Appendix H
IAEP Program Review: Kennesaw State University
point includes only students with an emphasis in Accounting at the undergraduate and graduate level.

Program Review Results

The program review consisted of two primary areas of focus. First, an assessment was made regarding conformance with the principles of the IAEP Framework for Comprehensive category schools. Second, an assessment was made regarding the support for the IAEP program by various stakeholders including the school administration, local IIA chapter, and business community.

KSU’s IAEP program was found to be in conformance with IAEP Framework principles. Support for the program was found to be exceptional with strong support demonstrated from all stakeholders interviewed. Additionally, a number of best practices observations were noted. Details of these results are outlined on the following pages of this report.
Overview

The Internal Auditing Education Partnership (IAEP) program was developed to respond to the growing interest in internal audit education at institutions of higher learning. The program also addresses a general need of practitioners interested in hiring students who possess a well-rounded skill set for conducting internal auditing.

The IAEP program prepares students with the skills and knowledge to help them conduct basic internal audits immediately upon hire, as well as provide a foundation to begin preparing for the Certified Internal Auditor® (CIA®) examination.

The Academic Relations Committee (ARC) of The Institute of Internal Auditors (IIA) conducts periodic program reviews of IAEP member schools in keeping with the program requirements and expectations outlined in the IAEP Framework. This activity is designed to enhance the IAEP brand for all member schools by providing specific continuous improvement feedback and insights for IAEP schools undergoing a program assessment.

In 2013, the ARC commissioned a project for the purpose of developing an IAEP program review process. The goals of the project are:

- To develop a sustainable program review process
- To develop tools to support the IAEP review program
- To perform an on-campus pilot review at an IAEP member school to better understand the dynamics of the review process

Kennesaw State University was selected for the pilot review school. There were two components of the pilot pertaining specifically to the IAEP school. First, an IAEP program self-assessment questionnaire was completed by the IAEP Coordinator. Second, the ARC pilot review team performed an on-campus visit. The purpose of this visit was:

- To discuss various aspects of the IAEP program with school administration, faculty, students, alumni, advisory board members, local IIA chapter members, and the IAEP Coordinator
- To assess the support for the KSU IAEP program

This report reflects the observations made from the self-assessment information provided by the IAEP Coordinator and on-campus interviews.
**Project Approach**

**Preliminary Assessment**

KSU submitted a self-assessment to the review team prior to the visit. The IAEP Coordinator answered a number of questions in the following categories:

A. Program Overview  
B. Program Quality 
C. Educators  
D. Student Involvement  
E. Practitioner and Chapter Interaction 
F. Succession Plan 
G. Strategic Plan 

The self-assessment provided the review team with insights about the KSU IAEP program in preparation for on-campus interviews.

**On-campus Visit**

The following interviews were conducted while at KSU:

- Dr. Rich Clune, IAEP Coordinator 
- Dr. Kathryn Epps, Director, School of Accountancy 
- Dr. Ken Harmon, Provost 
- Dr. Kathy Schwaig, Dean, Coles College of Business 
- KSU Advisory Board: Fred Masci, John M Fuchko, William J. Mulcahy, C. O. Hollis, Jr. 
- KSU IAEP students & alumni 
- School of Accountancy Faculty: Dr. Vineeta Sharma, Dr. Dana Hermanson, Kurt Schulze, J.D., and Dr. Sri Ramamoorti
IAEP Program Review
Kennesaw State University

Program Review Observations
With the stated goal of this review program being to enhance the IAEP brand and support IAEP schools with the achievement of their own stated goals, this report will focus on key IAEP program success factors. Success factors are organized into two primary categories:

- Best practice observations including support for the IAEP program from the school administration, local IIA chapter, and business community
- Opportunities for KSU including areas for strengthening the program as it relates to the principles of the IAEP Framework

Best Practice Observations
The review committee noted several positive observations about the KSU IAEP program. Below are some items of discovery.

- **IAEP Program Support** – The IAEP program and Coordinator are highly regarded within the KSU Coles College of Business and School of Accountancy. The IAEP program support system runs deep within the administration. The KSU Provost, Dr. Ken Harmon was the chair of the accounting department when the IAEP program began. The Provost, Dean of the Coles College of Business (Dr. Kathy Schwaig), Director of the School of Accountancy (Dr. Kathryn Epps) and faculty all value the program and are interested in opportunities to expand/improve the IAEP program. Additionally, the support from the IIA Atlanta chapter is resounding, contributing over $100,000 in grants to the university. Chapter members (including The IIA’s global chairman, Paul Sobel) are frequent guest lecturers at KSU.

- **Faculty Reputation** – Aside from the passion the five faculty members possess for internal audit education, each are very highly regarded in the profession. Many have contributed as authors to internal auditing textbooks, research reports, or the *Internal Auditing* Magazine.

- **IAEP Coordinator’s involvement with IIA-Atlanta** – Dr. Rich Clune serves as the IAEP coordinator for KSU. He also holds a seat as a Board of Governor for Atlanta Chapter of The IIA. His participation as an IIA-Atlanta Chapter board member shows the value and respect IIA-Atlanta chapter members have for Dr. Rich Clune and the KSU IAEP program.

- **KSU’s Participation in the IAEP Leadership and Networking Retreat** – KSU has participated in the IAEP Leadership and Networking Retreat for several years. Dr. Rich Clune and several students annually attend the retreat. As a result of attending the IAEP Leadership and Networking Retreat, the KSU IAEP program has been exposed to
national companies recruiting for internal audit candidates. Additionally, students received full-time job and internship offers.

During the on-campus visit, the review team observed a number of commendable elements of the KSU IAEP program, including:

- **KSU Day** – KSU hosts (in conjunction with the Atlanta Chapter) a student event that attracts students from across the state of Georgia. Students network with potential employers and learn about a career in internal auditing. It has proven to be a good event for students to receive internships and jobs.

- **Atlanta IIA Chapter Case Competition** – Although open to all Georgia schools, KSU collaborates closely with the Atlanta IIA chapter and routinely enters teams that make the finals of this event that is currently in its 3rd year.

- **Atlanta Business Chronicle** – Each year the Atlanta IIA chapter produces a special section of the Atlanta Business Chronicle promoting the internal auditing profession and KSU IAEP program. This publication allows the IAEP programs in Georgia to be promoted to Chief Audit Executives and other readers.

- **School of Accountancy Strategic Plan** – While meeting with Dr. Kathryn Epps, Director, School of Accountancy, the review team was given the School of Accountancy’s strategic Plan. The strategic plan underscores the value of the IAEP program to the university and its commitment to the advancing the program.
IAEP Program Review
Kennesaw State University

KSU Opportunities

The KSU IAEP program conforms with the principles in the IAEP Framework for schools in the Framework's Comprehensive category. While KSU is in conformance with the spirit of the Framework principles in all material respects, several areas were identified where the program could benefit from enhancements:

- **IAEP Certificates Issued** – according to the self-assessment information provided, KSU issued eight IAEP certificates for the most recent academic year. Schools in the Comprehensive category are expected to issue 10 or more IAEP certificates each academic year. KSU faculty and administration have indicated a desire to expand the IAEP program on a national level. The current number of students completing the IAEP certificate requirements is not sufficient to support this goal. The relatively low number of certificates issued may be due to limitations inherent in the way the KSU MAcc program is designed (currently without time for an internship). KSU will need to resolve the barriers to completing the IAEP certificate requirements.

- **Resolve Barriers to Internal Audit Internship** – The KSU MAcc program offers students the opportunity to complete the Master of Accounting program with a specialization in financial reporting and auditing in one year, but due to the program’s intense schedule, students do not have time to complete an internship. Although students are afforded Co-op time opportunities (which is an alternative to internships specified in the IAEP Framework), internships are enriching experiences for students and employers alike. Integrating live audits into curriculum and/or case studies that simulate internal audits would help in getting students practical experience as part of the curriculum. If internship barriers can be resolved for MAcc students, the value of the IAEP program would be enhanced.

- **Faculty Certifications (CIA) and IIA Membership** – All faculty teaching in the IAEP program are qualified and have impressive professional and academic credentials. Most but not all faculty teaching in the KSU IAEP program are IIA members. Also, not all faculty teaching in the KSU IAEP program have the CIA designation. The lack of the CIA designation or IIA membership does not diminish faculty capabilities; however, it does contradict some elements of the IAEP Framework principles and could diminish the IAEP brand if students perceive a lack of commitment to the organization that administers the IAEP program designation.

- **Course Offerings** – While KSU does integrate fraud and governance into the Internal Audit course, it requires prerequisite courses to be completed before students can take the Internal Auditing course. Because of this, students cannot take the Internal Auditing
course until late in their undergraduate degree program. This has an unintended consequence. Because students are not exposed to the Internal Auditing course until late in their degree program, their academic path has been set and they do not have the time or flexibility to shift their academic focus if they find interest and value in pursuing the IAEP certificate. KSU should consider eliminating the barriers for students to take internal audit classes earlier in their degree program. If the prerequisites were changed or eliminated, students could take internal auditing courses earlier, providing them more academic opportunities and potentially increasing the number of students graduating with the IAEP certificate.

- **ACCT 4350 – Accounting Systems Audit and Control** – A number of students and alumni expressed an interest in taking ACCT 4350 – Accounting Systems Audit and Control, but the course was not offered frequently.

- **Promote the CIA Designation** – From the students and alumni who were interviewed, no current students had taken parts of the CIA exam and only one alum obtained their CIA designation. However, most thought that the CIA was a good designation to have and it is encouraged by their employer. KSU should consider how to best encourage and support students in taking the CIA exam.

- **Host a Fraud Conference** – These conferences can be very successful and financially lucrative. KSU already has the necessary resources in place to host a fraud conference for practitioners at the university. This conference could follow the model used at The University of Texas at Dallas, in which all the proceeds are used as discretionary funding for the IAEP program.

- **Joint Student Chapter** – KSU is in the beginning stages of developing its student chapter. KSU could consider having one student chapter comprised of student members of The IIA, ISACA and ACFE. Having a joint chapter can expose more students to internal auditing careers and the MAcc program.

- **IAEP Strategic Plan** – The IAEP program would benefit from a strategic plan that outlines the program’s strengths, weaknesses, opportunities and threats, compares against comparable IAEP programs, sets long and short term objectives and discusses the succession plan process.

- **Coordinator Role** – KSU’s IAEP Coordinator currently teaches a number of courses in addition to internal auditing. IAEP Coordinators at other schools focus on teaching internal audit courses and administering the program. As KSU grows its IAEP program, school administration should consider resource needs and optimally align faculty roles, especially that of the IAEP Coordinator.

- **On Campus Recruiting** - KSU should look at ways to expand the number of nation-wide employers recruiting students on campus.
• **KSU's Advisory Board** – KSU’s advisory board is currently comprised of all Chief Audit Executives (CAE). There may be other qualified and passionate candidates that are or were at one time in internal audit positions, but may not be in the CAE role. The board should consider removing this requirement.

• **Multi-Discipline Option for Internal Audit** – KSU’s program is only for students who major in Accounting or are in the MAcc program. We believe consideration should be given for a graduate focused internal audit program that serves all disciplines across campus. KSU is in a unique position with the current faculty along with support from the community to have a very successful multi-discipline internal audit program. The merging of KSU and Southern Polytechnic State University gives KSU an opportunity to market the IAEP certificate to students of other disciplines (engineering, law, etc.). We understand barriers such as adequate classroom space, faculty schedules, along with curriculum changes would need to be made to offer an internal audit program to students throughout campus. KSU will need to determine how to best offer an IAEP certificate to other students.