Department of Accounting & Finance

Accounting Majors:
Senior Assessment Exam Overview
Senior Assessment Exam Purpose

Overall tool for improvement

- To assess the individual student
  - Evaluate retention
  - Graduation requirement

- To assess the Accounting program
  - Highlight what we are doing well
  - Highlight areas needing improvement

- Satisfy accreditation requirements for University
Senior Assessment Exam Design

- **Coverage**
  - Required courses: Financial, managerial, tax & auditing

- **Format**
  - Multiple choice, problems/essay, computer simulation (computer)

- **Creator**
  - All of faculty contributed to test content
Senior Assessment Exam Schedule

☐ Date & Time
  ■ April 16, 2010, 3:15-5:30 pm

☐ Where
  ■ KOBC 3rd floor computer labs

☐ Required Tools
  ■ #2 pencils & basic calculator
  ■ NO CELLPHONES

☐ Senior Survey
  ■ Taken before the exam in same room as exam
Senior Assessment Exam Review

- Review sessions for financial and managerial accounting
  - Student led-(to be announced)
  - On weekend/or evening during March or early April
  - To be announced via e-mail
Senior Assessment Exam Grade

- All of accounting faculty teaching 300-400 level classes grade portions of the test
  - Usually takes two weeks to complete

- Exam score is part of Auditing class grade
  - Only notification of your performance
Senior Assessment Exam Example #1

If an adjusting entry for previously unearned revenue that is now earned revenue is not made, the financial statements would be affected as follows:

a. net income understated, assets overstated, liabilities unaffected, & OE overstated.
b. net income overstated, assets unaffected, liabilities understated, & OE unaffected.
c. net income understated, assets unaffected, liabilities overstated, & OE understated.
d. net income overstated, assets overstated, liabilities overstated, & OE unaffected
Land is acquired by issuing 500 shares of $20 par common stock. The land has a current market value of $12,000. The journal entry requires a:

a. credit to paid-in capital in excess of par-common for $2,000.
b. credit to common stock for $12,000.
c. credit to paid-in capital in excess of par-common for $12,000.
d. debit to land for $10,000.
Senior Assessment Exam Example #3

Which of the following is a characteristic of a contribution margin income statement?

a. Contribution margin is identified as the difference between sales revenue & total expenses.
b. The amount of gross margin is shown.
c. When variable costs are less than sales revenue, there is a positive contribution margin.
d. Variable & fixed expenses are combined into total expenses.
Senior Assessment Exam Example #4

Which of the following statements is false?

a. LIFO is an acceptable costing method in virtually all countries.
b. FIFO is an acceptable costing method in virtually all countries.
c. Weight-average is an acceptable costing method in virtually all countries.
d. Other countries are not bound by American tax laws or accounting practices.
Which of the following is not an element of internal control?

a. relying on internal and external audits
b. separation of duties whenever possible
c. assigning to one individual the responsibility for accounting for & custody of assets
d. assigning responsibilities to individuals who have the authority to administer them
Senior Assessment Exam Example #6

Problems & essay question topics:

☐ Calculate net income or ratios using financial information on paper or using Excel

☐ Apply & discuss financial accounting concepts

☐ Apply & discuss how costs behave

☐ Discuss book vs. tax differences
Senior Assessment Exam

Questions?