

University of Southern California
Leventhal School of Accounting - Marshall School of Business
Fall 2009

ACCT 410x – Foundations of Accounting

Section 14090R – MW 10:00am-11:50am (HOH421)

Section 14094R – MW 12:00pm-1:50pm (HOH421)

Section 14098R – MW 4:00pm-5:50pm (HOH421)

Instructor: Jieying Zhang
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Course website: <http://blackboard.usc.edu>
Office Hours: M 3pm-4pm, W 3pm-4pm, and by appointment; additional office hours before exams.
Teaching Asst: Siddharth Betala (Betala@usc.edu)
Information: USC Emergencies 213-7404321, USC Emergency Info Hotline 213 7409233, USC Information 213-7402311, or KUSC 91.5
Prerequisites: None

Course Description and Objectives

This course provides an introduction to both financial and management accounting, with a greater emphasis on financial accounting. Accounting, in general, is a system that provides quantitative information to people for decision-making purposes. Financial accounting summarizes the events and transactions of business for external users, such as investors, banks, and suppliers. Management accounting summarizes information for internal use, such as performance evaluation or budgeting. The emphasis on financial accounting better prepares you to use financial accounting information at some point in your life, e.g., when making decisions about stocks to buy. The presentation will consist of moderately technical expositions of concepts and material, but the primary focus will be that of the user (rather than the preparer) of accounting information.

This course is intended for those with limited or no prior business related coursework. The course is not open to students with course credits in accounting, including BUAD 250A and 250B (or a similar course at another 4-year university). This course may be required for the business *minor*; however, it cannot be used toward satisfying requirements for a degree in accounting or business administration. Students who successfully complete the course are eligible to apply to the Leventhal School of Accounting Master's degree programs.

Course Pre-Requisites

The course has no pre-requisites and requires no special skills. The quantitative aspects of the course require only elementary computational skills, and you are allowed to use a calculator.

Course Materials: Required Text

- Porter G.A., and C.L. Norton. *Using Financial Accounting Information: An Alternative to Debits and Credits* (6th edition)
- Selected chapters from Garrison, R.H., E.W., Noreen, and P.C. Brewer. *Managerial Accounting* (13th edition). These chapters are available at ebooks.primisonline.com (ISBN 0390-9035212). If, you would like to purchase the entire book, the ISBN number for the entire book is either 0-07-337961-1 or 978-0-07-337961-6.

In situations where you need additional readings, I will provide them in the form of handouts (to the extent possible, they will also be available on the BlackBoard). Additionally, you may find it useful to bring a simple calculator to class as we will work on problems during class. No other readings or tools are necessary.

Course Website

Class materials (slides, handouts, quiz solutions, sample exams, etc) are available online at: <http://blackboard.usc.edu>. You need to register to be able to access the class materials. All announcements will also be posted on the class website, so please visit the site often.

Grading Policy

The assignment of grades is dictated by school policy. According to Marshall School of Business policy, the suggested GPA for this course is 3.3.

The overall course grade will be comprised of the following:

Exams #1	20 %
Exams #2	20 %
Final Exam (not cumulative).....	30 %
Quizzes (total of 4)	20%
Class participation	<u>10 %</u>
TOTAL	100 %

Classroom participation

It is critical to your success to attend class every day, be well prepared, and act professionally (including being on time). Thus attendance will be taken. **Absence from class results in a daily attendance score of zero.** It is the student’s responsibility to sign-in at the beginning of class. Unless you have prior approval from the instructor, you must attend the section you are registered for. This is to your benefit since classroom performance will be monitored.

Class participation is not limited to class attendance. I will also note the quality of your contributions to class – for example, occasional thoughtful comments and questions that reflect effort are far more important in determining “quality” than are continual comments and questions that do not reflect thoughtfulness. At the end of the term, those who are in the top participation (not attendance) will receive additional credits. I also reserve the right to lower your final (letter) grade for continued unprofessional conduct. Unprofessional conduct includes, but is not limited to, coming to class late; interrupting class with talking, a mobile phone, etc.; using a laptop for activities unrelated to class; and so forth. If I have a concern about unprofessional conduct, I will talk with you individually first. If the conduct continues, your grade may be lowered 1/3 of a grade. So, for example, if your total points from quizzes and exams would earn you a B-, but you have continued unprofessional conduct, I reserve the right to lower this to a C+.

Office hours are not a substitute for coming to class, therefore, I will not go over material covered in class with you if you have missed the class. Quizzes and exams start promptly at the beginning of class; late arrivers will not be given extra time to complete them.

Regrading Policy

You will be provided with a solution to each quiz and exam. These solutions will show the point breakdown used in grading the exam as well as the correct answers. If you believe an error has been made in grading your exam, you may request a regrade by doing the following: Write a brief note to the grader explaining why you think there is an error and submit both the note and the exam to which it pertains. After each exam is returned, there is a cooling off period of three calendar days and then you will have seven calendar days to challenge your grade. After the challenge period, grades on exams are considered final. We reserve the right to regrade the entire contents of any submitted exam.

Make-up Exam Policy

It is to your advantage to take all exams at their scheduled times. Unless you have prior approval from the instructor, you must take the exam in the section that you are registered for.

There will be NO makeup quizzes given if you miss a quiz. Additionally, because quizzes are always given at the beginning of class, you may not take the quiz if you come to class after the quiz is complete. If you come to class late but while the quiz is still in progress, you may not take extra time on a quiz – you must turn it in when time is up, irrespective of when you start.

The policy of the Leventhal School of Accounting is that you should not miss exams unless there is very serious emergency AND you can properly document this emergency. Also, to the extent possible, you must inform me of the emergency prior to the exam (I understand that this is not always possible). Exams missed without the prior approval or without adequate documentation of a serious emergency will result in a recorded grade of zero for the missed exam. If the mid-term exam is missed with prior agreement and adequate documentation, the grade obtained on the final exam will

automatically be substituted for the missed exam as well. If you arrive late to an exam, you may not take extra time to complete the exam. You must turn in your paper at the end of the exam period, irrespective of when you start the exam.

All students must take the final exam as scheduled unless an incomplete contract has previously been approved according to Leventhal School of Accounting regulations (or, of course, unless there is an emergency, as above). See the LSOA standards attached to the end of the syllabus for further information.

Students with Disabilities

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. - 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

Policy for Disposition of Quizzes and Exams

I return all quizzes and exams to students after they are graded. If you are not present on the day a quiz or exam is returned, I will continue to bring the quiz or exam for you to pick up for one week after the initial return attempt. After that, I will maintain quizzes and exams in my office for you to pick up during office hours. Any quizzes or exams not picked up will be destroyed at the end of the spring semester.

Disposition of Exams

I return all graded quizzes to students. If you are not present on the day a quiz is returned, I will continue to bring the quiz or exam for you to pick up for one week after the initial return attempt. After that, I will maintain quizzes in my office for you to pick up during office hours. All quizzes not picked up will be destroyed at the end of the spring semester.

Honor Code Violations

Finally, while I expect that you will never violate academic integrity standards, I am obligated by the university to note that you are expected to adhere to and that I consider you bound by the USC Student Conduct Code. Any violation of this code will result in the penalties prescribed by the university.

ACCOUNTING 410

		Topic	Class Assignment
1	M, 8/24	Overview of the course	Syllabus
2	W, 8/25	Introduction to Financial Accounting	(PN) Skim Chapter 1 and Chapter 3 Exercise 1-2, 1-3, 1-4, 1-6, 1-7, 3-1
3	M,8/31	The Balance Sheet (I)	(PN) Chapter 2, pp.61-66 Exercise 2-2, 2-3, 3-6 Problem 1-3, 1-3A, 2-3
4	W, 9/2	The Balance Sheet (II)	Exercise 3-3, 3-5, 3-9 Problem 3-1, 3-2, 3-3, 3-6, 3-7
5	M, 9/7	Labor day, no class	
6	W, 9/9	The Income Statement (I)	(PN) Chapter 2, pp.69-74; Chapter 4, pp.154-175 Exercise 4-1, 4-2, 4-3, 4-5, 4-10, 4-11 Problem 2-6, 2-6A, 4-9, 4-9A
7	M, 9/14	The Income Statement (II) First Quiz (in-class)	(PN) Chapter 4, pp.174-182 Exercise 2-9, 4-7, 4-12, 4-16, 4-17 Problem 4-1, 4-2, 4-1A, 4-2A
8	W, 9/16	Statement of Cash Flows (I)	(PN) Chapter 12 Exercise 12-2, 12-3, 12-9, 12-10, 12-12, 12-13
9	M, 9/21	Statement of Cash Flows (II)	(PN) Chapter 5, pp.249-250; Chapter 7, pp.346; Chapter 8, pp.385-386; Chapter 9, pp.418-419; Chapter 10, pp.488-489; Chapter 11, pp535-536; Exercise 12-14 Problem 12-3, 12-4, 12-6, 12-7, 12-3A, 12-4A, 12-6A, 12-7A
10	W, 9/23	Review for Exam #1	
11	M, 9/28	EXAM #1 Fundamentals of Financial Statements	Covers lecture 1-10
12	W,9/30	Revenue Recognition & Account Receivables (I)	Review (PN) Chapter 4, pp.159-165 Read (PN) Chapter 7 pp.322-331 Exercise 7-1, 7-2 Problem 7-1, 7-2, 7-1A, 7-2A
13	M, 10/5	Revenue Recognition & Account Receivables (II)	Exercise 9-4, 9-11 Problem 9-4, 9-5, 9-5A
14	W, 10/7	Matching Principle - Inventory and Cost of Goods Sold (I)	(PN) Chapter 5, pp.210-234 Exercise 5-7, 5-11, 5-22 Problem 5-11, 5-13, 5-14
15	M, 10/12	Matching Principle - Inventory and Cost of Goods Sold (II) Second Quiz (in-class)	(PN) Chapter 5, pp.234-254 Problem 5-11A, 5-13A, 5-14A
16	W, 10/14	Matching Principle - Long Lived Assets	(PN) Chapter 8 pp.362- 384 Exercise 8-1, 8-3, 8-4, 8-5, 8-6, 8-7, 8-13 Problem 8-2, 8-3, 8-7, 8-8
17	M, 10/19	Marketable Securities	(PN) Chapter 7, pp. 339-347 Exercise 7-7, 7-8, 7-9, 7-10 Problem 7-5, 7-6, 7-5A, 7-6A
18	W, 10/21	Valuation Adjustments - Present Value	(PN) Chapter 9, pp. 424-443 Exercise 9-12, 9-13, 9-14, 9-15, 9-16, 9-17

			Problem 9-6, 9-11, 9-12
19	M, 10/26	Long-Term Liabilities (I)	(PN) Chapter 10, pp. 464-480 Exercise 10-1, 10-2, 10-3, 10-4, 10-5, 10-6 Problem 10-2, 10-3, 10-4, 10-8, 10-2A, 10-3A, 10-4A
20	W, 10/28	EXAM #2 Details of Financial Statements	Covers lecture 12-18
21	M, 11/2	Long-Term Liabilities (II)	(PN) Chapter 10, pp. 481-485 Exercise 10-7, 10-8, 10-9 Problem 10-5, 10-5A
22	W, 11/4	Long-Term Liabilities (III); Owner's equity	(PN) Chapter 11, pp. 510-534 Exercise 11-1, 11-3, 11-4, 11-5, 11-6, 11-7, 11-8, 11-9, 11-10, 11-11
23	M, 11/9	The other elements of annual reports; Financial statement analysis Third Quiz (in-class)	(PN) Chapter 13 Exercise 13-3, 13-4, 13-5, 13-6, 13-8, 13-9, 13-10
24	W, 11/11	Introduction to Managerial Accounting	(GNB) chapter 2 & 5 Exercise 2-3, 2-6, 2-7, 2-10, 5-3, 5-4 Problem 2-13, 2-15, 2-16, 5-12, 5-13
25	M, 11/16	CVP & Decision Making Case: Forest Gump	(GNB) chapter 6 Exercise 6-5, 6-6, 6-7, 6-13, 6-16
26	W, 11/18	Job order costing and Activity-Based Costing	(GNB) chapter 3 Exercise 3-3, 3-4, 3-5, 3-9
27	M, 11/23	Standard costs and variances	(GN) Chapter 11, pp.451-471 Exercise 11-3, 11-4, 11-7, 11-8, 11-10
28	W, 11/25	Fourth Quiz (take-home)	
29	M, 11/30	Current Accounting Topics	
30	W, 12/2	Course Review	
		Final Exam	Covers lecture 19-28
12/5-12/8 Study Days			
	M, 12/14	Section 14090 (10am class) Final Exam 8:00am-10:00am	
	F, 12/11	Section 14094 (12pm class) Final Exam 11:00am-1:00pm	
	W, 12/9	Section 14098 (4pm class) Final Exam 4:30pm-6:30pm	

(PN) *Using Financial Accounting Information: The Alternative to Debits and Credits*, by Porter, and Norton, **6th Edition**.

(GNB) *Selected Chapters Management Accounting*, by Garrison, Noreen, and Brewer, **13th Edition**.

LEVENTHAL SCHOOL OF ACCOUNTING GRADING AND ACADEMIC GUIDELINES FOR ACCT 410x and 415x STUDENTS

The Leventhal School of Accounting adheres strictly to the grading standards of the University and the Marshall School of Business. Additionally, the Leventhal School of Accounting has supplemented those guidelines with certain others. For students' convenience, and to prevent misunderstanding, these additional guidelines are summarized below.

GRADING GUIDELINES

The following grades are used: A - excellent; B - good; C - fair; D - minimum passing; F - failure. The grade of F is awarded for failing work at the end of the semester. The assignment of minuses and pluses when earned is required.

The grade of W (Withdraw) is assigned if the student officially withdraws after the third week but before the end of the twelfth week of the semester. No withdrawals will be permitted after the end of the twelfth week except by student petition to the University's Committee on Academic Policies and Procedures.

Students may elect to audit courses during the first three weeks of the semester. A course taken for audit (V) will be assessed at the current tuition rate. A course taken for audit (V) will not receive credit and will not appear on the USC transcript or grade report. Under no circumstances will the University allow a change in the registration status of a course from letter grade or credit to audit (V) or vice versa after the third week of a given semester.

The grade of IN (Incomplete, i.e., work not completed because of documented illness or some other emergency occurring after the twelfth week of the semester) is reserved for those highly unusual cases where, due to circumstances judged fit by the Dean of the Leventhal School of Accounting, the student is unable to complete a specified single item of the course requirements by the time final grades are submitted.

IN grades can be removed only by the student completing the missing requirements of the course to the satisfaction of the instructor.

Marks of IN in courses numbered below 500 must be removed by the end of the semester following the one in which the mark of IN was assigned. If not removed within the specified time limit, marks of IN automatically become marks of IX (expired incomplete), with the exception of thesis and dissertation, and compute in the GPA as an F. A student may remove the IN only by completing the work not finished as a result of illness or emergency. It is not possible to remove an incomplete by re-registering for the course. Previously graded work may not be repeated for credit.

OTHER ACADEMIC GUIDELINES

1. The ability of students to write clearly and concisely is a necessary prerequisite to success in accounting work. Accordingly, students will be required to demonstrate writing capability in all accounting courses. This may be accomplished primarily through the inclusion of essay-type questions on course examinations.
2. No unregistered students are permitted to attend accounting classes regularly.

Important Dates for Fall 2009

Last Day to Register/Add without Late Fee	Friday, August 21
Classes begin	Monday, August 24
University Holiday, Labor Day	Monday, September 7
Last Day to Add classes or Drop w/out a "W"	Friday, September 11
Last Day to Drop with a "W"	Friday, November 13
Thanksgiving Recess	Thursday, November 26 Friday, November 27
Last Day of Classes	Friday, December 4
Finals Period	December 9 -16