

OVERVIEW OF AN ACCOUNTING INTERNSHIP:

Is It Right For You?

by

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(Outline)

Controlling Purpose: This paper is to present an overview of an Accounting Internship to a prospective intern.

- I. The purpose of an internship is to bridge the gap between classroom theory and practical application.
- II. The Department of Accounting offers two internship programs.
 - A. One program is offered in governmental/ industrial accounting.
 1. Specified classes are prerequisites for participation in this program.
 2. There are time restrictions placed on the internship.
 3. Previous interns indicated that they were assigned a wide variety of duties.
 4. Previous interns mentioned additional courses which were beneficial to them.
 - B. One program is offered in public accounting.
 1. Specified class standing and courses are prerequisites for participation in this internship program.
 2. There are time restrictions placed on the internship.
 3. Previous interns encountered varying degrees of training.
 4. The assignments under this program are of an established nature.
 5. Future interns might find suggested additional courses helpful.
- III. All prospective interns must meet certain general requirements when considering an internship in accounting.
 - A. An internship application form must be submitted to the Department of Accounting.
 - B. The internship applicant must interview with possible employers.
 1. Interviews may be arranged through the Placement Office or by direct contact with the firm.
 2. There are several items which should be considered when a student interviews with a prospective employer.
 - a. Different companies offer different programs and experiences.

- b. The pay rate and other benefits will also vary from company to company.
 - c. The location and reputation of the firm involved should be considered.
 - d. The amount of travel required will not be the same for every firm.
 - C. The Department of Accounting requires that certain steps be followed in accepting an internship position.
 - 1. The offer and acceptance of an internship position must be in writing.
 - 2. All internship programs must be approved by the Head of the Department of Accounting.
 - 3. The student must register for the Accounting Internship course, ACC 481, to receive eight hours of university credit.
- IV. The student assumes certain responsibilities when he accepts an internship position.
 - A. An employer will expect certain qualities in an intern.
 - 1. The intern's attitude, appearance, and promptness are important.
 - 2. An intern should be able to apply technical knowledge to practical applications.
 - 3. An intern will be called upon to express himself effectively.
 - B. The Department of Accounting imposes certain requirements on the intern.
 - 1. Weekly written reports and a summary report at the conclusion of the internship must be prepared.
 - 2. The employer will be asked to prepare a written evaluation of the intern's performance.
- V. An internship can offer beneficial and enlightening experiences.
 - A. An internship is a learning experience that could not be replaced by classroom instruction.
 - B. The practical experience can be an asset when taking the Certified Public Accountant (CPA) Examination.
 - C. The experience may aid the student in finding permanent employment following graduation.

OVERVIEW OF AN ACCOUNTING INTERNSHIP:

Is It Right For You?

What is an accounting internship? What benefits will I gain by having an internship? How do I arrange to have an internship? Questions like these have continually been raised by accounting students since the Department of Accounting of the Ball State University College of Business began operating an internship program in 1950. Where can a student find the answers to these and other questions? Until this time, information concerning the internship program has been limited and widespread. It is hoped that this compilation of information will provide accounting students with the information they need to answer their questions.

Objectives of the Program

The primary objective of the Accounting Internship Program is to improve the student's depth of understanding of the nature of American business and the role of its accounting function. The internship experience should also contribute to the development of maturity and confidence in the students and it should assist them in determining in which areas of accounting they should seek their careers.

The Accounting Internship Program offers the participating firms an opportunity to participate with the university in the educational process and examine prospective accounting employees in an environment that should aid the firm's recruiting effort. The program enables the university to add a touch of practicality that should carry over into the classroom when the intern returns to the university.

These are the Department of Accounting's stated objectives of the Accounting Internship Program. In essence, it is hoped that the Accounting Internship Program will provide accounting students an opportunity to bridge the gap between theory and practical application in the business world. In addition to the obvious benefits to be derived from learning by doing under the supervision of an experienced accountant, students are able to evaluate their aptitudes, interests, and abilities to pursue accounting careers. This on-the-job experience also appears to provide the students with a better background for further accounting study and work when they return to the university.

Industrial and Governmental Programs

The Department of Accounting at Ball State University offers two internship programs to interested students. The first of these programs deals with the areas of industrial and governmental accounting. Normally, accounting majors who have completed the third term of their junior year will be eligible for this program. The students should have completed the junior level accounting courses which would include intermediate accounting and cost accounting. The

internship will generally occur during the summer between the student's junior and senior years, and will be for a minimum of eleven weeks. The exact duration of the internship will be decided by the intern and employer, but it must fit within the confines of the quarter in which it is taken. Of the eighteen students enrolled in the industrial and governmental internship programs in 1980, all eighteen felt that the length of the internship was adequate enough to give them a basis for a fair appraisal of industrial or commercial accounting.

These same eighteen students indicated that they were assigned a wide variety of duties during their internships. Although sixteen claimed the firm did not conduct a formal training or indoctrination period for them, the majority felt they were given adequate supervision and instruction in the completion of these assignments. They most commonly mentioned the following eight assignments: preparing journal entries, preparing bank reconciliations, preparing schedules of account activity, working with inventories, preparing cost analysis, issuing various reports and correspondence, working with depreciation and amortization accounts, and performing special projects. In addition to the required accounting courses, several of the students suggested that principles of finance, calculating machines, and various computer classes were helpful in the completion of these assignments.

Public Accounting Program

The second internship program offered by the Department of Accounting deals with the area of public accounting. To be eligible for this program, the applicants should have completed the auditing course and the first tax course in addition to the junior level accounting courses. Students with an interest in this aspect of accounting would generally complete their internship during the winter quarter of their senior year. The exact duration of the internship will again be decided by the intern and employer, but it must be a minimum of eleven weeks and fit within the confines of the quarter in which it is taken. Twenty-one students were enrolled in the public accounting internship program during the winter quarter of the 1979-80 academic year, and 100% of them agreed that the length of the internship was adequate enough to give them a basis for a fair appraisal of auditing.

Under the public accounting internship program, the students actually work for a public accounting firm. Almost half of the twenty-one students mentioned above indicated that they were subjected to some form of formal training, although the depth of this training varied considerably. Interns with one firm were flown to Iowa City, Iowa for a two day orientation session; however, most interns received in-house training. Regardless of the formal training they received, the majority of the interns felt they were given adequate supervision and

instruction in the completion of their assignments. The activities these interns indicated they were frequently involved in include: working with confirmations; working with financial statements; preparing corporate, individual and payroll tax returns; analyzing accounts receivable and accounts payable; performing proofs of cash; dealing with inventories; and preparing various audit work papers. It was suggested that future interns might find the second tax course, the calculating machines course, and a speech course useful in addition to the required courses.

General Requirements

Applying. In addition to prerequisite courses and time constraints, certain other requirements must also be considered when applying for an internship in accounting. Students eligible for one of the internship programs must file an application for an internship with the member of the accounting faculty responsible for directing the program. These application forms may be secured from the Department of Accounting secretary and should be returned to her upon completion.

Interviewing. The Department of Accounting requires that all applicants for internships be interviewed by a representative of the firm or agency prior to being selected or assigned. These interviews may be arranged through the Placement Office at Ball State University. The Department of Accounting will notify the Placement Office of the names

of the students authorized to make arrangements for interviews. At this point it becomes the student's responsibility to work with the Placement Office. This will include completing the necessary forms required by the Placement Office, meeting with one of the Placement Office representatives, and scheduling to meet with representatives from participating firms. These interviews will generally take place the quarter before the internship is offered.

The internship applicants are not restricted to interviewing with only those firms who come on campus through the Placement Office. It is also possible for students to arrange an interview by directly contacting a firm. The Placement Office can provide the students with access to the addresses of firms in a wide variety of areas. It is then up to the student to contact the firm, explain the accounting internship program, and ask for an interview. These interviews should also take place the quarter before the internship is offered if not before.

There are several items which should be considered when a student interviews with a prospective employer. The interviewer is a representative of his firm and could be a major source of information concerning that firm. It is important to learn what type of program the firm is offering. The assignments and experiences will differ from company to company, as will the rate of pay and other benefits. Other

aspects to consider are the location and reputation of the firm, and the amount of travel involved during the internship. During the Industrial and Governmental Internship Programs, little travel will be involved; however, previous interns under the Public Accounting Internship Program indicated that they were expected to travel anywhere from 0% to 50% of the time they were with the firm.

Accepting. Following the interviewing process, the prospective employer will make his internship offer by mail directly to the intern, and the student must accept or decline the internship offer in writing. The Department of Accounting does not guarantee employment for each approved prospective intern, nor does it guarantee that each prospective employer will be able to participate in the internship program. If the student does accept an internship position, he must notify the Department of Accounting. The Head of the Department of Accounting must approve the internship arrangement before the student may register for the Internship in Accounting, course number ACC 481. Eight quarter hours of university credit in accounting are granted to the undergraduate who participates satisfactorily in the internship program.

Responsibilities of the Intern

The student assumes certain responsibilities when he accepts an internship position with an employer. An internship

is a job, and the intern will be expected to take it seriously and conduct himself in a manner which will reflect favorably upon his employer and Ball State University. It is important that each intern present a good appearance and exhibit a cooperative attitude while on the job. He should also be punctual and exercise professional taste, ethics, and judgment in every situation. The intern will also be expected to perform computational work accurately and with reasonable speed. In addition to applying technical knowledge in practical applications, the intern will be called upon to express himself effectively both orally and in written materials.

The intern will also be required to prepare weekly written reports and a summary report at the conclusion of the internship experience to be submitted to the member of the accounting faculty responsible for directing the program. These reports and a written evaluation of the performance of the intern by the employer will be considered when a grade is assigned for the eight hours of credit granted to the intern for the successful completion of the program.

Responses of Previous Interns

An internship in accounting can offer beneficial and enlightening experiences to the serious accounting student. One hundred percent of the 39 interns during the 1979-80 academic year indicated that they would strongly encourage

any accounting student to elect an internship. Many of the students reported that their experiences as interns increased their interest in the accounting profession. Some learned that they were not interested in the particular area of accounting in which they interned, but would prefer to pursue a different aspect of accounting as a career. All of the interns felt that the internship was a learning experience that could not have been replaced by additional classroom instruction.

For the student serious in pursuing accounting as a career, the internship experience supplemented by study of related materials can be an excellent preparation for the theory and practice sections of the Certified Public Accountant Examination. The internship can also provide the student with work experience which may aid him in finding permanent employment following his graduation. Although the internship places the employer under no obligation to offer the intern employment at the conclusion of his internship or on graduation, there have been instances where the student returns to work for the employer upon graduation.

All 39 interns seem to agree that the Accounting Internship Program at Ball State University is achieving its objective, that it is bridging the gap between classroom theory and practical application in the business world. It provides the students with an experience which can be unequaled in the classroom.