Accounting Information Systems Term Project[1]
Fall 2011

Example Write-up
Example Presentation

Note: Your presentations will need to include more detail and analysis to take up the 18-22 minutes required.

Objectives

To provide you an opportunity to:

- Examine an actual or proposed business or information process in operation.
- Document the process using narrative descriptions, a table of entities and activities, DFD diagrams and systems flowcharts.
- Analyze measures that are in place to control the process and its data.
- Recommend changes to the process as needed, such as additional controls, to improve operational and information process effectiveness.

Overview

Your team will learn about the accounting and business information aspects of a business (e.g. order entry, billing, accounts receivable, purchasing, accounts payable, cash disbursements, general ledger) or information (e.g., pledge prospects, rush activities, new members…) process. Your first task is to identify an information or business process that you would like manage. You can choose an organization where a team member has been or is currently employed. You can choose a process that relates to organizational issues, like the Greek system at UK, professional draft prospects, etc.

You will next gather information about the organization. You should conduct manual and on-line searches to find recent, relevant articles in newspapers, trade journals, general business periodicals, etc., as well as the organization's annual report (if any) and other documents that describe its products and services. You should also examine the organization's Web site (if they have one) and other web sites (e.g., an industry association). This review will help you understand the operational and strategic challenges that affect how accountants and managers in the organization use the organization's business or information process. On an ongoing basis, you should also consult established publications, such as *The Wall Street Journal, Business Week*, etc., and business-related web sites in case a relevant current article discusses your organization or its industry.

In this Project you will describe a real or fictional organization, its mission and business objectives, and the relationship of the business or information process to the mission and objectives. For the business or information process that you are studying prepare a system narrative, a level 0 data flow diagram, a table of entities and activities, a (document) systems flowchart, and a control matrix. You

[1] This project was adapted from the Bentley College Accounting Information Systems Term Project Prepared for: A Compendium of Classroom Cases and Tools (C3), Volume 3Information Systems Section American Accounting Association March 2006 by Ulric J. (Joe) Gelinas, Jr., Professor of Accountancy at Bentley College.

will also identify, describe and analyze the pervasive and business or information process controls related to this business or information process. Then you will formulate recommendations to create and sustain the efficiency and effectiveness of the business or information process. The latter may include controls to ensure the integrity, security and availability of process-related information. The team will present this information to the class in an 18-22 minute presentation. **Each team member must present approximately the same amount of information**. Review the presentation guidelines and this Google search for PPT guidelines as you prepare your presentation. As you show your Level 0 DVD, Flowchart, and control matrix to the class, make sure that they are presented in a way that can be viewed by the audience. It works better to have someone advance the PPT slides other than the person speaking. Your presentations should "sell" your system to prospective clients or management. You are working in Advisory services so promotion is a real key to success. Maybe an "as-is" to "2-B" analysis? Make sure you have someone introduce each member of the team at the start of your presentation.

A grade of zero will be assigned for any team member who does not present without a valid excused absence (in this case the student be required to take the final exam to substitute for this portion of the project grade). Business casual dress is required. No shorts, T-shirts, tennis shoes, flip flops, denim jeans or casual jackets (like NorthFace).

Collaborative learning is emphasized in this project. Your individual efforts and skills should complement other members of your team. The final product should be better than the output of a single individual. You are encouraged to seek my advice on the project before you turn it in for a grade. Although I will not "pre-grade" items (that is your responsibility as a team), **I will be happy to answer specific questions that you raise about your project**, provided that each question clearly demonstrates that the team has attempted its resolution prior to seeking my input.

You will be graded both on content (what you say) and form (how you present it). There will be a team grade assigned to the written portion of the deliverable with individual grades assigned for the presentation portion of the assignment. Grammatical and spelling errors will reduce your grade, as will overly redundant or unclear prose. Presentations grades will be affected by how well you communicate your ideas and integrate your discussion with your PPT presentation. I will also assess whether you have a) included every item assigned, b) provided a concise introduction and conclusion for the project, c) organized your thoughts so as to emphasize key points, and d) made appropriate use of relevant evidence (such as articles that you uncover in a literature review). The overall complexity of the project's design and the appearance of the deliverable will be considered in grading. Detailed project deliverables are described next.

Your final report should be printed for grading purposes and also emailed uk.acc.324@gmail.com; this includes the written report (as described below), PPT slides, printed 3 per page, your flowchart, DVD, Table of Entities and Activities, and any other information you feel is appropriate.

Each sub-section should be clearly labeled (e.g., Part 1). Start each sub-section on a separate page. Include computer-generated page numbers and a cover page that includes your team member names, and the name of the organization you are working on. Suggested page counts below are for single-spaced (double space between paragraphs), 12-point font, 1 inch margins on all sides. The reports should appear to be from a unified team. For example, each page should evidence the same style and all exhibits should be included within the Word document. When submitted via e-mail your .PPT and .DOC files for your team, they should be named as follows:

TeamNo_.PPT
TeamNo_.DOC
so for team 201 this would be
201_Project.PPT
201_Project.DOC.

Your report should look professional as if it were being presenting to management or the Board of Directors. It is important that this document flows well and tells a story about your business or information process.

NOTE: DO NOT WORK SEPARATELY AND SIMPLY CUT/PASTE YOUR PRESENTATIONS AND REPORTS TOGETHER. THE PRESENTATION SHOULD APPEAR AS A SEEMLESS PRODUCT THAT INCORPORATES EACH TEAM MEMBERS CONTRIBUTION.

<u>Points will be taken off for not complying with any of these requirements.</u>

Project startup:

As soon as possible your team needs to identify the organization (real or fictional) that you will use for your project. I would highly recommend that you discuss this decision with me before investing time on the project. A proposal stating the company or information process your team plans to examine should be e-mailed to jeff.payne@uky.edu by **Tuesday October 11, 5:00 pm. Please put your class section in the subject line and your team members in the body of your e-mail.**

Unless you hear from me that your project is not acceptable (by October 17) you should next begin a detailed investigation of the business and information processes that you would like to manage. As a team you can use the following guidelines to facilitate discussion about the project:

Scope and Purpose: Discuss the purpose of your project in *organization-centered* terms. State the specific business or information process you will examine (e.g. sales, purchasing, membership drives and records, marketing databases, etc.). Again, you will want to emphasize the accounting and information aspects of the business or information process. Describe what you expect from the project. Develop a brief statement of who the organization (real or fictional) is and what they do.

Planned use of organization sources: Explain what you want to learn about the mission and business objectives of the organization, the role that the business or information process plays in achieving the business objectives and in achieving competitive advantage. Identify relevant sources of information about your organization (e.g., annual report, web site, trade journal articles).

Work Plan: Develop a clear understanding of how each team member will contribute to the work of the group, communicate with one another, and ensure a quality product throughout the entire project. Prepare a feasible and detailed schedule of work deliverables and deadlines for the project. Describe specific mechanisms that will ensure that a) the team does not rely excessively on any one individual, b) ongoing work is appropriately discussed, reviewed and revised well ahead of due dates, and c) the collective efforts of the team yield a better outcome than individuals working alone. Mechanisms for team communication and coordination should be specific and unambiguous (e.g. all members agree to check their e-mail two times daily; use of a telephone calling list, Facebook, Google Groups, text messages, etc.).

Your final report should include:

Cover page

Include the names of each team member and the team number (I will assign) and the title of the Project.

Executive Summary: [Note: write this **<u>last</u>** as a team. This is the critical one page document that "sells" your findings to the reader]. This serves two purposes: First, it may motivate the reader to read the entire document, and secondly, it helps busy managers learn of your work if they do not have time to read the entire document. Your executive summary should provide an overview of the entire document and highlight a key message, such as actions you are suggesting that the organization take. Organize it as follows (*do not exceed 1 page*):

- Organizational problem, concern, objective, or opportunity, etc. that led to this engagement.
- Professional assignment. This should answer the following questions:
  Who are you? What was your assignment? What tasks did your team perform?
- Purpose of the document (e.g. "This report describes our findings and recommendations...")
- Results (what your team observed/found)
- Conclusions (your team's assessment of the system's functionality and usefulness)
- Recommendations: highlight your key message; extensive details go in the body of the report.

Part 1 (1-2 pages). Your *Organization's description*: **Note: This information is related to your organization, whether real or fictional. Do not use this part to further describe the organization you are designing your process for (e.g., Papa John's). Present this Part as if your organization is the one being analyzed.** Describe the products/services sold by the organization. Describe the organization's history, current size (revenues, employees), location(s), and other relevant observations. Describe the organization's mission and business objectives. Discuss significant competitive/operational challenges (e.g., slow growth, new competitors, new regulations, etc.). Cite *all* sources used (including trade journals, magazines, books, Web pages, and primary sources). The form for citing articles is as follows: within the text, put the author's last name and article date in parentheses immediately following the referral or quote, then list all references alphabetically on the last page of the project write-up.
Example:
Within the report:
One analyst noted: "Expect the Internet to be a payment free-for-all in 1996!" (Marx, 1995).
Within the <u>References</u> section of the report, should be the last page before any exhibits:
Marx, W., "Commerce is slow to hit the 'net," *Advertising Age*, November 20, 1995.

Part 2 (1-2 pages). Business or information process Overview: Describe how the business or information process that you are examining contributes to the organizational goals. At this point you must explicitly refer to the challenges and objectives described in Part 1. For example, what types (and quantities) of business events (i.e., transactions) are processed by this business or information process (e.g., 200 customer orders and 225 shipments each week)?

Part 3 (1-2 pages) Prepare a concise *Narrative* describing the operation of the system; its data flows, processes, forms, files and reports. *Italicize* each entity and make each activity **bold**. This narrative should provide an uninformed reader a suitable description so that they will understand the process in sufficient detail from start to finish.

Part 4 Prepare a *Table of Entities and Activities* (formatted similarly to Table 4.1 in the *Accounting Information Systems, 8th edition* text).

Part 5 Using MS WORD or EXCEL or other flow-charting package prepare a *Level 0* ***Physical*** *DFD diagram*. Make sure that your symbols are similar to those in Chapter 4 of the *Accounting Information Systems, 8th edition* text.

Part 6 Using MS WORD or EXCEL or other flow-charting package prepare a *Systems Flowchart,* which is consistent with the Narrative, Table of Entities and Activities, and Level 0 DFD. If your flowchart is multiple pages (this would be rare) make sure each page is numbered and that your off-page connectors include the page numbers to which and from which they are flowing.

Part 7 Control Matrix, depicting at least 5 existing and 3 recommended ("missing") business or information process controls (more existing controls will be required on proposed businesses.

- There is a template (Excel document) for this matrix on the course web site. (Note: this is only an example. Modify as need for your analysis and presentation)
- See Exhibits such as Exhibit 10.1 in your textbook, *Accounting Information Systems, 8th edition,* for proper format for your control explanations. In addition, as you describe each control explain if it is a preventive, detective, or corrective control.

Part 8 Controls Analysis (1-2 pages): Using your control matrix assess the organization's system of internal control over the business or information process. Your analysis of controls should keep in mind what the objectives are for the use of the controls. Controls are framed by what the business or information process is to achieve (e.g., timely processing of customer orders, etc.) and to undesired events to be avoided (e.g., loss of transaction data, unauthorized access to confidential data, etc.). Discuss the overall adequacy of these controls. Discuss efficiency and effectiveness of the controls (e.g., if an operations or information process goal has no plan listed under it on your control matrix, why not? Is there an expensive control plan that supports only a single goal? If so, is this appropriate, in your judgment?). Discuss the mix of preventive, detective, and corrective controls. Consider the control environment, pervasive, and general controls. Do these controls allow the business or information process controls to be effective (e.g., Does the lack of segregation of duties or physical security make you skeptical as to the potential effectiveness of the business or information process controls). Overall, how does this system of controls address the major risks to which this process may be exposed?

Part 9 Recommendations for improvement (1-2 pages)*:* Consider how well the system achieves organizational goals, and how it might be incrementally or dramatically reengineered (e.g., by taking advantage of new technologies) to better achieve organizational goals. For projects that dealt with systems designed for fictional organizations you can critically assess your own system for better ways things might have been done.

Part 10 Conclusion and Summary (1-2 pages).

Project Grading:

For team presentations, all members of the group must be present should participate in the presentation. This will require some careful planning. Make sure you rehearse the presentation beforehand as many times as need to make it the best it can be.

Each team member will do peer evaluations of their fellow team members. Two forms will be used for the evaluation. The first evaluation form provides detailed information about each team members contribution to the team. The second evaluation provides an overall score for each team member. This evaluation is confidential and will be used to adjust Team project grades. If a team member's average contribution is lower than the Team grade, they will be assigned the lower grade. It is possible to receive a ZERO on this project if you do not participate and contribute to your team.

You must submit both evaluations on the date of your presentation to receive credit for the team project.

All assignments should be prepared in a professional manner. Grammar, spelling, style, neatness, etc. will affect your project, and homework grades.