

BUAD 286a – Accounting Fundamentals & Managerial Accounting

Course Syllabus Spring 2016

Professor: Marshall Vance, PhD
Office: HOH 511
E-mail: mvance@marshall.usc.edu

Office Hours: W 12:30-1:30, or by appointment

Course Description

This is an introductory 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 for a variety of stakeholders on issues related to income, management analysis, cash flow, product costing, overhead application, budgeting and planning, and analyzing organizational performance for management decision making.

Learning Objectives

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

- Demonstrate an understanding of the key principles and assumptions used by accountants when providing information to management and other stakeholders by answering questions and solving problems. *(Marshall Learning Goal 1.1)*
- Demonstrate an understanding of Generally Accepted Accounting Principles and their impact on the conduct of management and business leaders by answering questions and solving problems. *(Marshall Learning Goal 5.1)*
- Explain how management, other stakeholders and the business community use key sections of the balance sheet, income statement and statement of cash flows to make decisions by evaluating business transactions, preparing financial statements and analyzing relevant financial statement information. *(Marshall Learning Goal 2.2)*
- Analyze the cash impact of business transactions by creating a statement of cash flows from a series of transactions and account balance changes. *(Marshall Learning Goal 1.2)*
- Analyze the manufacturing cost flows of an organization and their impact on profitability by producing a schedule of cost of goods manufactured and sold. *(Marshall Learning Goal 1.2)*
- Analyze the cost, volume and profit relationships of an organization by calculating the contribution margin, breakeven point and target profits given a variety of business scenarios. *(Marshall Learning Goal 3.1, 3.2, 3.3)*
- Distinguish between traditional job costing and activity-based costing methodologies and their impact on organizational stakeholders by applying both techniques to business situations and evaluating the results. *(Marshall Learning Goal 4.1)*
- Analyze and identify cost information that is relevant for decision makers by recognizing and applying the relevant elements in a variety of decision making scenarios likely to face professional managers. *(Marshall Learning Goal 3.4)*
- Analyze and demonstrate how strategic planning and budgeting processes enhance an organization's ability to respond to economic changes by preparing elements of the master budget and a flexible budget. *(Marshall Learning Goal 2.1, 3.4)*
- Describe and demonstrate appropriate control and performance evaluation metrics in a multi-product, hierarchical organization by analyzing overall and segment performance using rate-of-return, residual income, and non-financial measures. *(Marshall Learning Goal 3.3, 4.1)*

- Evaluate the general financial prospects of an organization and the impact of management decisions on operational results by analyzing a variety of operational information and developing a spreadsheet model to project a potential anticipated future performance of a large public company. (*Marshall Learning Goal 1.4, 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 will be used for both BUAD 286a and 286b.

- 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)

Grading Policies

Your grade in this class will be determined by your **relative** performance on the following:

	Points	Weight
Exam I	200	20%
Exam II	200	20%
Final Exam	300	30%
Quizzes	150	15%
Participation, and Professionalism	50	5%
Team Project/Presentation	100	10%

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.

The grade of “W” is allowed only if a student withdraws before the “W” deadline. 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 12th week of the semester (or the twelfth week equivalent courses scheduled for less than 15 weeks) that prevents the student from completing the semester. 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.

Grading and Assignment Detail

Expectations regarding your performance on exams, quizzes, Participation, 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 are as follows:

Exam I	Wednesday	February 17 th – in class
Exam II	Monday	March 28 th – in class
Final exam	Wednesday	May 11 th (11:00-1:00pm – Room TBA)

During the semester, each exam will be returned no more than one week after it has been 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 exams.

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 will be assigned (roughly) weekly, and will be administered through blackboard. Quizzes will generally be available on Thursday afternoon and due Monday at midnight. Quizzes are open book/note, and you are free to discuss them with other members of the class. Multiple attempts (before the quiz deadline) will be accepted. **The lowest two quiz scores will be dropped** (i.e., if you take all 12 quizzes, only the top 10 scores will count). The intention for these quizzes is to provide an opportunity for students to check their understanding of the material, and an incentive to keep up with the material on a timely basis. Each quiz should take roughly one hour to complete (assuming the student has been keeping up with the course).

Given the structure of the assignments and the way in which they are graded, everyone should be able to get 100% for this portion of the course. **However, if you do not complete the assignments by their deadlines, you will receive a score of -0-**. To be fair to those who complete the assignments on time, there will be **NO EXCEPTIONS – FOR ANY REASON**. Thus, I suggest you complete these assignments well before their deadlines (just in case there is a problem with Blackboard, your computer, etc.) **and make sure that you are completing the correct assignment. Finally, after submitting your assignment via Blackboard, please check the Grade Center in Blackboard to ensure that your grade was recorded. If your assignment isn't recorded, you will receive a score of -0-**.

Participation and Professionalism

Scores for this portion of the grade will be made subjectively. Students who make positive contributions to class discussions will be rewarded, while students who do not participate may lose points. Note that while I don't formally track or grade based on attendance, it is very difficult to participate in class without being there in the first place. I expect all students in class to be polite, respectful, and generally to not behave so as to detract from the overall learning environment of the classroom. Surfing the web, using smartphones, sleeping, arriving late or leaving early (without letting me know beforehand), etc., are all examples of behavior that might lead to losing points.

Team Project/Presentation

For this project students will work in assigned groups of 4-5 students. This project requires that each group member contact and talk with an accounting professional to get a real-world perspective on management accounting concepts we've covered in class. Because this is an introductory course, the concepts we cover in class are often simplified and sterilized to make them more accessible, so your job is to go out and see how these concepts and issues apply in practice.

You can focus on a single issue and go into a lot of detail on that topic, or explore a broad range of issues and concepts to get a sense for how everything fits together. The choice is yours.

More details on the assignment will be given later in the semester.

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>	Medium
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 Friday, April 8th. Please note that if you drop after January 29th your transcripts will show a W for the class. Students may add the class as space becomes available via Web Registration through Friday, January 29th.

Dates to Remember:

Last day to add classes or drop without a "W"	Friday – January 29 th
Last day to change enrollment from P/NP to Letter Grade	Friday – February 26 th
Last day to drop with "W"	Friday – April 8 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.

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 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/department/department-public-safety/online-forms/contact-us>). This is important for the safety 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/academicssupport/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	Preparation	Quiz*
1	1/11	Financial Statements and Business Decisions	Ch1, Ch2 P63 - 67	Do it 1-3, E1-10	
2	1/13	Investing and Financing Decisions and the Balance Sheet	Ch2 P46 - 53, Ch 3	E2-5, E2-8 P2-3a, E3-2, E3-8	
	1/18	Martin Luther King Day (No Class)			
3	1/20	Operating Decisions and the Income Statement	Ch3, Ch4 P164 - 167	P3-4a, p3- 5a(a&b only)	quiz
4	1/25	Operating Decisions and the Income Statement	Ch3, Ch4 P164 - 167	E4-9	
5	1/27	Adjustments, Financial Statements, and the Quality of Earnings	Ch4 P167 - 182	E4-10, E4-11, E4-14	quiz
6	2/1	Adjustments, Financial Statements, and the Quality of Earnings	Ch4 P183 - 198	P4-2a, P4-3a, P4-8a	
7	2/3	Statement of Cash Flows	Ch12	E12-4, E12-5	quiz
8	2/8	Statement of Cash Flows	Ch12	E 12-11, P12- 7a, P12-11a	
9	2/10	Statement of Cash Flows	Ch12	E 12-11, P12- 7a, P12-11a	quiz
	2/15	Presidents' Day (No Class)			
10	2/17	Exam 1			
11	2/22	Managerial Accounting and Cost Concepts	Ch14, Ch18 P946 - 953	E14-8, E14-16	
12	2/24	Managerial Accounting and Cost Concepts	Ch14, Ch18 P946 - 953	P14-4a, Do it 18-2, E18-9	quiz
13	2/29	Cost-Volume-Profit Relationships	Ch18	E18-14, P18-5a	
14	3/2	Cost-Volume-Profit Relationships	Ch19	E19-3, P19-1a P19-3a, P19-7a	quiz
15	3/7	Differential Analysis: The Key to Decision Making	Ch20	E20-4, E20-6	
16	3/9	Differential Analysis: The Key to Decision Making	Ch20	E20-10, E20- 15, P20-1a, P20-2a	quiz
	3/14	Spring Break (No Class)			
	3/16	Spring Break (No Class)			
17	3/21	Job-Order Costing	Ch15	E15-7, E15-9	
18	3/23	Job-Order Costing	CH15	E15-11, E15-12 E15-13, P15-1a	quiz
19	3/28	Exam 2			
20	3/30	Activity-Based Costing: A Tool to Aid Decision Making	Ch17	Do it 17-2, E17-4	
21	4/4	Activity-Based Costing: A Tool to Aid Decision Making	Ch17	E17-6, P17-3a	
22	4/6	Profit Planning	Ch21 P1080 - 1093	E21-4, E21-9	quiz
23	4/11	Profit Planning	Ch21 P1093 - 1107	E21-8, E21-18, P21-2a, 3a, 4a, 5a	
24	4/13	Flexible Budgets and Performance Analysis	Ch22 P1132 - 1145	E22-4, E22-10	quiz

25	4/18	Standard Costs and Variances	Ch23 P1192 - 1210	E23-2, E23-5, E23-6	
26	4/20	Performance Measurement in Decentralized Organizations	Ch22 P1145 - 1165	E22-17, E22-20	quiz
27	4/25	Performance Measurement/Exam Review	Ch22 P1156 - 1165, Ch23 P1210-1213	P23-1a, P23-5a	
28	4/27	Team Presentations			quiz
Final	5/11	Final Exam (11am – 1pm)			

**Quizzes are administered online through Blackboard, and are due Sunday by 11:59PM*

**LEVENTHAL SCHOOL OF ACCOUNTING
GRADING AND ACADEMIC STANDARDS
FOR UNDERGRADUATE STUDENTS
IN BUAD 285a, BUAD 286a, AND BUAD 305x**

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.

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.

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.
2. No unregistered students are permitted to attend accounting classes regularly.

Important Dates for Spring 2016

First Day of Class (Regular Session and Session 431)	Monday, January 11
Accounting Orientation – ACCT 370 lab time	Friday, January 15 (10am)
Martin Luther King Jr. Birthday, University Holiday	Monday, January 18
Last Day to Add or Drop without a "W" (1st Half Session 431)	Tuesday, January 19
USC Career Fest	Monday, January 25 - Friday, January 29
Last Day to Add or Drop without a "W" (Regular Session)	Friday, January 29
Last Day to change P/NP to letter grade (1st Half Session 431)	Tuesday, February 2
USC Career Day	Thursday, February 4
Resumes for Spring Resume Book Due	Friday, February 5 (8am)
Leventhal Scholarship Applications Due	Monday, February 8
Summer Leadership Programs, Information Session Panel	Friday, February 12 (Noon)
President's Day, University Holiday	Monday, February 15
Last Day to Drop with "W" (1st Half Session 431)	Tuesday, February 16
Meet the Firms – Galen Center (Accounting Society)	Thursday, February 18 (6-9pm)
Last Day to change P/NP to letter grade (Regular Session)	Friday, February 26
Final Examinations (1st Half Session 431)	Monday, February 29 - Friday, March 4
First Day of Class (2nd Half Session 442)	Monday, March 7
Spring Break	Monday, March 14 - Friday, March 18
Last Day to Add or Drop without a "W" (2nd Half Session 442)	Tuesday, March 15
Last Day to change P/NP to letter grade (2nd Half Session 442)	Wednesday, March 30
Last Day to Drop with a "W" (Regular Session)	Friday, April 8
Last Day to Drop with "W" (2nd Half Session 442)	Monday, April 18
LSOA Annual Scholarship Dinner	Thursday, April 21
Final Examinations (Regular Session and Session 442)	Wednesday, May 4 - Wednesday, May 11
Commencement	Friday, May 13