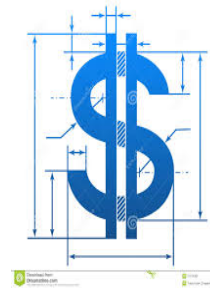


B L U E P R I N T



For Construction of Revised Financial Accounting Assessment Test

BUS 181 Financial Accounting Assessment Test

Assessment of Fundamentals in Financial Accounting

Harold Washington College- Business Department

Student learning outcomes:

- Understand the uses of accounting information, the role of the profession, purpose of the accounting equation, and the purpose of each financial statement and their preparation.
- Interpret and construct transactions.
- Demonstrate ability to analyze basic transactions and record them in a journal.
- Identify steps in the accounting cycle.
- Analyze period end adjustments- accrual and deferrals.
- Demonstrate ability to analyze accounts and construct adjusting journal entries.
- Demonstrate ability to close the books with a closing journal entry.
- Construct, interpret and analyze the balance sheet and its components of assets, liabilities and equity.
- Construct, interpret and analyze the income statement for a service business and a merchandising business.

The assessment test is designed to test for fundamental knowledge and skill in the overall IAI outcomes as well as the HWC Business department course syllabus and master syllabus. Only the fundamental student learning outcomes are listed above.

B L U E P R I N T

Choose one question per learning outcome:

1. Describe the nature of a business, the role of accounting, and ethics in business.
2. Summarize the development of accounting principles and relate them to practice.
3. State the accounting equation and define each element of the equation.
4. Describe and illustrate how business transactions can be recorded in terms of the resulting change in the elements of the accounting equation.
5. Describe the financial statements of a corporation and explain how they interrelate.
6. Describe and illustrate the use of the ratio of liabilities to stockholder's equity in evaluating a company's financial condition.
7. Describe the characteristics of an account and a chart of accounts.
8. Describe and illustrate journalizing transactions using the double-entry accounting system.
9. Describe and illustrate the journalizing and posting of transactions to accounts.
10. Prepare an unadjusted trial balance and explain how it can be used to discover errors.
11. Describe and illustrate the use of horizontal analysis in evaluating a company's performance and financial condition.
12. Describe the nature of the adjusting process.
13. Journalize entries for accounts requiring adjustment.
14. Prepare an adjusted trial balance.
15. Describe and illustrate the use of vertical analysis in evaluating a company's performance and financial condition.
16. Describe the flow of accounting information from the unadjusted trial balance into the adjusted trial balance and financial statements.
17. Prepare financial statements from adjusted account balances.
18. Prepare closing entries.
19. Describe the accounting cycle.
20. Illustrate the accounting cycle for one period.
21. Explain what is meant by the fiscal year and the natural business year.

Learning outcomes were identified in the textbook *Financial and Managerial Accounting* published by Cengage is currently in use by the accounting department. The textbook student learning outcomes map to the course and master syllabus with no substantial differences. The textbook identifies exercises, problems, reading, and discussion question by learning outcome.

As part of the review of the assessment test, first all multiple-choice test questions were read for clarity and ability to relate to the intended learning outcomes. No questions were eliminated. This became the pool of questions from which a random selection of questions using the test generator software from the publisher.

Bias can occur in the selection process if the creator picks questions that favor learning outcomes in a particular teaching method or coverage. To eliminate test question selection bias, the questions were generated by the test software from the pool of reviewed questions.

Campbell, T.

Sources: Suskie, L. (2004) *Assessing Student Learning: a common sense guide*. Anker Publishing: Bolton MA. Create a Test Blueprint, page 203.

B L U E P R I N T

The next level of test question selection covered the ACBSP criteria. The course, BUS181, Financial Accounting is a required course in business programs that are accredited by the ACBSP. A total of 17 questions were chosen distributed approximately 10% of the questions remaining in each standard.

The summary of standards is as follows:

Question type:

Multiple Choice

Standard type:

State Standard

State Standard	Already Selected	Number Remaining	Additional Selections	Total
ACBSP: APC-01-Purpose	6	10	0	6
ACBSP: APC-02-GAAP	2	21	0	2
ACBSP: APC-03-Business Forms	1	9	0	1
ACBSP: APC-04-Cash vs. Accrual	1	4	0	1
ACBSP: APC-05-Accounting Cycle	3	23	0	3
ACBSP: APC-06-Recording Transactions	8	95	0	8
ACBSP: APC-07-Adjusting Entries	6	66	0	6
ACBSP: APC-08-Closing Entries	2	19	0	2
ACBSP: APC-09-Financial Statements	1	56	0	1
ACBSP: APC-12-Receivables Reporting	0	0	0	0
ACBSP: APC-13-Long-term Assets Reporting	0	1	0	0
ACBSP: APC-15-Current Assets Reporting	0	2	0	0
Total	60	10	636	70

Total questions on test: 40

Select All

Clear All

Figure 1. Cengage Publishing

Additionally, a national standard established by the AICPA in the area of ethics had a total of six questions and two were chosen randomly.

The blueprint plan is to select randomly 21 questions by learning outcome with one per learning objective, 17 selected randomly from ACBSP standards and 2 questions from AICPA ethics standards.

The test has a total of 40 questions. The weight given to each question is the individual preference and freedom of each faculty member to use in grading. The assessment of results will be based on 40 questions worth 100 points to allow for conversion to percentages in final assessment analysis.

Campbell, T.

Sources: Suskie, L. (2004) *Assessing Student Learning: a common sense guide*. Anker Publishing: Bolton MA. Create a Test Blueprint, page 203.