



## **ACCT 410x – Foundations of Accounting**

### **Course Syllabus**

**Fall Semester 2017**

**Sections – 14091R**

**Class Sessions – M & W 8:00 am to 9:50 am**

**Professor: Smrity Randhawa**

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**Office Hours: M & W 2:00 pm to 3:50 pm; Or by appointment**

### **Course Description**

This course provides an introduction to both financial and management accounting. Accounting, in general, is a system that provides quantitative information to people for decision-making purposes. Financial accounting systems summarize the events and transactions of businesses for external users, such as analyst, banks and investors. Management accounting systems summarize important phenomena for internal users, such as CEO's, marketing and R&D managers. There is greater emphasis in this class on financial accounting because many of you will use financial accounting at some point in your lives, e.g., when making decisions about which stocks to buy or possibly what company you want to work for. 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 coursework. **The course is not open to students who have credit for other accounting courses, including BUAD 250ab, BUAD 280 & 281, BUAD 285ab, BUAD 286ab and BUAD 305 (or a course at another 4-year university).** This course satisfies the requirement for the business minor (and for other departments' majors); however, it cannot be used toward a degree in accounting or business. Students who successfully complete the course are eligible to apply to the Leventhal School of Accounting's Masters programs.

### **Learning Objectives**

The following are the specific learning objectives of this course:

- You should gain factual knowledge of important financial and management accounting terminology. *For example, you might be asked to define the term "asset" and give an example.*
- You should gain factual knowledge of the placement of various items in annual reports. *For example, you might be asked to state on which financial statement you would find dividends paid.*
- You should learn fundamental financial and management accounting principles. *For example, you should be comfortable with the balance sheet equation and with identifying the effects of transactions and events on asset, liability, and equity accounts, etc.*
- You should learn to apply the above factual knowledge to novel situations. *For example, you should be able to state (and/or calculate) the dollar effects of a particular transaction (like purchase of materials on credit) on particular accounts like inventory and accounts payable). You should also be able to critically read media articles that use financial accounting and management accounting terms.*
- You should learn to apply the above accounting principles to novel situations. *Specifically, using your understanding of important terms, the effects of transactions and events on accounts, and the definition and underpinnings of financial ratios, you should begin to be able to make assessments of firms' economic "well-being" based on their financial statements.*

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 the class.

- Kimmel, Paul D., Jerry J. Weygandt, and Donald E. Kieso. ***Accounting: Tools for Business Decision Making, 6<sup>th</sup> Edition***. Hoboken, NJ: John Wiley & Sons, 2016

ISBN: 978-1-119-19167-4

Feel free to purchase the books 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**

Although there are no formal prerequisites for this course, regularly reading a general business periodical or a newspaper’s financial section will aid in your business education. The Wall Street Journal can be purchased at a discounted student rate at [www.wsjstudent.com](http://www.wsjstudent.com).

**In addition, you will find it helpful to bring a calculator to class to work discussion problems and in class assignments.**

### **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 three exams, the highest two scores from three quizzes, in-class exercises, and a team presentation. The total class score will be weighted as follows:

	<b>Points</b>	<b>Weight</b>	
Exam I	100	25%	(Individual)
Exam II	100	25%	(Individual)
Final Exam	100	30%	(Individual)
Highest 2 (of 3) Quizzes	40	5%	(Individual)
In-class Exercises, Homework, Class Participation etc.	TBD	5%	(Individual and Group)
Team Assignment	100	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 3.3. 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 third week but before the end of the twelfth week of 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 12th week of the semester (or the twelfth week equivalent for courses scheduled for less than 15 weeks) 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 12th week, the student still has the option of dropping the class. 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	September 25
Exam II	October 25
Final exam	December 6 (8 am to 10 am)

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 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 may include multiple-choice questions, exercises and problems. They will be given before each exam (including the final) and are designed to prepare you for the upcoming exam. 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 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.

## Homework

It is extremely important to complete the reading assignment and homework **before** class. During the semester the homework assignments will be collected at random and graded. Homework assignments will be graded for effort not correctness. If you attempt each problem assigned, whether or not you get it right, you will receive full credit. No make-ups or alternative assignments will be accepted but you will be allowed to drop one homework grade.

## Team Assignment

The Team Assignment will be handed out during the semester. It is a research-based assignment that will require your team to produce a report by answering specific questions about a public company. You will document your results by: 1) delivering a professional / high quality copy of the report as indicated in the class schedule; and 2) formally presenting key findings to the class.

## 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 Friday, November 10<sup>th</sup>. The last day to drop the class without a "W" is October 6, 2017. Students may add the class as space becomes available via Web Registration through Friday, September 8<sup>th</sup>.

Dates to Remember:

Last day to add classes or drop without a "W"	Friday – September 8
Last day to change enrollment from P/NP to Letter Grade	Friday – October 6
Last day to drop with "W"	Friday – November 10

### 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 on Academic Conduct and Support Systems**

### **Statement on Academic Integrity**

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 (plagiarism). 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 Part B, Section 11, "Behavior Violating University Standards" <https://policy.usc.edu/scampus-part-b/>. 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>.

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.

Students enrolled in any class offered by the Leventhal School of Accounting are expected to uphold and adhere to the standards of academic integrity established by the Leventhal School of Accounting Student Honor Code. Students are responsible for obtaining, reading, and understanding the Honor Code System handbook. Students who are found to have violated the Code will be subject to disciplinary action as described in the handbook. For more specific information, please refer to the Student Honor Code System handbook, available from the receptionist in ACC 101.

### **Support Systems**

***Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call***

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. <https://engemannshc.usc.edu/counseling/>

***National Suicide Prevention Lifeline - 1-800-273-8255***

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

*Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call*  
Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

#### *Sexual Assault Resource Center*

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

#### *Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086*

Works with faculty, staff, visitors, applicants, and students around issues of protected class. <https://equity.usc.edu/>

#### *Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

#### *Student Support & Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

#### *Diversity at USC – <https://diversity.usc.edu/>*

Tab for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

### **Students with Disabilities**

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs ([www.usc.edu/disability](http://www.usc.edu/disability)). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. 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. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: [ability@usc.edu](mailto:ability@usc.edu).

Students requesting test-related accommodations will need to share and discuss their DSP recommended accommodation letter/s with their faculty and/or appropriate departmental contact person at least **three weeks** before the date the accommodations will be needed. Additional time may be needed for final exams. Reasonable exceptions will be considered during the first three weeks of the semester as well as for temporary injuries and for students recently diagnosed. Please note that a reasonable period of time is still required for DSP to review documentation and to make a determination whether a requested accommodation will be appropriate.

### **Emergency Preparedness/Course Continuity**

In case of a declared emergency if travel to campus is not feasible, the *USC Emergency Information* web site (<http://emergency.usc.edu/>) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of USC's Blackboard learning management system ([blackboard.usc.edu](http://blackboard.usc.edu)), teleconferencing, and other technologies.

**SCHEDULE OF CLASSES**

<b>Session</b>	<b>Date</b>	<b>Topic</b>	<b>Reading Assignments*</b>	<b>Preparation*</b>	<b>Homework*</b>
<b>Financial Accounting</b>					
1	Aug 21	Accounting: An Overview			
2	Aug 23	Introduction to Financial Statements	CH 1	<i>Do it!</i> 1-3a, E1-8, E1-10	<i>Do it!</i> 1-3a
3	Aug 28	A Further Look at Financial Statements	CH 2	<i>Do it!</i> 2-3, E2-5, E2-8, P2-3A	<i>Do it!</i> 2-3, E2-5
4	Aug 30	The Accounting Information System	CH 3	E3-1, E3-2, E3-4	E3-1, E3-2
5	Sep 6	AIS II & Accrual Accounting	CH 3/ CH 4	E3-8, P3-4A, P3-5A, D-it!4-2, E4-10	E3-8, Do it!4-3
6	Sep 11	Accrual Accounting Concepts -II	CH 4	E4-10, E4-11, E4-12, P4-2A	E4-10, E4-11
7	Sep 13	Merchandising Operations and the Multi-Step Income Statement	CH 5	E5-1, E5-3, P5-2A, P5-3A	E5-1, E5-3
8	Sep 18	<b>Quiz 1</b> Merchandising Operations and the Multi-Step Income Statement	CH 5	E5-10, P5-4A	<b>Quiz 1 (No HW)</b>
<b>9</b>	<b>Sep 20</b>	<b>Review for Exam I</b>			
<b>10</b>	<b>Sep 25</b>	<b>Exam I (Sessions 1-9)</b>			
11	Sep 27	Reporting and Analyzing Inventory	CH 6	E6-2, E6-3, E6-7, P6-5A, P6-6A	E6-3, E6-7
12	Oct 2	Reporting and Analyzing Receivables	CH 8	BE8-2, BE8-3, E8-3, E8-4, P8-5A	BE8-2, BE8-3, E8-3
13	Oct 4	Reporting and Analyzing Long-Lived Assets	CH 9	<i>Do it!</i> 9-1, E9-3, E9-4, E9-5	<i>Do it!</i> 9-1, E9-3, E9-4
14	Oct 9	Reporting and Analyzing Long-Lived Assets	CH 9	E9-6, E9-7, E9-13, E9-14, P9-3A	E9-6, E9-7, E9-13
15	Oct 11	Reporting and Analyzing Liabilities	CH 10	BE10-1, BE10-4, BE10-8, BE10-9, E10-6, E10-8	BE10-1, BE10-4, BE10-8, BE10-9

Session	Date	Topic	Reading Assignments*	Preparation*	Homework*
16	Oct 16	Reporting and Analyzing Liabilities	CH 10	BE10-16, BE10-17, E10-9, E10-10, P10-3A	BE10-16, BE10-17, E10-10
17	Oct 18	<b>Quiz 2</b> Reporting and Analyzing Stockholders Equity	CH 11	E11-1, E11-2, E11-3, E11-6	<b>Quiz 2 (No HW)</b>
<b>18</b>	<b>Oct 23</b>	<b>Review for Exam II</b>			
<b>19</b>	<b>Oct 25</b>	<b>Exam II (Sessions 11 – 18)</b>			
20	Oct 30	Financial Statement Analysis	CH 13	BE13-8, BE13-9, P13-5A	E13-8, BE13-9
21	Nov 1	Statement of Cash Flows	CH 12	BE12-2, E12-1, BE12-5, BE12-6, E12-5	BE12-2, E12-1, BE12-5
22	Nov 6	Statement of Cash Flows	CH 12	E12-7, P12-1A, P12-7A	E12-7
<b>Managerial Accounting</b>					
23	Nov 8	Introduction to Managerial Accounting	CH 14	E14-2, E14-3, E14-4, E14-9	E14-2, E14-3, E14-4
24	Nov 13	Job-Order Costing	CH 15	E15-1, E15-2, E15-13, P15-1A	E15-1, E15-2, E15-13
25	Nov 15	Activity Based Costing	CH 17	E17-1, E17-2, E17-3, E17-5, E17-11, P17-3A	E17-1, E17-11
26	Nov 20	<b>Quiz 3</b> CVP Analysis	CH 18	E18-3, E18-4, E18-8, E18-9, E18-17	<b>Quiz 3 (No HW)</b>
27	Nov 27	CVP Analysis	CH 19	E19-5, E19-6, E19-11, E19-14	E19-5, E19-6
28	<b>Nov 29</b>	<b>Catch-up/Review for Final</b>			
<b>Final</b>	<b>Dec 6</b>	<b>Final Exam (Sessions 20–28)</b>		<b>8:00 am to 10:00 am</b>	
<i>* Kimmel, Weygandt, Kieso</i>					



## **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 seventh 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.

One calendar year is allowed to complete an IN. If the IN is not completed within the designated time, the course is considered "lapsed," the grade is changed to an "IX" and will be calculated into the grade point average as 0 points. It is not possible to remove an incomplete by re-registering for the course.

### **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.

# USC Leventhal

School of Accounting

## Important Dates: Fall 2017

Last Day to Register/Add without Late Fee	Friday, August 18
First Day of Class	Monday, August 21
Labor Day, University Holiday	Monday, September 4
Last Day to Add or Drop without a "W" and get refund	Friday, September 8
Last Day to change enrollment from P/NP to Letter grade and Drop without a "W"	Friday, October 6
Last Day to Drop with a "W"	Friday, November 10
Thanksgiving Break	Wednesday-Friday, November 22-24
Last Class Meeting	Friday, December 1
Final Examinations	December 6 – December 13
Winter Recess	Thurs., December 14 - Sun., January 7