

Assessment Plan and Report

Academic Year 2011-2012

Department/Program of Study: Finance

Submitted by: David Eagle

Action	Due Date	CAC Approval
Submit initial plan	2nd Friday Fall Qtr 2011	
Conduct process	2011-12 academic year	
Submit findings	6th Friday Spring 2012	

Assessment Plan

1	2	3	4	5	6
Learning Outcome Goal	Objective	Strategy/Method of Measurement	Performance Characteristics	Scoring Levels	Expectation Standard
Our Finance Graduates will understand and be able to apply the time value of money.	Since the time value of money (TVM) is such an important learning objective, this year we will assess this objective in several classes: FINC335, FINC435, and FINC431. In FINC335, we will assess whether students have learned the TVM principles from that class. For FINC431, we will assess whether students coming in have TVM knowledge and skills. For FINC435, we will assess whether students have further developed their TVM principles	The tenured finance faculty will develop five questions and a rubric to grade those five questions. Those five questions should be included in every FINC335 class taught in Winter 2012. Those same five questions also should be included in a quiz administered in FINC431 one week into the Winter Quarter; on the first day of that quarter, the instructor of FINC431 should announce the topics that could be covered in that quiz. For FINC435, another five questions but similar in difficulty should be included in the final exam. The finance faculty will meet to discuss the assessment results before Fall 2012.	A rubric will be developed for each of these questions. Performance characteristics would include, but not be limited to, (i) getting the correct decisions, (ii) interpreting the results appropriately, (iii) and applying TVM principles correctly. The rubric should allow for partial credit.	For each question being assessed, the finance faculty will determine a percentage for each performance characteristic, with 100% being the highest and 0% being the lowest, and the total of all the rubric characteristics for each question adding up to 100%.	At least 75% of the students taking the final exam in Winter 2012 for both FINC335 and FINC435 will receive at least 75% overall for the assessment questions. Also, the FINC435 student will perform significantly higher than the FINC335 students. At least 75% of the students taking the quiz in Winter 2012 in FINC335 will receive at least 75% for the questions being assessed.

Assessment Report

7	8	9	10	11
Observations from Summary Data	Conclusions about Student Learning	Actions Recommended Based on Observations	Plan and Timetable for Taking Action	Overall Reflection on Assessment
<p>FINC335: 80% of students could determine monthly mortgage payment. 71% could determine monthly saving required to meet future goal 38% could determine how many months to pay off a loan.</p> <p>FINC435: (at beginning of course) 87% could determine the monthly car payment 100% could determine the present value of a lump sum. 74% could determine the present value of an ordinary perpetuity 35% could determine how many months to pay off a loan. 0% could determine the effective annual rate 61% could determine the future value of a savings plan. 65% could determine the future value of a lump sum when the interest rate changes in midstream. 65% could determine present value of cash flows on a time line. 17% could determine the future value of cash flows on a time line.</p>	<p>Students are learning many of the principles of the time value of money. However, after just FINC335, students still are struggling with distinguishing present value of an annuity from the future value of an annuity as to which applies in any particular situation. Also, students are not learning about Effective Annual rates in FINC335 or not retaining that knowledge. Students need more practice determining future value of a series of different cash flows that are given either in a table or on a time line.</p>	<p>In FINC435 students need to practice doing both present value and future value of cash flows that are either given on a time line or in a table (especially future value). FINC435 should also emphasize the Effective Annual Rate (EAR), which it already does. Students in FINC435 also need to practice more annuity problems where they have to determine whether they need to think in terms of present value or future value.</p>	<p>FINC435 already does most of the things discussed in column 9 except one area. That area concerns students developing their proficiency in distinguishing present value from future value of an annuity. Also, at the end of the Fall quarter, the FINC435 class should be reassessed concerning the three areas identified.</p>	<p>The finance faculty are not working well together concerning doing the assessment. Part of the fault is with the assessment coordinator for neglecting to fully remind the other faculty of their responsibilities for assessment that year. However, the other finance faculty do need to take some responsibility too so that we act like a team rather than the assessment coordinator having all the responsibility for drafting the assessment plans, making sure the assessment is done, and writing the assessment report.</p>

The Finance Assessment Plan was for the assessments to be done in three different classes during the winter quarter of 2012. However, the assessment coordinator, David Eagle, was on sabbatical that quarter. In the middle of the quarter, he did remind the department chair about the assessment, but that was the only reminder he did. For the FINC335 class that was supposed to be assessed, the instructor was ill during final week; as a result, the assessment was not completed; at least, the assessment

was not compiled. For the FINC431 class, the assessment coordinator neglected to remind the instructor of FINC431 in Winter to do the assessment. Also, his reminder to the department chair concerning FINC435 was not strong enough to make it happen. As a result, in order to do an assessment report, David Eagle conducted a time-value-of-money assessment of the students beginning FINC435 during Fall 2012. He also went to his FINC335 final exam for Spring 2012 and compiled the performance data for those students. This was a good assessment of the time-value-of-money skills these finance students retained from when they took FINC335. However, the best assessment of what our finance graduate students will know about the time value of money will be an assessment embedded in the final exam for FINC435. We plan to do that at the end of fall quarter 2012.