October 13, 2014

To: Steve Smith (Department of Finance Chair)
Cc: Steve Carlson (Department of Accountancy Chair)

From: James Haskins, Department of Finance

Re: Draft Assessment of Learning (AoL) Plan for Managerial Finance

B.B.A. Managerial Finance Goals:

Mission Statement:

The mission of the Department of Finance is to offer students an educational experience which provides a balanced mix of finance theory and practical application at the undergraduate level. The Managerial Finance (MF) major provides students the ability to integrate concepts and applications from other academic disciplines and best practices particularly regarding accounting and managerial finance topics associated with enterprises to support decision-making. Specifically, the program provides education in financial management theory and real-world applications for enterprise financial analysis explicitly considering risk and for effectively reporting recommendations and implementation strategies to decision-makers. Students graduating with a MF major will be prepared to seek various career opportunities including enterprise financial analysis, internal policy and control development, financial management under risk, treasury management, and strategic financial planning and coordination.

MFA graduates will:

1. Have a basic understanding of finance theory, accounting knowledge that supports enterprise financial analysis and management, and application of financial management principles.
2. Have the ability to identify, manage, and interpret financial data and information to perform financial analysis.

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1 This Assurance of Learning Plan anticipates the approval of Department of Accountancy’s application to change the title of the Managerial Finance and Account major to Managerial Finance will be approved at all levels. The proposed title change is a result of an agreement between the Department of Accountancy and the Department of Finance that will result in the Department of Finance being solely responsible for administering and assessing the Managerial Finance major.

2 The term enterprise is used to represent theory and application knowledge that would be relevant for any organization or project as the Webster Dictionary defines the term. The term corporate is too restrictive and implies instruction to develop knowledge relevant to publicly-traded corporations. The focus of the MF major should be applying financial management principles to real and intangible assets, funding of these assets, operational policies and management strategies that affect valuation. The focus is not on valuing and trading financial assets that is the emphasis of the Investment major. Nor is the focus of MF on accountancy per se. Rather MF would provide knowledge about how to understand and use accounting data and reports as a basis for financial analysis and management of the enterprise.
3. Have the ability to develop quantitative financial models that support decision-making.
4. Have the ability to professionally communicate analytical results and implementation strategies.

Student Learning Goal 1: Have a basic understanding of finance theory, accounting knowledge that supports enterprise financial analysis and management, and application of financial management principles.

   Objective 1.1: Students demonstrate knowledge of finance theory.
   Objective 1.2: Students demonstrate the understanding of basic technical knowledge in the areas of financial accounting and reporting and cost/managerial accounting.
   Objective 1.3: Students demonstrate knowledge of applying financial management principles that focus on enterprise value added recommendations.

Student Learning Goal 2: Have the ability to identify, manage, and interpret financial data and information to perform financial analysis.

   Objective 2.1: Students demonstrate the understanding of relevant accounting, financial, and other data and information useful in financial analysis and management.
   Objective 2.2: Students demonstrate the ability to define a suitable methodology for investigating enterprise financial issues.

Student Learning Goal 3: Have the ability to develop quantitative financial models that support decision-making.

   Objective 3.1: Students demonstrate the ability to design a financial analysis model tailored to specific financial issues.
   Objective 3.2: Students construct and use quantitative financial models and applied financial management theory for estimating the expected outcomes and to measure relevant risks associated with implementing recommendations.

Student Learning Goal 4: Have the ability to professionally communicate analytical results and implementation strategies.

   Objective 4.1: Students demonstrate ability to prepare a professional written financial analysis case report in proper form with supporting evidence.
   Objective 4.2: Students demonstrate ability to present results of financial recommendations and implementation strategies in a convincing manner using oral and visual presentation skills.
B.B.A. Managerial Finance Measurement Process:

Process of Assessing Goals:

Assessment of Goal 1:

Objectives 1.1 and 1.3 will be assessed by successful completion of the BBA core exam questions for the assessment of Fin 310 in accordance with College of Business and Public Administration policy regard this exam. A student must complete the BBA core exam by the completion of Fin 475, the capstone course for the MF major. Objective 1.2 assessment of intermediate level accountancy courses included in the MF major will rely on B.A. Accountancy Assessment of Learning Goal 1, Objectives 1.1 and 1.2³.

Assessment of Goal 2:

Objective 2.1 will be assessed by successful completion of an objective MF core exam given during Fin 475 for evaluating Fin 340, Fin 350, and Fin 360. The student will have up to three opportunities to take and pass the MF core exam as well. After taking the field exam three times, whether or not any of which attempts is/are successful, the highest of the three scores is considered to be a student’s final score on the exam. Then the final score on the MF core exam is recorded and graded a part of the total grade given in Fin 475.

Preparation of the objective MF core exam questions will be the responsibility of the instructor for Fin 475. The Fin 475 instructor will to assemble, administer, and grade the MF core exam with multiple-choice questions provided by instructors responsible for teaching Fin 340, Fin 350, and Fin 360. The relevant questions’ content submitted by course instructors will be consistent with each course’s assessment method.

Objective 2.2 will be assessed by evaluating an individual case report methodology section required as part of the Fin 475 course.

Assessment of Goals 3 and 4:

Assessment of all the objectives under Goals 3 and 4 will be based on the evidence and performance of each student enrolled in Fin 475 after completion of an individual written case report prepared in proper form, and an individual case oral and visual presentations. Each objective will be subjectively evaluated, measured, and graded by the instructor of Fin 475. The grade of case assignment components will be included in the final grading for the course.

Benchmarks for AoL of MF:

Finally, an overall level of performance will be defined for each student as “Doesn’t Meet Expectations”, “Meets Expectations”, or “Exceed Expectations” based on the MF core exam and individual case assignment. The expected level of performance would be “Meets Expectations”. The rating of each student’s performance will be based on a review of BBA Core exam, MF core exam, and evaluation of individual case assignment required in Fin 475. Each

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³ Memorandum from Robert Dosch to Steve Carlson, February 2013, Re: draft of Assessment of Learning Plan (goals and objectives approved)
component will be weighted as 20%, 20%, and 60%, respectively. Student performance for the MF major will be evaluated by the instructor of Fin 475 and the weighted average score of the three components will be categorized as follows: “Doesn’t Meet Expectations”: score less than 60%, “Meets Expectations”: score greater than 60% to 85%, or “Exceed Expectations”: score greater than 85%.

A sample of student performances will be compiled according to the above categories and will be included in an AoL report expected to begin Spring 2015 if the current plan is adopted. One report will be prepared for the Director of AoL for the CoBPA each year. The report will include a summary of student categorizes, identification of issues requiring improvement, and a plan to address the issues requiring improvement. The instructor for Fin 475 is encouraged to requests opinions from peers to identify issues and how to address them.

The annual reports will be retained according to CoBPA policy and made available for peer and AoL Director or assignee review, comment, and possible suggestions for continuous improvement. Neither the BBA core exam nor the MF core exam has been administered at the time of this writing.

Samples of case reports and associated PowerPoint slides from Fin 475 have been previously reported with an assessment of need for improvement. The summary assessment statements have been provided to the Department of Finance and forwarded to the CoBPA AoL Director (Director) in accordance with an approved process.

The instructor(s) for Fin 475 will solicit input from peer reviewers and the Director periodically to evaluate the AoL process, measurement, and reporting components for the MF. Based on this feedback, the assessment activities associated with instruction of Fin 475 will be modified to incorporate approved recommendations for change. Approval of such modification will be based on agreement between instructors of Fin 475, the Department of Finance, and the Director.

The Department of Finance periodically conducts a Graduating Senior Survey that can be used to assess student learning for the MF. These surveys will be reviewed to determine changes that may be required for skill and content development and improvement. Thus far, there is only limited information available for review. Surveys were conducted each semester, including summer semesters, from Fall 2012 to Spring 2014.
## Assessment of the Managerial Finance major

<table>
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<th>Objective</th>
<th>BBA Core Exam</th>
<th>MF Core Exam</th>
<th>Other</th>
<th>Fin 475 Individual Case</th>
<th>Senior Survey</th>
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\(^4\) ibid.