

Texas State University

Outcomes Report

General Information

Academic Year:	2019-2020
College:	Business
Department:	Accounting
Program:	Accounting (BBAMACY/MACY)
Program Code:	52.03
Outcome Type:	Student Learning (GR)
Degree:	Masters
Coordinator/Contact:	Kasey Martin
Status:	Data Entry Closed

Mission Statement

The mission of the MAcy program is to facilitate students' preparation for and passage of the CPA exam as well as preparation for successful careers in the accounting profession. The MAcy program emphasizes oral and written communication and technical and research skills needed for a career in public or private accounting.

Evidence of Improvement

Improvement was identified on **Outcome 1: MAcy students will use advanced analytical and critical thinking skills to apply accounting knowledge in new and unfamiliar circumstances. Students will demonstrate the ability to evaluate information, solve problems, and make justifiable decisions in the different areas of accounting.**

Analytical and critical thinking skills are essential for students entering the accounting profession. With ever changing technology and accounting standards, students must be able to apply their analytical and critical thinking skills to successfully solve problems in new and unfamiliar areas of accounting. This has been an area of focus in the profession and our curriculum for several years, and a consistent improvement has been documented in this essential skill. The results for assessment on this outcome are summarized below.

Method 1 of assessing this outcome used final exam test questions in ACC 5316 (Advance Accounting) and ACC 5366 (Corporate Entity Taxation) to measure students' ability to apply advance analytical and critical thinking skills to identify the appropriate accounting treatment for complex accounting issues. In Advanced Accounting, 52 students were asked questions related to a forecasted foreign currency transaction hedged by foreign currency derivatives. Seventy-Five percent of the students met or exceeded the expectation of getting at least 80% of the questions correct. This is an improvement over the previous year's result of only 68% of students getting at least 80% of the questions correct. Faculty credit this improvement, in part, to last year's action plan to spend more time in class discussing accounting for derivatives and providing more examples for students to use for practice. In Business Entity Taxation, 42 students were asked 25 questions related to taxation of corporate entities and pass thru entities. Eighty-eight percent answered 80% or more of the questions correctly. This is an improvement from the previous year's result of 82%. Faculty credit this improvement, in part, to last year's action plan to emphasize problem solving in class and to grade homework to promote the completion of homework assignments.

Method 2 of assessing this outcome used cases and professional memos to assess students' ability to apply accounting knowledge in new and unfamiliar circumstances. The expectation is that students will score 80% or higher on the assignment. In ACC 5350 (Professional Accounting Research), 42 students were assigned the task of researching a complex technical accounting issue and providing recommendations in written memos and oral class presentations. One hundred percent of students met or exceeded expectations. While 100% of students assessed the previous year also met expectations, the improvement is more qualitative—the case used for assessment was new and related to a novel and more complex accounting issue not examined in prior years (classification and measurement of cryptocurrencies). Faculty believe the improvement is due, in part, to last year's action plan to provide greater feedback and more opportunities to develop critical thinking skills needed to apply accounting knowledge to new and unfamiliar circumstances throughout the semester.

Action Plan

While continuous improvement will be sought in all areas, faculty will take the following focused actions to achieve improvement on Outcomes 1 and 4 as described below:

Outcome 1: MAcy students will use advanced analytical and critical thinking skills to apply accounting knowledge in new and unfamiliar circumstances. Students will demonstrate the ability to evaluate information, solve problems, and make justifiable decisions in the different areas of accounting.

While this is an area of great improvement, we are still not meeting the goal of 100% of students meeting expectations in some courses. Further, this is an area that is essential to students achieving success in the profession, and an area we will focus efforts to continuously improve student success. Specifically, in ACC 5316 (Advanced Accounting), the instructor plans to allocate more class time to working problems in groups to allow students to interact and hopefully better identify gaps in their understanding before the exam. In ACC 5366 (Business Entity Taxation), the instructor will continue to emphasize problem solving in class. To improve the understanding of course content, the instructor will add more in-class exercises. In ACC 5350 (Professional Accounting Research), to protect the integrity of the case research process, new cases are introduced each semester to reduce the risk of sharing of materials between students and to limit the possibility of students being able to find solutions online. Going forward, the instructor will continue to use new cases across a variety of financial reporting areas to ensure students are exposed to a broad array of research issues.

Outcome 4: Accounting students will conceptualize a complex issue into a coherent, persuasive written or oral statement. Students will develop well-written reports, memos, and projects that explain findings, organize ideas into a coherent train of thought, and justify a conclusion or recommendation. Students will make effective oral presentations that explain findings, organize ideas into a coherent train of thought, and justify a conclusion or recommendation.

Written communication continues to be an area of focus in the profession and curriculum. Faculty are committed to improve students written communication skills in all courses by providing more examples of well-written communications, as well as feedback on student writing assignments. Specifically, in ACC 5350 (Professional Accounting Research), based on student performance (strengths and weaknesses in certain areas), the instructor will emphasize common writing mistakes and demonstrate how to avoid them. This should result in continued student improvement. In ACC 5366 (Business Entity Taxation), students often make mistakes in formatting, and have difficulty with organization of content, grammar, and diction. The instructor intends to provide more examples of research memos to help students improve their written communication skills. In ACC 5389 (Corporate Governance and Ethics), the focus areas for future semesters will be mechanics, formatting, documentation, and developing content. Although there was improvement during both the fall and spring semesters, these areas still need more emphasis. The instructor is preparing a list of common errors and problems to avoid. This will be available at the beginning of each semester and emphasized prior to written assignments. Some of the success this past semester in ACC 5389 (Corporate Governance and Ethics) is due to students following detailed instructions provided by the instructor prior to their presentations as well as multiple demonstrations by the instructor. Also, students who were known (from the instructor's previous courses) to have performed well with oral presentations were scheduled early during the semester to serve as role models. These approaches will continue to be utilized in future semesters.

Outcome 1

MAcy students will use advanced analytical and critical thinking skills to apply accounting knowledge in new and unfamiliar circumstances. Students will demonstrate the ability to evaluate information, solve problems, and make justifiable decisions in the different areas of accounting.

Outcome 1 - Method 1

Test questions common to all sections of **ACC 5316 (Advance Accounting)**, and **ACC 5366 (Corporate Entity Taxation)** will be used for assessment. Expectations are met when students score at least 80%. Expectations are that 100% of students will meet or exceed expectations.

Outcome 1 - Method 1 - Result

ACC 5316 (Advanced Accounting) During fall 2019 semester, 40 graduate students and in spring 2019, 12 graduate students were assessed on the final exam to measure their ability to use advanced analytical and critical thinking skills to identify the appropriate accounting treatment for a forecasted foreign currency transaction hedged by a foreign currency derivative. The instructor found that 75% of the students in both fall (n=30) and spring (n=12) met or exceeded the planned goal of scoring 80% or better on the exam question. Students who failed to meet expectations struggled most to identify the accounting treatment for the foreign currency option being used to hedge the forecasted transaction. Hedge accounting rules have changed between the two semesters in a way that has become slightly more complex (FASB explicitly requires changes in FV of the derivative to flow through the same income account as changes in FV of the hedged transaction). Thus, although the percentage of students achieving the goal remains flat at 75% between the two semesters, students are still grasping the material, despite the added complexity. This is an improvement from previous year results of 68%. The improvement noted is due, at least in part, to last year/semester's action plan to spend more time in class discussing the accounting for derivatives and providing more homework examples for students to use for practice. ACC 5366 (Business Entity Taxation) In the fall 2019 semester, forty-two (42) graduate students in two sections were administered twenty (20) multiple choice questions designed to test analytical and critical thinking skills with respect to problems in corporate and pass thru taxation. Fifteen of the questions related to taxation of corporate entities and five questions related to taxation of pass thru entities. Expectations are that each student will answer 80% of the questions correctly. In fall 2019, the instructor adopted a new textbook that teaches tax concepts more clearly. Because the new textbook covers different contents from the previous textbook, the instructor changed 3 multiple choice questions among the twenty (20) multiple-choice questions which were designed by the previous instructor. The instructor also revised the statements of some exam questions to be consistent with the new textbook. Thirty-seven (37) students or 88% met or exceeded expectations. Five (5) students or 12% did not meet expectations. This is an improvement from previous year results of 82%. The improvement noted is due, at least in part, to last year/semester's action plan to emphasize problem solving in class, and to take up homework in class to promote the completion of homework assignments.

Outcome 1 - Method 2

ACC 5350 (Professional Accounting Research) will utilize cases and professional memos to assess students' ability to apply accounting knowledge in new and unfamiliar circumstances. Expectations are that students will score 80% or more on the assignment. It is expected that 100% of students will meet or exceed expectations.

Outcome 1 - Method 2 - Result

ACC 5350 (Professional Accounting Research) For the Fall 2019 semester, 25 students, and in spring 2019 17 students were assigned the task of researching a complex technical accounting issue and providing recommendations in written memos and oral class presentations on the appropriate accounting treatment. Students must summarize the background information of the case, describe potential alternative treatments for both U.S. GAAP and IFRS, and ultimately make a recommendation for both U.S. GAAP and IFRS. Students were graded on the technical merits of their analyses as well as their delivery. In presentations, time was allocated for Q&A for audience members to ask any questions. 100% of students

met/exceeded the goal. While 100% of students assessed last year also met the goal the improvement is more qualitative—the case discussed was brand new and related to a novel accounting issue not examined in prior years (classification and measurement of cryptocurrencies). The improvement noted is due, at least in part, to last year/semester's action plan of providing greater feedback and more opportunities to develop critical thinking skills needed to apply accounting knowledge to new and unfamiliar circumstances throughout the semester.

Outcome 2

Students will demonstrate the ability to use information technology to analyze accounting issues, form judgments, and communicate decisions in a manner that meets the needs of the changing business environment.

Outcome 2 - Method 1

ACC 5366 (Business Entity Taxation) will use a project to evaluate students' ability to utilize a professional database to find solutions to tax issues. It is expected that students will meet the 80% skill level. At least 100% of students are expected to meet these expectations.

Outcome 2 - Method 1 - Result

ACC 5366 (Business Entity Taxation) Forty-two (42) graduate students in two sections were required to utilize the RIA Checkpoint database to research a tax issue requiring that the student locate Internal Revenue Codes, Revenue Procedures, Revenue Rulings, or Proposed Regulations to analyze a tax scenario. 100% of students met or exceeded expectations. This is an improvement from previous year results of 82%. The improvement noted is due, at least in part, to last year/semester's action plan to spend at least one class period demonstrating the use of RIA Checkpoint.

Outcome 2 - Method 2

ACC 5350 (Professional Accounting Research) will use research cases requiring analysis to assess students' ability to utilize professional databases to find solutions to financial accounting issues. It is expected that students will meet the 80% skill level. At least 100% of students are expected to meet these expectations.

Outcome 2 - Method 2 - Result

ACC 5350 (Professional Accounting Research) For the fall 2019 semester, 25 students were required to research six complex technical accounting issues using the FASB Codification (for U.S. GAAP) and RIA Checkpoint (for IFRS). In addition, to develop their research skills, students read a short textbook and took an online quiz on the following topics: The FASB Codification: Introduction and Search Strategies, The Research Process, and Creating Effective Documentation. In fall 2019, 21 of the 25 students scored 80% or above the quiz. Two of the 4 who failed to meet the goal did not submit their quiz responses and so received 0%. The other 2 scored 78%. This assignment was significantly increased in complexity and significantly more challenging than those used in spring 2019, where 17 students met the goal of 100%. This was in line with previous year's results of 100%, although the decrease was to be expected with the significant increase in complexity.

Outcome 3

Accounting students will acquire appropriate research skills needed for practice. Students will demonstrate the ability to use professional research skills, analyze the application to a problem, and communicate authoritative sources, findings, and conclusions.

Outcome 3 - Method 1

ACC 5366 (Business Entity Taxation) will require students to provide a written solution to a professional case to assess students' knowledge of research skills needed for practice in the area of tax. It is expected students will achieve an 80 or better on the case write-up. It is expected that 100% of students will meet or exceed expectations.

Outcome 3 - Method 1 - Result

ACC 5366 (Business Entity Taxation) In the fall 2019 semester, forty-two (42) graduate students in two sections were required to research the tax implications of a case, and to communicate the results in a written memorandum setting forth the relevant facts, issues, analysis and recommendation/conclusions. The research memo was evaluated on the following criteria: issue identification, citation to relevant tax authorities; and analysis and application of tax authorities to the facts. To assure that students were expanding their knowledge, research issues outside the scope of class materials. Thirty-seven (37) students or 88% met or exceeded expectations. Five (5) students (one group) or 12% failed to meet expectations. Those students who failed to meet expectations exhibited deficiencies in issue identification and analysis. This is an improvement from previous year results of 77%. The improvement noted is due, at least in part, to last year/semester's action plan to provide students with more exposure to various tax subjects prior to having them complete a research assignment. In addition, exemplars of memoranda were provided to students.

Outcome 3 - Method 2

Research memos written by students in **ACC 5350 (Professional Accounting Research)** will be used as a method of assessing students' ability to conduct financial accounting research. It is expected that students will receive 80% or higher on the memo assignment. It is expected that 100% of students will meet or exceed expectations.

Outcome 3 - Method 2 - Result

ACC 5350 (Professional Accounting Research) For the fall 2019 semester, 25 students, and in spring 2019, 17 students were assigned the task of researching a complex technical accounting issue and providing recommendations in written memos. Students must summarize the background information of the case, describe potential alternative treatments for both U.S. GAAP and IFRS, and ultimately make a recommendation for both U.S. GAAP and IFRS using skills developed early in the course and assessed via a comprehensive quiz. Students were graded on the technical merits of their analyses as well as their writing quality. 100% of students met/exceeded the goal of achieving 80% or higher. This is in line with previous year results.

Outcome 4

Accounting students will conceptualize a complex issue into a coherent, persuasive written or oral statement. Students will develop well-written reports, memos, and projects that explain findings, organize ideas into a coherent train of thought, and justify a conclusion or recommendation. Students will make effective oral presentations that explain findings, organize ideas into a coherent train of thought, and justify a conclusion or recommendation.

Outcome 4 - Method 1

Written assignments will be used in **ACC 5350 (Professional Accounting Research)**, **ACC 5366 (Business Entity Taxation)**, and **ACC 5389 (Corporate Governance and Ethics)** to evaluate students' written communication skills. It is expected students will achieve 80% or better on the written communication portion of projects. Established rubrics will be used for the assessment. It is expected that 100% of students will meet or exceed expectations.

Outcome 4 - Method 1 - Result

ACC 5350 (Professional Accounting Research) 25 graduate students in fall 2019, and 17 graduate students in spring 2019 were assigned four written assignments in the form of research memos during the semester in order to assess their written skills and to work on student improvement. Students were assessed on their ability to 1) recognize and state the issues succinctly and coherently and 2) interpret the impact of alternative solutions from a variety of viewpoints and make a persuasive recommendation. 100% of the students met/exceeded the goal for the assessed case. Although the percentage of students meeting the goal was the same as prior semesters, for fall 2019, within the assessed cohort, students improved significantly over the course of the semester in their writing. For example, the average grade on the first case was 75%; the average grade on the assessed case (from later in the semester) was 86%.

ACC 5366 (Business Entity Taxation) In fall 2019, 42 graduate students in two sections were assigned the written assignment during the semester for assessing their written skills. 100% of the students met or exceeded expectations. This is an improvement from last year's 74%

ACC 5389 (Corporate Governance and Ethics) 100% of students in one section of ACC 5389 (n=21 in fall 2019) and one section of ACC 5389 (n=17 in spring 2019) met expectations of 80% or above in accordance with the established MACy rubrics for written assignments. This is in line with prior years.

Outcome 4 - Method 2

ACC 5389 (Corporate Governance and Ethics) will assess oral communication skills. It is expected that students will achieve an 80% or better on the oral communications assignments. An established rubric will be used to assess oral communication skills. It is expected that 100% of students will meet or exceed expectations.

Outcome 4 - Method 2 - Result

ACC 5389 (Corporate Governance and Ethics) 100% of students in ACC 5389 (n=21 in fall 2019 and n=17 in spring 2019) met expectations of 80% or above in accordance with established MACy rubrics for oral communications assignments. This result is consistent with previous years.

Outcome 5

Accounting students will apply ethical reasoning for resolution of ethical dimensions of accounting and reporting in the business world. Students will be able to recognize an ethical dilemma, apply ethical reasoning to resolve it and provide support for the resolution and effects on stakeholders.

Outcome 5 - Method 1

ACC 5389 (Corporate Governance and Ethics) will use an assignments to assess students' ability to use ethical reasoning in an audit environment. An established rubric will be used for grading. It is expected that students will demonstrate the ability to correctly identify, apply ethical reasoning and provide support for the resolution by scoring at least an 80% on the assignment. It is expected that 100% of students will meet or exceed expectations.

Outcome 5 - Method 1 - Result

ACC 5389 (Corporate Governance and Ethics) 100% of students in all sections of ACC 5389 (n=21 in fall 2019 and n=17 in spring 2019) met expectations to earn at least 80% in accordance with established rubrics for an oral and a written assignment related to ethical reasoning. This result is consistent with previous years.

Outcome 5 - Method 2

ACC 5357 (Regulation and Professionalism) will use an assignment to assess students' ability to use ethical reasoning in a tax environment. It is expected that students will demonstrate the ability to correctly identify, apply ethical reasoning and provide support for the resolution of the problem by scoring at least an 80% on the assignment. An established rubric will be used for grading. It is expected that 100% of students will meet or exceed expectations.

Outcome 5 - Method 2 - Result

ACC 5357 (Regulation and Professionalism) In fall 2019, twenty- seven (27) graduate students in two sections were assigned the task of preparing a written memorandum addressing an ethical issue in tax practice. The assignment implicated concepts and principles found in Circular 230, the AICPA Statements of Standards on Tax Services, and the AICPA Code of Professional Responsibility. The assignment was evaluated on issue identification, identification of core principles and authorities, and analysis. Twenty- four (24) students or 89% met or exceeded expectations. The percentage of students meeting or exceeding expectations increased from 79% the previous year to 89% this year. While the target was not achieved, the success rate has increased.

Outcome 6

Goal: 1. Promote the success of all students.
Initiative: 1.3 Increase student retention and graduation rates.

The academic program will promote and realize gains in student success.

Outcome 6 - Method 1

Student graduation success will be measured by using retention and graduation data collected by the university. The expectation is that the department will demonstrate a growing percentage of students seeking a MAcy degree graduating in 14-18 months, and a decreasing percentage of students dropping from the program over time.

Outcome 6 - Method 1 - Result

Data provided by the university allows us to compare graduation and retention rates based on when students initially enroll in a degree program. Program changes were made to the Master's of Accountancy (MAcy) program in fall 2016 to facilitate graduation rates and reduce time to graduation. We compared students who were initially enrolled in the MAcy program in fall 2015, to those initially enrolled in fall 2017 (one year after program changes were made). Of the students who enrolled in the MAcy program in 2015, 23.7% (N 38) graduated in one year, and 2.6% changed graduate programs. One and a half years from initial enrollment 68% of students had graduated from the MAcy with 5.3% (2) changing graduate programs. Two years after enrolling in the MAcy program, 92.1% (35) had graduated from the MAcy, while 7.9% (3) graduated from another graduate program. Twenty-three students initially enrolled in the MAcy program in fall 2017. One year after enrollment 13 had graduated (56.5%) while 1 (4.3%) had withdrawn from the university. One and a half years after enrollment, 19 (82.6%) had graduated. Two years after enrollment, 91.3% of the students initially enrolled in 2017 graduated from the MAcy program, 4.3% (1) graduated from a different master's program and 1 (4.3%) had withdrawn from the university. The time to graduation seems to have decreased as was hoped when implementing the program changes. Retention rates were strong to begin with and the number of students withdrawing is too small to make an assessment. More data needs to be collected. The department plans to continue efforts to increase retention and graduation rates through increased efforts to keep students better informed about progression through the program. The department began a MAcy orientation program in fall 2018 that is offered twice a year. We will continue to track data to determine if this new program might have a positive influence.

Outcome 6 - Method 2

Student success will be measured by using Department Exit Surveys to determine the percentage of graduating MAcy Students' reporting securing a full-time job prior to graduation. Expectations are that the percentage of students securing a full time job prior to graduation will be 100%.

Outcome 6 - Method 2 - Result

This is the third year the Department is reporting exit survey data for assessment purposes. In the prior two reporting periods academic years were compared. Under the current reporting window, calendar years are being compared. During 2017, 93% of graduating MAcy students responding to the survey (N 57) reported having a full-time job offer prior to graduating. During 2018, 86% of MAcy students responding to the survey (N 29) reported having a full-time job offer. In 2019, 82% of MAcy students responding to the survey indicated that they had a full-time job offer prior to graduating. It is difficult to find an explanation for the decrease in employment percentages for MAcy students. The absolute number of students exiting the MAcy program without employment offers has remained steady (4, 4, and 5 respectively). We administer the Exit Survey during the Exit Exam. Students who pass one part of the CPA exam are not required to take the Exit Exam. Although we try to create other opportunities for these students to complete exit surveys, it may be that we are missing those students most likely to have full-time job offers. A related and contributing factor is that more students are passing at least one part of the CPA exam prior to graduating and, thus, may not be responding to the Exit Survey. We will continue our efforts to create student recruiting events and to encourage students to take advantage of internship opportunities. We will also continue efforts to ensure we are surveying most if not all our MAcy students upon graduation.

Outcome 7

Goal: 4. Provide the necessary services, resources, and infrastructure to support the university's strategic direction.
Initiative: 4.11 Provide programs and services that support and enhance the health and wellness of the university community.

The academic program will promote and realize gender, racial, and ethnic diversity among its student population.

Outcome 7 - Method 1

Student gender diversity will be measured by reviewing the number and percentage of male and female students enrolled in the academic program during the fall, spring, and summer semesters. Data will be obtained from the university's certified enrollment records at the end of the fall semester. Student gender diversity will be expected to reflect that of the university.

Outcome 7 - Method 1 - Result

The percentage of females seeking a master's degree at Texas State has steadily increased over the last 5 years from 63.7% to 66.5%. The percentage of female undergraduates has also increased slightly during this time from 56% to 57.7%. Since the department's MAcy program recruits from the undergraduate BBA major Accounting degree, the MAcy program might be expected to reflect the demographics of the undergraduate accounting degree program. In the past five years, the percentage of females seeking a BBA major Accounting degree has steadily increased from 47.5% in 2015 to 50% in 2019. During this same period, the percentage of females pursuing a MAcy degree has steadily decreased from 65.8% to 50%. Although headed in different directions, both trends have converged at 50%. While the percentage of females seeking a master's degree in accounting in 2019 is below that for the university, it is higher than the percentage of females seeking a master's degree in other business disciplines (47.4%). We will continue to monitor the department's gender diversity.

Outcome 7 - Method 2

Student racial and ethnic diversity will be measured by observing race and ethnicity of students enrolled in the academic program during the fall, spring, and summer semesters. Data will be obtained from the university's certified enrollment records at the end of the fall semester. Student racial and ethnic diversity will be expected to mirror percentages reflected in other Texas State University graduate programs.

Outcome 7 - Method 2 - Result

The university has become more ethnically diverse over the past five years. In 2015, 56.1% of master's students were White-non-Hispanic, 20.7% were Hispanic, 8.4% were international and 6.3% were black-non-Hispanic. Asians, Multi-race-non-Hispanic-non-Blacks, and students with unknown ethnicity made up most of the remaining ethnic backgrounds. By 2019 the campus was a minority majority campus and the master's student population began to reflect this with White, non-Hispanic students making up 51.7% of the master's student population. Twenty-six point eight percent of masters students were Hispanic, 8.4% were Black non-Hispanic and 7.8% were international. Asians and Multi-race-non-Hispanic-non-Blacks made up the remainder of ethnic diversity. The Department of Accounting strives to reflect the diversity of the university. In 2015, 63.7% of MAcy students were White-non-Hispanic, 11% were Hispanic, 8.8% were Asian, 7.7% were international and 4.4% were Black-non-Hispanic. The remainder were primarily of unknown ethnicity. By 2019, the MAcy program had become more diverse. Fifty-nine point six percent of accounting majors were White-non Hispanic, 25% were Hispanic, 13.46% were Asian and the remainder were international. Faculty believe that greater diversification of the ethnicity of the MAcy program has been achieved through recruiting efforts and providing students with more information regarding scholarships and employment opportunities in accounting.

Approval History

Approval History Event

Outcomes Approved Level 1

Outcomes Approved Level 2

Outcomes Audit Report Submitted

Results Approved Level 1

Results Approved Level 2

Results Audit Report Submitted

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