



BUAD 286b – Financial Accounting

Course Syllabus

Fall Semester 2015

Section – 14543R; Location – ACC 303

Class Sessions – T & TH 4:00 pm to 5:50 pm

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Office Hours: Tu & Th: 3:00 pm – 4:00 pm or by appointment

Course Description

This is a second accounting course for undergraduate students whose majors require: understanding the impacts business transactions have on organizations; knowledge of basic accounting principles and techniques; and the ability to leverage the variety of information the accounting discipline provides managers, owners and other stakeholders. The primary focus of the course is the development, presentation and understanding of accounting information useful to internal and external stakeholders when analyzing results and supporting decisions related to: income generation, asset acquisition, and financing activities.

Learning Objectives

Upon completion of this course, you should be able to:

- Evaluate the impacts of accrual based accounting and management decisions on financial statement presentation and stakeholder choices by analyzing a variety of business activities / scenarios and developing journal entries. (*Marshall Learning Goal 4.1*)
- Describe a business operating cycle and demonstrate the impact of various operating activities by applying accounting principles and techniques to produce journal entries, develop appropriate adjustments, and produce a multi-step income statement in good form. (*Marshall Learning Goal 1.1*)
- Describe a business financial position and demonstrate the impact of various financing and investing activities by applying accounting principles and techniques to produce journal entries, develop appropriate adjustments, and produce a classified balance sheet in good form. (*Marshall Learning Goal 1.1, 1.2*)
- Evaluate the general financial performance of an organization and the impact of management decisions on financial results by analyzing a variety of financial ratios and developing an opinion on potential employment by and / or investment in a large public company. (*Marshall Learning Goal 3.5*)

To achieve these learning objectives, a combination of background reading, interactive discussion / lecture and practice problems will be utilized. Please note, the most important word in the sentence above is “interactive.” The reason is that research on learning indicates it is very difficult to gain anything more than a superficial understanding of material without practice and feedback. Therefore, you should expect our class sessions to incorporate a substantial amount of both.

To demonstrate your achievement of the learning objectives stated above: 1) you will be required to demonstrate your knowledge by individually working problems during quizzes and exams; and 2) you may be asked to complete in class group assignments on an ad hoc basis at the professor’s discretion.

Required Materials

The following book is available in the bookstore and was used in BUAD 286a last semester.

- Kimmel, P.D., Weygandt, J.J., Kieso, D.E., (2013). *Accounting: Tools for Business Decision Making, 5th Ed.* New Jersey: John Wiley & Sons, Inc. (978-1-118-78426-6)

If you do not have the book from last semester, feel free to purchase the book online as this can result in substantial cost savings. However, if you choose to purchase the books online, please be aware that you are responsible for making alternative arrangements for completing all readings and advance preparation until the books arrive.

Prerequisites and Recommended Preparation

Generally, the prerequisite for this course is BUAD 286a. However, if you are taking this class during the last half of the semester and are earning a passing grade in BUAD 286a, then BUAD 286a will be treated as a corequisite for this course.

In addition, regular reading of a general business periodical or newspaper's financial section will aid in your business education. To this end, the Wall Street Journal can be purchased at a discounted student rate at www.wsjstudent.com.

In addition, you will find it helpful to bring a calculator to class to work discussion problems and in class assignments. For exams, only school provided calculators will be allowed.

Course Notes

Distributed materials and other class information will be available through your Blackboard account. Although not a required / formal part of the class, additional materials can be found on the Wiley Plus website if you purchased the course pack through the bookstore.

Grading Policies

Your grade in this class will be determined by your relative performance on exams, quizzes (dropping the lowest one), in-class exercises, and a team presentation. The total class score will be weighted as follows:

	Points	Weight	
Mid-term	200	40%	(Individual)
Final Exam	200	40%	(Individual)
Highest of Two Quizzes	25	5%	(Individual)
In-class Exercises & Participation	25	5%	(Group)
Team project	50	10%	(Group)

After each student's weighted total points are determined for the semester, letter grades will be assigned on a curve according to Marshall School of Business grading guidelines.

Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about a 3.0 (i.e., a "B"). Three items are considered when assigning final grades:

1. Your score for each of the items above weighted by the appropriate factor and summed.
2. Your overall percentage score for the course.
3. Your ranking among all students in the course(s) taught by your instructor during the current semester.

The grade of "W" is allowed only if a student withdraws after the official add period and before the end of the drop period during the semester. The grade of incomplete (IN) can be assigned only if there is work not completed because of a documented illness or unforeseen emergency occurring after the drop period of the semester that prevents the student from completing the semester. An "emergency" is defined as a serious documented illness, or an unforeseen situation that is beyond the student's control, that prevents a student from completing the semester. Prior to the end of the drop period, the student still has the option of dropping the class so incompletes will not be considered. Arrangements for completing an IN must be initiated by the student and agreed to by the instructor prior to the final examination. All work required to replace the IN with a final grade

must be completed within one calendar year from the date the IN was assigned. If the student does not complete the work within the year, the IN will automatically be converted to a grade of F.

Assignments and Grading Detail

Expectations regarding your performance on exams, quizzes, in-class exercises and the team presentation are as follows:

Exams

Exams may include: multiple-choice questions, short answer / brief essay questions, exercises, and problems. Preparing for exams involves dedication and ends only when you can: 1) identify the relevant issues in a given business situation; 2) analyze the data and transform it into information to be used in a comprehensive answer; and 3) explain what you did using techniques demonstrated in class. The best bet for success involves a number of steps. First, is making sure you do the advanced preparation for each class session. Second, is reworking problems done in class and trying other / additional problems. Third, is making sure you ask questions in a real-time manner to solidify your understanding of the material as we go, rather than trying to 'get it' right before an exam. Remember, on exams you will be required to perform all work (e.g., problem setup, solution generation, and answer presentation) on your own.

The exam dates for this fall are as follows:

Exam I	Tuesday	September 15 th
Final exam	Thursday	October 15 th

During the semester, each exam will be returned no more than one week after it has been given. After each test is returned there is a one-week reflection period and then you will have one week to discuss your grade. After this time, grades on tests become final. All other grades are final once given.

The Leventhal School of Accounting policy is exams should not be missed unless there is a very serious emergency AND it can be properly documented. Also, to the extent possible, you must inform the instructor of the emergency prior to the exam (it is understood this is not always possible). If you miss an exam for something other than a serious emergency and / or you cannot provide documentation, you will receive a zero grade for the exam. If there is a serious emergency, you can provide proper documentation and (when possible) have notified me before the exam, a substitute grade will be calculated based on the normalized average of your remaining future exam(s).

The final exam must be taken at the scheduled time unless an incomplete contract has previously been approved according to Leventhal School of Accounting guidelines.

Quizzes

Quizzes may include multiple-choice questions, exercises and problems. They will be given one 'class week' before each exam (including the final). Preparing for quizzes is facilitated by keeping up with the work in class, reworking problems we have done in class, and trying other problems. No make-up quizzes will be given as only the two highest raw scores are used to generate the quiz component of the total score.

In-class Exercises

At various points during the semester, unannounced exercises will be introduced to provide students with examples of the kind of material they should expect to see on exams. These exercises can be completed by ad hoc groups of four members or less, using any course materials present (i.e., open book / open notes). Points are earned by students completing the exercise based on the proper application of the techniques covered during class discussion. No make-ups or alternative assignments will be accepted.

Team Assignment

The Team Assignment will be handed out during the semester. It is a research based assignment that will require your team to: acquire information about a public company; answer specific questions about the information you acquire; and develop a professional report related to the company's published financial statements. Final documentation will be due at the beginning of the final class and will consist of a professional / high quality report in hardcopy with appropriate formatting and appendices.

MARSHALL GUIDELINES

Learning Goals

In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Description	Course Emphasis
1	Our graduates will have an understanding of the key business areas and their reciprocity <i>to effectively manage different types of modern enterprise.</i>	Medium
2	Our graduates will have a global mindset <i>demonstrating an understanding of the interplay of local, regional, and international markets, and economic, social and cultural issues.</i>	Low
3	Our graduates will demonstrate critical thinking skills, decision-making, and problem-solving abilities <i>to strategically navigate complex demands of business environments.</i>	Medium
4	Our graduates will demonstrate leadership skills <i>aspiring to be informed, sensible, future-oriented leaders and innovators.</i>	Low
5	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities <i>and aspire to add value to society.</i>	Low
6	Our graduates will be effective communicators in speaking and writing <i>to facilitate information flow in organizational, social, and intercultural contexts.</i>	Low

Add / Drop Process

Students may drop via Web Registration at any time prior to Wednesday, September 30th. Please note that if you drop after Tuesday, September 1st, your transcripts will show a W for the class. Students may add the class as space becomes available via Web Registration through the registration deadline.

Dates to Remember:

Last day to add classes or drop without a "W"	Tuesday – September 1 st
Last day to change enrollment from P/NP to Letter Grade	Tuesday – September 15 th
Last day to drop with "W"	Wednesday – September 30 th

Retention of Graded Coursework

Graded work that has not been returned to you will be retained for one year after the end of the semester. Any other materials not picked up by the end of the semester will be discarded after final grades have been submitted.

Technology Policy

Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by the professor. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. Upon request, all electronic devices in your possession (e.g., cell / smart phones, tablets, laptops, etc.) must be completely turned off and / or put face down on the desk in front of you. In addition, at certain times (i.e., during exams), you might also be asked to deposit your devices in a designated area in the classroom. Video recording of faculty lectures is not permitted due to copyright infringement regulations. Audio recording is only permitted if approved in advance by the professor. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

Recordings

No student may record any lecture, class discussion or meeting with the professor without the professor's prior express written permission. The word "record" or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device

or any other means of signal encoding. The professor reserves all rights, including copyright, to lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in this class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. Exceptions are made for students who have made prior arrangements with DSP and the professor.

Statement for 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 or the TA 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. For more information visit www.usc.edu/disability.

Statement on Academic Conduct and Support Systems

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations of both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

Academic Conduct

Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, Behavior Violating University Standards (<https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>). Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct (<http://policy.usc.edu/scientific-misconduct/>).

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the Office of Equity and Diversity (<http://equity.usc.edu/>) or to the Department of Public Safety (<http://capsnet.usc.edu/departments/departments-public-safety/online-forms/contact-us>). This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. The Center for Women and Men (<http://www.usc.edu/student-affairs/cwm/>) provides 24/7 confidential support, and the sexual assault resource center webpage (sarc@usc.edu) describes reporting options and other resources.

Support Systems

A number of USC's schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the American Language Institute (<http://dornsife.usc.edu/ali>), which sponsors courses and workshops specifically for international graduate students. The Office of Disability Services and Programs (http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html) provides certification for students with disabilities and helps arrange the relevant accommodations.

Emergency Preparedness / Course Continuity

If an officially declared emergency makes travel to campus infeasible, USC Emergency Information (<http://emergency.usc.edu/>) will provide safety and other updates, including ways in which

instruction will be continued by means of blackboard, teleconferencing, and other technology. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.

For additional information, you may use any of the following:

USC Emergency – (213) 740-4321
USC Emergency Information – (213) 740-9233
USC Information – (213) 740-2311
KUSC Radio – 91.5 FM

Schedule of Classes

Session	Date	Topic	Reading Assignments*	Preparation*
Financial Accounting				
1	8/25	Financial Analysis: The Big Picture	CH 13	P13-5A
2	8/27	Merchandising Operations and the Multi-Step Income Statement	CH 5	E5-1, E5-3, E5-9, E5-10
3	9/1	Merchandising Operations and the Multi-Step Income Statement	CH 5	P5-2A, P5-3A, P5-7A
4	9/3	Reporting and Analyzing Inventory	CH 6	E6-2, E6-7, P6-5A, P6-8A, P6-6A
5	9/8	Reporting and Analyzing Receivables & Quiz #1	CH 8	E8-3, E8-4, P8-5A, P8-8A
6	9/10	Reporting and Analyzing Investments	APP E	PE-1, PE-2, PE-3, PE-4
7	9/15	Exam I (Sessions 1 – 6)		
	9/17	Group Project Team Creation / Planning	N/A	<i>See Handout.</i>
8	9/22	Reporting and Analyzing Long-Lived Assets	CH 9	<i>Do it!</i> 9-1, E9-3, E9-6, E9-8, P9-4A
9	9/24	Reporting and Analyzing Long-Lived Assets	CH 9	P9-2A, P9-7A, P9-8A
10	9/29	Reporting and Analyzing Liabilities / Time Value of Money	CH 10 APP D	BE10-1, BE10-4, BE10-8, BE10-9, BED-1, BED-4, BED-5, BED-9, BED-11, BED-17, BED-19
11	10/1	Time Value of Money / Reporting and Analyzing Liabilities	APP D CH 10	BED-13, BED-14, E10-8, E10-10, E10-11
12	10/6	Reporting and Analyzing Liabilities and Quiz #2	CH 10	P10-10A, P10-11A, P10-12A
	10/8	Group Project Working Time	N/A	N/A
13	10/13	Reporting and Analyzing Stockholders Equity	CH 11	E11-2, E11-14, P11-3A, P11-8A
Final	10/15	Final Exam (Sessions 8 – 14)	4PM – 5:50PM	

* Kimmel, Weygandt, Kieso

**LEVENTHAL SCHOOL OF ACCOUNTING
GRADING AND ACADEMIC STANDARDS
FOR UNDERGRADUATE STUDENTS
*IN BUAD 285b or 286b***

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

GRADING STANDARDS

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.

**LEVENTHAL SCHOOL OF ACCOUNTING
GRADING AND ACADEMIC STANDARDS
FOR UNDERGRADUATE STUDENTS
*IN BUAD 285b or 286b***

G.P.A. PREREQUISITES FOR UNDERGRADUATE ACCOUNTING COURSES

The following are grade point average prerequisites for any undergraduate student enrolled in any accounting course. Individual instructors may not waive these standards: (1) an average grade of B or better in BUAD 285ab or BUAD 286ab with neither grade lower than a B-; or (2) if applicable, transfer students are required to meet an average grade of B in the two transferred accounting courses and BUAD 305x (with neither grade lower than a B-).

In meeting the B (3.0) average required for admission to the Leventhal School of Accounting, only one of the courses may be repeated. If the repeated course grade is higher, that grade will be considered in determining whether the student meets the B average for admission, and the original course grade will be disregarded by the Leventhal School. See Repeated Course Work at USC, USC Catalogue, for further restrictions on including grades in repeated classes in the overall grade point average computation.

In computing grade point average prerequisites, BUAD 285ab or BUAD 286ab, BUAD 302T and BUAD 305x will be considered accounting courses.

Grades in accounting courses taken at other institutions will not be included in the computation of the cumulative accounting grade point average. **Exception:** transfer students taking BUAD 305x and seeking admission to the School of Accounting.

When a student's cumulative accounting grade point average falls below 2.7, the student is placed on probation. If a student on probation does not regain a minimum accounting cumulative GPA of 2.7 after completing the next 12 semester hours in all courses (including accounting courses) attempted within the University, that student will not be permitted to continue as an accounting major in the Leventhal School of Accounting. Exceptions to this policy may be granted only in unusual circumstances by the Academic Standards Committee of the Leventhal School of Accounting. Decisions of the Academic Standards Committee are final.

To be removed from probationary status, a student may elect either to take another accounting course or courses for which prerequisites are met or to repeat an accounting course or courses in an attempt to earn a higher grade. Regardless of the course of action taken, all courses completed will be counted in computing the cumulative accounting grade point average.

The grade of "W" in an accounting course taken while a student is on probation will not extend probation. The probation period ends at the end of that semester during which the student completes a cumulative total of 12 semester hours of courses in any subject(s) at the university. Under no conditions will the student be permitted more than two successive semesters, including the summer semester, to complete the 12 semester hours of courses.

Students must attain a minimum 2.7 cumulative accounting grade point average to graduate with a Bachelor of Science in Accounting degree.

**LEVENTHAL SCHOOL OF ACCOUNTING
GRADING AND ACADEMIC STANDARDS
FOR UNDERGRADUATE STUDENTS
*IN BUAD 285b or 286b***

OTHER ACADEMIC STANDARDS

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 2015

First Day of Class (Regular Session and Session 431)	Monday, August 24
All-School Picnic, Alumni Park (scheduled classes must meet)	Tuesday, August 25 (11am-2pm)
Last Day to Add or Drop without a "W" (1st Half Session 431)	Tuesday , September 1
Labor Day, University Holiday	Monday, September 7
Last Day to Add or Drop without a "W" (Regular Session)	Friday, September 11
Last Day to change P/NP to letter grade (1st Half Session 431)	Tuesday, September 15
Meet the Firms, California Science Center (attend both)	Wednesday, September 16 (6pm-9pm) & Thursday, September 17 (6pm-9pm)
Last Day to Drop with "W" (1st Half Session 431)	Wednesday, September 30
Evening Football Game (scheduled classes must meet)	Thursday, October 8
Last Day to change P/NP to letter grade (Regular Session)	Friday, October 9
Final Examinations (1st Half Session 431)	Monday, October 12 - Friday, October 16
First Day of Class (2nd Half Session 442)	Monday, October 19
Last Day to Add or Drop without a "W" (2nd Half Session 442)	Friday, October 23
Last Day to change P/NP to letter grade (2nd Half Session 442)	Monday, November 9
Last Day to Drop with a "W" (Regular Session)	Friday, November 13
Last Day to Drop with "W" (2nd Half Session 442)	Monday, November 23
Thanksgiving Break	Wednesday, November 25 - Friday, November 27
Last Class Meeting	Friday, December 4
Final Examinations	Wednesday, December 9 - Wednesday, December 16