assessment team felt that the competencies expressed by students in Goal 2 (Develop a financial plan), SLO 1, (Evaluate the economic and demographic environment to understand how it may affect clients' plans) indicated a serious programmatic flaw. Initially it was felt that the instructor could present the material more thoroughly or simply clarify his expectations more fully. After discussion it was felt that the comprehensive plan produced by students, and which will be a part of a new separate one unit class, will provide a better environment to assess this SLO. (The Department proposed and the University approved a new one unit class (FIN 590, Finance Practicum) which consists (for graduate students) solely of the preparation of a "real" financial plan for "real" clients). The major change was to increase the importance of the creation of this "real" financial plan, accomplished on a "live client") by increasing its importance to the student in the sense that the evaluation of the plan will become the Comprehensive Exam for the Masters for this Concentration. The change is awaiting its inclusion in the Fall 2009 *Graduate Bulletin*. Thus we will postpone assessment of this important SLO until Fall 2010, after it offered for the first time. However this change was a direct result of the assessment process.

Other evaluations were positive and did not result in specific recommendations for improvement.

Because of the change in FIN 657, Financial Counseling, (now a first graduate course) and the implementation of a new capstone class, (FIN 590, Financial Planning Practicum) the Table and Schedule of SLO's needed to be updated. When we updated the table and schedule to reflect these changes we conducted a review of and made several significant changes in addition to those class changes. The Table is attached as Appendix 1 and the Schedule is attached as Appendix 2. For one we eliminated listing SLO's related to elective classes. Because our reported assessment efforts are at the program level and because the object of the electives is to raise program competencies above minimum competency levels, the inclusion of electives seemed inappropriate. Finally we eliminated the fourth goal altogether. This goal, sought to prepare students for the Chartered Financial Analyst (Investment) and the Enrolled Agent (Tax) designations were impossible to assess as few students specialized in these secondary (to financial planning) content areas to allow assessment. Because most students chose to build supplementary strength in both tax (EA) and investments (CFA) and not specialize in either the small numbers (1 or 2 students a year) precluded assessment of this level of attainment. One final, albeit small, change was to indicate primary assessment responsibilities with a large "X" and supplementary support with a small "x" on the Goals and SLO Table (Appendix 1).

Finally, upon the advice of the University Assessment Committee, we implemented a tracking system for following the success of program alumni who choose to take the Certified Financial Planner (CFP®) national Certification Examination. The process and results are discussed below. However it is important to note that although the CFP® Certification Examination results are a good measure of program results overall, it is not as useful as a diagnostic measure of individual SLO's or even specific program goals.

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).

This Calendar Year we planned to assess:

Goal Two - Develop a financial plan

Learning Objectives 4-6

4. Optimize a client's after-tax well being by understanding personal taxation and its affect on personal financial decisions
5. Make choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the clients well being.
6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives.

Goal Three - Prepare to operate a financial planning practice

Learning Objectives 1-3

1. Evaluate and resolve ethical dilemmas facing financial planners.
2. Recognize the legal and regulatory constraints within which planners operate.
3. Determine the appropriate business form for operating a financial planning practice.

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 Two - Develop a financial plan

Learning Objective 1 and 6 (Deferred from 2007-8)

1. Evaluate the economic and demographic environment to understand how it may affect clients' plans
6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives.

Goal 1: Determine Client Financial Situation and Needs

All Learning Objectives

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

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

Goal Two - Develop a financial plan

Learning Objectives 4-6

4. Optimize a client's after-tax well being by understanding personal taxation and its effect on personal financial decisions

This learning objective was evaluated within the ACCTG 503, Federal Taxation of Individuals, class. Fall 2008 there were three MSBA F&TP students that took the class. The instructor placed 15 questions related to this SLO on his Final Examination. High Pass was awarded to students who correctly answered 14 or 15 of those questions. Pass reflected those who correctly answered 11-13 of those questions. Of the three students two earned "high pass" and one earned "pass."

5. Make choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the clients well being.

This learning objective was evaluated in FIN 705, Seminar in Estate Planning. In spring, 2008 the instructor added three questions to test this learning objective. High Pass was awarded to students who answered all three questions correctly. Pass was awarded to those that answered two correctly; fail was awarded to those that answered one or none correctly. Of the eight program students enrolled, 6 earned high pass, 1 pass, and one did not.

6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives.

Although this SLO was in fact assessed in Fall 2008, the instructor was seriously ill and was unable to provide the results of this assessment. This is unfortunate because this is the second delay in assessing this SLO. However, given the situation the SLO assessment was deferred until the CY 2009 year.

Goal Three - Prepare to Operate a Financial Planning Practice

Learning Objectives 1-3

Each of the following three learning objectives was examined within the FIN 657, Financial Counseling, class. In Fall 2008 the class contained nine Financial and Tax Planning concentration students. In each case a short essay question was added to the final exam to attempt to assess program success for these three SLO's. Each was assessed as "High Pass" (3 points), "Pass" (2 points) and Fail (0 or 1 point).

1. Evaluate and resolve ethical dilemmas facing financial planners.
There are many dimensions of ethical conflicts in financial planning. The question used evaluated their knowledge of client privacy. Of the seven students who answered the question were given "high pass" on their knowledge of this area.
2. Recognize the legal and regulatory constraints within which planners operate.
The question added asked students to explain three proposed methods for regulating financial planning. Of the seven students who answered this question all were evaluated as "high pass."
3. Determine the appropriate business form for operating a financial planning practice.
The question dealt with issues related to starting your own practice. Of the six students who answered this question all were given a "high pass"

Overall Assessment (all SLO's)

The University Assessment Committee expressed an interest in the results of these students on the national Certified Financial Planner ® certification examination. This is indeed an excellent measure of success in meeting overall program objectives, although it does not permit a specific evaluation of individual SLO's or goals. We adopted a tracking system to determine the results or program alumni on this examination. The national exam is given three times each year.

The information gathered is somewhat incomplete for four distinct reasons. First, specific results are provided by the CFP Board only when the examinee gives permission. Second, students passing the exam are not granted the designation until they meet the experience requirement. Third, some students find the master's degree sufficient qualification and do not plan to take the exam. Finally

The measure used was the pass rate on this examination for two groups:

1) The proportion of students who graduated within the year who took the examination and passed it compared to the degree program average for nation,

During CY 2008 15 students completed the program and graduated. To date five of them have passed the exam. None have failed it. The national pass rate for degree programs is 57%.

and 2) The proportion of all alumni who took the examination during the year that passed compared to the degree program average for nation. During the three examination periods in CY 2008, five SDSU Masters students took the examination. Three passed, thus a 60% pass rate. Again the national pass rate for degree programs is 57%.

It is hard to draw specific conclusions from this data, but it is suggested that the program may meet its goals. Clearly continued tracking is of some assessment benefit.

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

- A. And B. 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? 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.]

Some observations and conclusions can be drawn from the data gathered. It appears that the program is successful in meeting the program's student learning outcomes as measured. It is not clear that the performance on the SLO's was well measured or that the numbers were sufficient to have a high level of confidence in the results. It is unfortunate that the Goal Two - Develop a financial plan (Learning Objective 6 regarding employee benefit planning) was deferred for a second time. It will be interesting next year to evaluate the results of the assessment-based curricular changes that will be fully implemented in Fall, 2009.

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

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

There are no curriculum changes proposed based upon this assessment cycle. However there are several recommendations that will improve the assessment process itself. First, the faculty involved in the preparation of the report should be called together in the early Spring semester to discuss the measurement devices to be used. At the same time the same committee should review the results of the previous assessment.

Second, key assessment questions should not be optional, as was the case in FIN 657 this year. And third, the cognitive level of the questions should be reviewed and should approach the cognitive level of the SLO's. Specifically, most of the questions asked on the assessment are knowledge/comprehension level questions. Most of the SLO's are at analysis/synthesis or even evaluation cognitive level.

The tracking system developed this year should be retained but it should be improved to use a two-three year lag so as to increase the statistical significance of the results.

Finally another overall measure could be implemented to determine the proportion of the alumni that actually enter and remain in the field either as direct planners or those that need these skills. Possibly alumni should be asked how their educational experience could be improved. This indirect assessment method could prove valuable as a means of triangulating the direct measures collected.

Report completed by:

Thomas Warschauer Ph.D., CFP®
Director, Financial Planning Programs

Date: March 18, 2009

Appendix One
Table of Goals, SLO's and Relevant Content Classes

MSBA Degree: Financial and Tax Planning Concentration
Mapping of Program Goals and Learning Outcomes to Courses

Note: Large X's refer to primary instruction for each LO while small x's refer to supplemental coverage.

		Required Courses						
		FIN 657-3	FIN 522-3	FIN 523-2	FIN 705-3	FIN 651-3	ACCT 503-3	FIN 590-1
Goal 1: Determine Client Financial Situation and Needs								
LO1	Determine a client's financial status by constructing and interpreting their financial statements.	X					x	
LO2	Recognize problems and opportunities, strengths and weaknesses of their current financial situation	X						x
LO3	Evaluate clients' psychological attitudes so that a plan can be implemented that is not only feasible but also psychologically appropriate to the clients. These include risk preferences, psychological profile and the results of behavioral finance research.	X						x
LO4	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	X						x
LO5	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.	X						x

LO6	Estimate the inflation adjusted cash flows and the present values for each goal, and build an accumulation plan to accomplish each goal	X							X
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Goal 2: Develop a Financial Plan

LO1	Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated								
LO1A	▪ interest and inflation rates	X				X			
LO1b	▪ expected rates of return	X				X			
LO1c	▪ mortality	X	X						
LO2	Help clients identify elements of risk they face and select appropriate means of dealing with them.								
LO2a	▪ Insurable Risks (Life, Health, Property, Liability)	X	X						
LO2b	▪ Portfolio Risks (optimizing investment portfolios)	X				X			
LO2c	▪ Hedgeable Risks (use of derivatives to control risk)					X			

Goal 2: Develop a Financial Plan (Continued)

LO3	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	X							
LO4	Optimize a client's after-tax well being by understanding personal taxation and its affect on personal financial decisions						X		
LO5	Make choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the clients well being.				X				
LO6	Aid both clients and firms in the selection of optimal choices among employee benefit alternatives			X					

Goal 3: Prepare to operate a financial planning practice

LO1	Evaluate and resolve ethical dilemmas facing financial planners	X	X	X	X	X	X	X	X
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LO2	Recognize the legal and regulatory constraints within which planners operate	X	x	x	x	x	x	
LO3	Determine the appropriate business form for operating a financial planning practice	X						

Appendix 2
Assessment Schedule

Goals and Student Learning Outcomes: MSBA – Financial & Tax Planning Concentration		
	Scheduled for assessment	Assessment method
Goal 1: Determine Client Financial Situation and Needs.		
Learning Outcomes: <ol style="list-style-type: none"> 1. Determine a client’s financial status by constructing and interpreting their financial statements. 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. 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. 	Initial 2006-7 AY next 2009 CY	Fin 590 - Comprehensive Plan

Goal 2: Develop a Financial Plan		
<p>Learning Outcomes:</p> <ol style="list-style-type: none"> Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated-- <ul style="list-style-type: none"> Interest and inflation rates Expected rates of return Mortality 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"> Insurable risks (life, health, property, liability) Portfolio risks (optimizing investment portfolios) Hedgeable risks (use of derivatives to control risk) 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. Optimize a client's after-tax well being by understanding personal taxation and its affect on personal financial decisions Make choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the clients well being. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives. 	<p>Initial LO's 1-3 2007 CY</p> <p>Make-up LO's 4,5,& deferred to 2008 CY</p> <p>Repeat LO1 2009CY</p>	<p>LO 1 Fin 590 – “Real” Financial Plan (Completed Spring C</p> <p>LO 2 Fin 522 - Exam Questions Fin 652 – Exam Questions</p> <p>LO 3 Fin 590 – “Real” Financial Plan (Completed Spring C Fin 652 - Exam Questions</p> <p>LO 4 Acctg 503 Exam Questions</p> <p>LO 5 Fin 705 Exam Questions</p> <p>LO 6 Fin 523 Exam Questions</p>
Goal 3: Prepare to operate a financial planning practice		
<p>Learning Outcomes:</p> <ol style="list-style-type: none"> Evaluate and resolve ethical dilemmas facing financial planners. Recognize the legal and regulatory constraints within which planners operate. Determine the appropriate business form for operating a financial planning practice. 	<p>Initial 2008 CY</p>	<p>LO 1 Fin 657 Exam Questions</p> <p>LO 2 Fin 657 Exam Questions</p> <p>LO 3 Fin 657 Exam Questions</p>