



**ACCT 558: Advanced Accounting Valuation**  
**1.5 Units**  
**Spring 2018**  
**2:00pm to 3:20pm Tuesdays, JKP 104**  
**Commencing Tuesday January 9, 2018**

**Instructor:** Anthony V. Aaron (Tony)  
**Office:** ACC 214  
**Office Hours:** From January 9, 2018 to March 1, 2018: Tuesdays and Thursdays, 10:00am to 11:45pm, or by appointment  
From March 6 to April 24: Tuesdays 11:00am to 12:00pm and 1:00pm to 1:45pm, or by appointment  
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<b>COURSE DESCRIPTION</b>
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Per the University Catalogue: “Explore complex valuation issues arising in financial reporting and the related professional standards and guidance.”

This course focuses on intermediate and advanced knowledge of relevant issues in the context of US Generally Accepted Accounting Principles (GAAP) and Fair Value Measurement, and in some instances, also in the context of International Financial Reporting Standards (IFRS). The course will address:

- A brief review of Fair Value related accounting literature addressed in the prerequisite course, as well as additional focus on other Fair Value related areas such Investment Companies, Financial Instruments, and Stock-Based Compensation
- A brief review of the income, market comparable and cost approaches to value addressed in the prerequisite course, as well as additional focus on specific methods of valuation.
- Fair Value related PCAOB audit standards, including the new or revised auditing standards on “Auditor’s Use of the Work of Specialists”, and “Auditing Accounting Estimates, including Fair Value Measurements”
- The Mandatory Performance framework (MPF) established by the “Fair Value Quality Initiative” (FVQI) that identifies “how much work” must/should be performed in order to prepare a high quality professional work product on a consistent basis in the Fair Value Measurement area (extent of documentation and analysis, consideration of

contrary evidence, and documentation in both the report and the supporting working papers, etc.)

- Technical guidance providing insights on “best practices” for valuation in the Fair Value area including topics such as guidance relating to: Valuation of Privately-Held-Company Equity Securities Issued as Compensation; Assets Acquired in a Business Combination to be Used in Research and Development Activities; Identification of Contributory Assets and Calculation of Economic rents.
- The valuation best practice treatments of the following subjects are covered in more limited depth: Customer Related Intangible Assets, Goodwill Impairment, Market Participant Acquisition Premiums, Contingent Consideration, Business Combinations (includes multiple topics) and Investment Valuation for Private Equity/Venture Capital.
- Valuation areas requiring a foundation of advanced knowledge of mathematics and statistics, such as valuation of complex financial securities and derivatives, are reviewed in brief but are beyond the scope of this course. Although communication abilities are not the primary focus, the course requires students’ ability to communicate ideas both orally and in writing in a clear and organized manner.

## **COURSE OBJECTIVES**

By the time students finish this course, they should be able to:

- Demonstrate an understanding of the FASB accounting guidance and PCAOB audit guidance in the fair value area by completing classroom exercises/case studies and by completing quiz materials.
- Demonstrate recognition of the various organizations having some involvement with Fair Value measurement in Financial Reporting, including standard setters, regulators and professional organizations, by completing quiz materials.
- Demonstrate an understanding of basic valuation approaches and methods by completing classroom exercises/case studies and by completing quiz materials
- Demonstrate an understanding of the Fair Value Quality Initiative’s "Mandatory Performance Framework/Application of the Mandatory Performance Framework" which provides insights into “how much work” must/should be evidenced in a measurement of Fair Value, including the extent of documentation and analysis, consideration of contrary evidence, documentation in both the report and the supporting working papers, and so forth, by completing quiz materials.
- Demonstrate an understanding of the guidance and methodologies included in "AICPA Practice aids, such as “Valuation of Privately Held Company Equity Securities Issued as Compensation”, “Assets Acquired to Be Used in Research and Development Activities” and others by completing quiz materials.

- Demonstrate an understanding of the key findings and methodologies from The Appraisal Foundation (“TAF”) Valuation Advisories, such as “Best Practices for the Valuation of Customer Related Assets”, “The Identification of Contributory Assets and Calculation of Economic Rents” and others, by completing quiz materials.
- Analyze how Fair Value measurements addressed in the course would impact balance sheet and income statement accounts through in-class discussion and by completing quiz materials.
- Demonstrate a comprehensive knowledge of all the topics discussed in the course of the semester by completing a comprehensive final examination.

## COURSE MATERIALS

**Readings:** Reading assignments generally are intended to prepare students for the subsequent lecture covering the material. Assigned readings are intended to occur in advance of lecture on the same material that will be the subject of the lecture.

Conceptually students should have the objective of having a “general limited depth familiarity” with the material prior to the lecture to provide a foundation for an expanded and solidified acquisition of knowledge through the lectures.

Planning and allocation of time in your current class endeavors and your future business career is very important. To aid in your planning, the syllabus on some occasions may seek to assist in your allocation of resources by recommending that only certain pages of a document be read, or by suggesting that some portions of assignments be considered “In Depth” readings and others as “Limited Depth” or “High Level” readings.

**Required course materials** will either be posted on Blackboard or students will be directed to sites where required materials may be downloaded. Also, access to the Wall Street Journal will be necessary.

**Supplementary Materials:** Information from the FASB Accounting Standard Codification Database and Accounting Standards Updates will be helpful as a resource. Basic viewing of the database is free to all at <https://asc.fasb.org/> . Free access to the “Professional View” of the ASC database is available to Accounting program faculty and students via the FASB Academic Accounting Access tab with a special login. Also, the PCAOB is a nonprofit corporation established by Congress to oversee the audits of public companies in order to protect investors and the public interest by promoting informative, accurate, and independent audit reports. The PCAOB website is as follows: <http://pcaobus.org/About/Pages/default.aspx>

**Course Notes:** Copies of lecture slides, readings and other class information and announcements will be available through your Blackboard account.

If you have any questions or need assistance with the Blackboard Course Pages, please contact the Marshall HelpDesk at 213-740-3000 or [HelpDesk@marshall.usc.edu](mailto:HelpDesk@marshall.usc.edu).

## GRADING

<u>Assignments</u>	<u>% of Grade</u>
<b>Quizzes</b>	60%
<b>Class Participation and Professionalism</b>	10%
<b>Final Exam</b>	<u>30%</u>
<b>TOTAL</b>	100%

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. The Leventhal School guidance to faculty suggests that the average grade for electives, including this class is about 3.5 (i.e., between B+ and A-). Three items will be considered when assigning final grades:

1. Your average weighted score as a percentage of the available points for all assignments (the points you receive divided by the number of points possible).
2. The overall average percentage score within the class.
3. Your ranking among all students enrolled in this course this semester.

### Quizzes

The quizzes have a significant impact on the final grade. Students should identify the dates of the quizzes shown later in this syllabus, mark those dates in their calendars and arrange their schedules to allow attendance on those dates. Quizzes will be “closed book” in nature.

There will be five 10-15 minute quizzes given. The specific dates are shown in the “course readings/class sessions” section at the end of this syllabus and are expected to be given at the beginning of class sessions 3, 6, 9, 11 and 14 (See calendar dates listed on “Course Outline” at the end of this syllabus). There will be no make-up quizzes. Instead, your quiz grade will be based on the highest four quiz grades. For example, if you are absent from class when a quiz is given, and you thus miss a quiz, that quiz score will be recorded as “zero”. Since that quiz will likely represent your lowest score, it will not be counted. If you miss more than one quiz, however, it will adversely affect your overall quiz grade as additional “zero” quiz scores will begin to be part of your highest four quiz grades.

Quiz materials may focus on both the required readings of materials on the date of the quiz as well as all material covered in the lectures and readings earlier in the course. Quizzes primarily include multiple choice questions but also may possibly include some “problem based” questions.

Please note that the news events discussed in class include material that may be the subject of questions in the quizzes. Generally, students have told me that when they attend all classes and carefully study the materials posted on blackboard they have done well on the quizzes.

## **Class Participation and Professionalism**

Subsequent to each class session and while it is very fresh in my mind, I will record my view of each student's participation and professionalism on a numeric scale. I will total these numeric scores at the end of the semester as one input into assigning a final class participation and professionalism grade.

Please refer to the next section entitled "Critical Thinking, Professionalism, Attendance, Participation, and Fellow Students" for additional insights on what activities and actions will affect the class participation and professionalism grade. Please also refer to Appendix I, "Class Participation Statement" of the Leventhal School at the end of this syllabus for further guidance.

## **Final Exam**

The final exam will emphasize material covered in slide decks/lectures, discussions by possible guest speakers, classroom exercises/case studies, and the assigned required readings. The final exam will be "closed book" in nature.

While any of the materials covered in the course could be included in the final exam, the following guidance may help students be more efficient in study efforts. Generally, materials posted on Blackboard, which reflect topics covered in lectures as well as relevant news topics discussed in class are likely the dominant source of exam questions. The final will be broken into two portions: 1) Multiple choice questions primarily associated with the slide decks from lectures, and any other materials posted on Blackboard; 2) "Problem-based" questions where students will be presented with a scenario, and will be required to answer questions associated with that scenario.

## **Critical Thinking, Professionalism, Attendance, Participation, and Fellow Students**

On a personal basis, you should feel free to stop by during office hours to meet and discuss things with me. I want each student to succeed both in the course and in their career. See the top of page 1 for my office hours. While I may not be on campus on days other than our class days, I am always willing to set up a special appointment or arrange a telephone call.

Email is perhaps the predominant form of communication in business so feel free to reach out to me at [aarona@marshall.usc.edu](mailto:aarona@marshall.usc.edu). Generally, similar to a business setting, I hope to respond to emails within one business day.

Since I may have multiple courses and sessions within courses, please include in the subject line the course name and section (Example in Subject line: ACCT 558, 2:00 pm section)

## **Critical Thinking**

The USC Marshall School of Business "Strategic Vision for Marshall" states: ".....The USC Marshall School of Business aims to be a leader in educating tomorrow's global business leaders, creating knowledge of management and the business environment, and addressing critical problems facing business and society, both locally and across the world."

Consistent with the above, this class will be conducted in a manner that seeks to advance “critical thinking.” While the definitions of critical thinking may vary, the underlying premise ties to the concept of the ability of an individual to assess situations and derive appropriate courses of action without specific detailed guidance. Lack of critical thinking is evident when the employee is excessively dependent on instruction, which may include the need for a “recipe” listing which defines exactly the steps required.

Critical thinking begins with the individual taking personal responsibility for addressing issues themselves, researching matters before simply turning to managers for instruction. An example of failure to use critical thinking would be someone who simply turns to others and says “I’ve encountered a problem, what should I do?”

A beginning level of critical thinking is represented by an individual who notes “I’ve encountered a problem, have done some research, and found three alternative solutions that look potentially viable. Can I ask for your thoughts on this third alternative that I’m thinking of using?”

Critical thinking ability affects your long-term career potential. You may hear me observe during lectures that in my experience, jobs that require performance based simply on completing a “recipe” of steps are not worth much in terms of annual salary.

As a member of the USC community, you should be aspiring to progress to perform at a level conceptually 10 or more times more productive and effective than what is generated through compliance with or following simple “recipe” type activities. Compliance with guidelines and instructions is required. However, compliance alone, doing what is instructed, is insufficient to achieve outstanding levels of performance.

Some career paths tie to significant financial rewards while other career paths drive rewards and contributions of a non-financial nature. The commonality in either is that critical thinking is important to high performance.

Critical thinking is not the primary subject of this course. However, students will be asked and challenged to utilize critical thinking in the day to day classroom activities, in the classroom exercises/case studies, and during possible office visits. During class interaction, I will hope to provide a friendly, pre-career environment, to accentuate comments and questions that are particularly strong and occasionally ask whether “critical thinking” could have been better used.

This syllabus provides significant guidance. However, other questions and concerns will arise during the semester, and students will be expected to think, evaluate, and seek solutions on their own, and through dialogue with fellow students, as a normal part of personal daily performance. Students are encouraged to think about questions before they ask them, just as the same thoughtful process is important in business.

You will be encouraged to challenge yourself to embrace familiarity with contemporary news events in which accounting and valuation related considerations are relevant, and for which there may be no clear appropriate answer.

The elements above can be viewed in the context of the concept of “Personal Brand.” The impression that an individual leaves of themselves has a tremendously important impact on their business success. The overall collection of impressions represents a “Personal Brand.” In this class students will be encouraged to think about how their personal brand is affected by their choices.

Statements and questions that are thoughtful and insightful increase the respect of those involved and increase personal brand. Knowledge of important current business events tends to engender respect and further enhances the acquisition of knowledge.

**Professionalism and Attendance:** Consistent with the themes touched on as part of the Marshall School Strategic plan, we will seek to advance the level of students' professionalism as part of the class. Similar to business settings of potential careers, professional conduct is expected from all students in class. Professional conduct is expected from all students in interactions with me on class related matters, both in class, and outside of class. Class related interaction occurring outside of class hours may include for example: email, telephone, voicemail, or office hours.

In each circumstance that you need to be absent, you are expected to send an e-mail message to me prior to the start of class. Please include in the subject line the course name and section (Example in Subject line: ACCT 558, 2:00 pm section)

This is the standard that you want to adopt heading into your career and it is a standard that you can expect to encounter in your career. Please note, while you may offer an explanation, you do not need to tell me why you will be absent. Failure to notify by email that your will miss "our meeting / class" does not reflect appropriate professionalism.

Keep in mind that an e-mail in advance of class does not "excuse" your absence – it simply shows me that you are taking an appropriate professional stance and responsibility for choosing to do something else during class time. Students with more than two absences are likely to begin to see an impact on their performance. Multiple absences, even when accompanied by conscientious notification, may be viewed as unprofessional behavior. If you are absent six or more times you may assume that my view will be that you should drop the course.

If you miss a class session, you still need to come to the next class fully prepared. You may have access to PowerPoint slides from the class if I have posted them on either Blackboard. **Please contact a classmate before the next class meeting. Ask them for announcements, lecture notes, readings, assignments, etc.**

Generally, I request that the technology group record all class lectures and many of the class lectures actually are available and may be helpful for those who miss a class. Students should be aware that the recordings are occurring and that all comments made may end up being included.

If you discussed the missed class session with a classmate, and reviewed the class recording and you still feel you need further clarification or interpretation of the material covered, I will be glad to help.

Of course, if a major illness or emergency arises, I will work with you to accommodate the situation. It may also be appropriate to contact the Dean's office at the Leventhal School when such circumstances arise. As noted above, in many instances the class sessions may be recorded. Generally, I will hope to provide you with an access "link" to recordings of the class early in the semester that you can use for classes which may be recorded through the semester.

Conceptually, a pattern of absence from class, a pattern of lateness, or lack of participation and/or inattention will adversely affect your grade in the same way that such behavior would adversely affect your performance evaluations in a career setting.

Please note the guidance provided in the section of this syllabus focusing on “technology policy” for insights related to other activities which may be viewed as non-professional

### **Participation: Format of Class: Capturing and Retaining Attention of Students in Class**

Retaining the attention of students is important. Viewed in a different way, no matter how important the topic, the ability to trigger learning is dependent upon "winning" the attention of class attendees repeatedly.

The format of lecture in the class involves frequent questions posed to students. Typically, I ask questions of all students at random without waiting for “hands to be raised.” In many instances my question may tie to a concept that has just been discussed in the prior few minutes or on a subject addressed on a slide then shown on the projection screen. In these instances, the question may be primarily intended to “connect” student’s attention to the lecture as opposed to weighty deliberation on a topic or question.

Failure to provide a cogent response to any particular question will not be viewed as poor performance. However, if a student displays a pattern of not recognizing what question is being asked of them, or they exhibit a lack of knowledge or lack of recognition of topical points made a few moments earlier in the lecture, that may be viewed as not actively participating in the class.

I plan to use a number of “classroom exercises/case studies” as part of our activities this semester. In each case, I will provide a document, either prior to (through Blackboard) or during class, which outlines the problem, provides some data, and asks for a number of solutions or answers to questions. I will either ask that you read and consider the solutions or answers in advance of class, or during class, depending upon when I provide the documents. In class, we will break up into groups to either review or accomplish these exercises, and then debrief thereafter. While I will not be specifically grading the exercises, the quizzes and final will have “problem based” questions very similar to the classroom exercises/case studies, so it is important for students to be in class when these activities are scheduled. Also, active participation in the classroom exercises/case studies will positively affect a student’s “Class Participation and Professionalism” grade.

My objective is to first keep students awake and engaged in the class both through lectures which encourage participation, and through other activities such as the aforementioned classroom exercises/case studies. I have sat in “straight lecture” type sessions in the past myself and found it difficult to remain awake much less engaged. I have found that many students feel that these approaches and activities help them to maintain attention/engagement and that is my purpose in using them.

Some students may not feel comfortable with being asked questions without raising their hands, such that it makes class discussion uncomfortable for them. My apologies are extended in advance to students who may have these sensitivities. I hope that providing this explanation of why the class approaches are being used may ease the burden of discomfort that might otherwise be felt. While I’m sympathetic to this area of sensitivity, the class presentation methods are chosen based on what is perceived to be most effective overall and that begins with students being connected and engaged. Furthermore, we are attempting to “simulate” the work environment, which generally embraces active participation by all team members.

In your careers, multitasking will be required to be effective. You will need to be able to intermittently stay connected with email and texts while attending meetings. On the other hand, if



email and texts undermine your effective participation in meetings, your career will suffer. Similarly, students may occasionally check computers and cell phones during class. Excessive focus on computer based activities or use of handheld devices during class may be viewed as unprofessional and therefore unacceptable.

One of the objectives of the class involves tying the subject of accounting and valuation to students' prospective career paths. To facilitate meeting that objective and to advance students deliberation on this connection we will be discussing contemporaneous news events involving accounting or valuation as a regular part of the course.

Reading of the Wall Street Journal, for not less than 10 or 15 minutes prior to the class sessions, is expected of each student for each class.

Classes may include an inquiry by the Professor addressed to students chosen at random seeking insights about current events potentially relevant to the class. Outside readings by students provide a foundation of knowledge of current events, and the resulting ability to participate in class dialogue, is an important part of the learning process for this course material. Perhaps as important, developing a habit of this type of reading, and developing an area of personal business interest, is important to each student's career.

**Fellow Students in this Course and the USC Family:** The experience as part of the Marshall School of Business is not simply learning about facts, procedures and analysis. You are expected to get to know your fellow students in the class. Many students will have travelled thousands of miles to attend USC and this class with you. From a purely self-centered, hardnosed economic perspective, it is not unlikely that your future careers could be positively impacted by that fact that one or more of the students in this course may be in positions of great authority and responsibility 20 years from now. Thus, relationship building is an expected outcome of this course and your attendance at the Marshall School of business and the Leventhal School of accounting.

**Name "Tents":** "Name tents" and marking pens will be provided on the first day of class. Students should use these materials to write in large block letters, the first name and last name that you used to enroll in the course. First name should be shown first, last name last. In the upper right hand corner, please list the first name that you wish to be called by if different from your enrolled name.

The "name tents," will be used for all class sessions. These will facilitate an ability to call on students by name, assess participation, and should advance the ability of students to get to know one another. Naturally, it is the responsibility of students to keep the name tent in a visible location in front of them, so that I, and other students, can facilitate student participation.

It's not unusual for my classes to include as many as 40 students in a given semester. Remember that your name is your "personal brand." It makes sense for you to seek to have your name remembered. While I aspire to remember each person's name, please help me to remember your name and your personal brand, by stating your name and class session when we happen to meet on campus or when visiting my office. The same approach is often beneficial in the career environment.

The name tents will also be used to facilitate recording attendance, and they must be returned to me at the end of each class. I will bring tents back to the next class for your use again. It is your obligation to pick up the name tent while in attendance to have your attendance recorded. It is your obligation to return the name tent before your departure from class to enable proper recording of your

attendance. There will be no “verbal roll call” but attendance records will be gathered via the name tents.

Think about the process here for using name tents. Common sense (and ethical behavior) indicates that students should not pick up the name tents for others at the beginning of class, nor return others name tents. Student failure to obtain their name tent at the beginning of class, or to return the tent at the end of class, may result in their being marked absent.

If you are absent six or more times prior to the last day to withdraw from a course with a grade of “W”, you may assume that my view will be that you should withdraw from the course. A commitment to attendance tends to maintain professionalism, demonstrate participation and ensure a system that is fair to, and engaging for all students.

### **Graduate Program Learning Objectives**

Below are the five Student Learning Outcomes developed for the Master’s accounting programs by the USC Leventhal faculty:

#### **1. Technical, Conceptual, Problem-Solving Requirement**

Students will be competent in and be able to apply discipline-specific knowledge and skills in the fields of accounting or taxation. This learning outcome includes the development of critical thinking and problem solving skills, as well as an understanding of the strategic role of accounting in business organizations and society. *Heavy emphasis.*

#### **2. Professional Development Requirement**

Students will be able to communicate clearly, and strategically, after considering the relevant audience, situation, and purpose of the communication. Students will develop the ability to work productively with others to accomplish established goals. *Moderate emphasis.*

#### **3. Research/Life-Long Learning Requirement**

Students will be able to use relevant research databases and academic/professional literature to gain new knowledge and analyze business situations. *Moderate emphasis.*

#### **4. Ethical Principles and Professional Standards Requirement**

Students will be able to apply ethical principles and professional standards in analyzing situations and making informed decisions. *Light emphasis.*

#### **5. Globalization Requirement**

Students will be able to demonstrate an international perspective and appreciation for diversity and cultural differences, along with their significance in global business. *Light emphasis.*

### **HOMEWORK**

While there will be no written homework assignments *per se*, students will be expected to complete assigned readings, review slide decks, consider classroom exercises/case studies and engage in daily readings of the Wall Street Journal in advance of each class session.

## TEAM PROJECTS

All team-related activities will likely be accomplished during class and will consist of classroom exercises/case studies to be provided to students by the professor, where students will be divided into groups and asked to read, evaluate, and/or perform calculations related to classroom exercise/case study materials. In certain circumstances, the classroom exercises/case studies will be provided in advance (through Blackboard) and students will be asked to consider the questions and solutions in advance of class, in order to utilize our classroom time more efficiently. Notwithstanding any work performed individually in advance of a particular class, active collaboration with fellow students in the team setting during class will be an input into the Class Participation and Professionalism portion of a student's final grade in the course.

## THE IMPORTANCE OF COURSE EVALUATIONS

The student course evaluations are valuable. This course is continuously improved, based on feedback from students and instructor observations.

## STATEMENT OF ACADEMIC CONDUCT AND SUPPORT SYSTEMS

USC seeks to maintain an optimal learning environment. Students are expected to submit original work. They have an obligation both to protect their own work from misuse and to avoid using another's work as their own. All students are expected to understand and abide by the principles of academic honesty outlined in the University Student Conduct Code (see University Governance, Section 11.00) of SCampus ([www.usc.edu/scampus](http://www.usc.edu/scampus) or <http://scampus.usc.edu>). The recommended sanctions for academic integrity violations can be found in Appendix A of the Student Conduct Code.

### **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. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. 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).

### **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

*Emergency Preparations*

In case of an emergency if travel to campus is not feasible, the USC Emergency Information web site (<http://emergency.usc.edu/>) will provide relevant information, such as the electronic means that instructors might use to conduct their lectures through a combination of USC's Blackboard learning management system (blackboard.usc.edu), teleconferencing, and other technologies.

<b>Spring Semester 2018 Academic Calendar</b>
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**Spring Semester 2018**

**73 instructional days**

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Open Registration	Thu-Fri	January 4-5
Classes Begin	Mon	January 8
Martin Luther King's Birthday	Mon	January 15
President's Day	Mon	February 19
Spring Recess	Sun-Sun	March 11-18
Classes End	Fri	April 27

Study Days

Sat-Tue April 28-May 1

Exams

Wed-Wed May 2-9

Commencement

Fri May 11

<b>COURSE OUTLINE</b>
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	<b>Topics/ Daily Activities</b>	<b>Readings and Advance Preparation</b>
<i>Week 1</i> January 9, 2018	Syllabus Review, First of two classes, covering a review of Accounting Guidance related to Fair Value measurements, Review of Audit Guidance related to the use of specialists and the auditing of estimates, including fair value measurements, Review of Organizations, including Standard Setters, Regulators and Professional Organizations.	Review Slide Deck for Class #1 (to be posted to Blackboard), High level review of FASB web site and high level review of the standards codification in areas related to fair value measurement: ASC topics 350 (Goodwill and Intangibles), 360 (Property, Plant and Equipment), 718 (Share Based Compensation) 805 (Business Combinations), 820 (Fair Value Measurements), 825 (Financial Instruments), 946 (Investment Companies) and ASUs 2016-01 (Financial Instruments) and 2017-04 (Intangibles-Goodwill and Other). High level review of PCAOB Website specifically in the area of Current and Recent Standard Setting Activities, Dockets No. 44 (Use of Specialists) and No. 43 (Auditing Estimates, incl. FVM)
<i>Week 2</i> January 16, 2018	Second of two classes, covering a review of Accounting Guidance related to Fair Value measurements, Review of Audit Guidance related to the use of specialists and the auditing of estimates, including fair value measurements, Review of Organizations, including Standard Setters, Regulators and Professional Organizations.	Review Slide Deck for Class #2 (to be posted to Blackboard), Continued high level review of FASB and PCAOB materials as reviewed for Week 1.
<i>Week 3</i> January 23, 2018	<b>Quiz #1</b> , Review of Valuation Approaches and Methods for entities and for assets, case study/classroom exercise #1	Review Slide Deck for Class #3 (to be posted to Blackboard), case study/classroom exercise #1 (to be posted to Blackboard)

<i>Week 4</i> January 30, 2018	First of two classes covering AICPA Practice Aid “Valuation of Privately-Held-Company Equity Securities”	Review Slide Deck for Class #4 (to be posted to Blackboard), Reading of selected excerpts from AICPA Practice Aid “Valuation of Privately-Held-Company Equity Securities” (to be posted to Blackboard)
<i>Week 5</i> February 6, 2018	Second of two classes covering AICPA Practice Aid “Valuation of Privately-Held-Company Equity Securities”, case study/classroom exercise #2	Review Slide Deck for Class #5 (to be posted to Blackboard), Continued reading of selected excerpts from AICPA Practice Aid “Valuation of Privately-Held-Company Equity Securities” (to be posted to Blackboard), case study/classroom exercise #2 (to be posted to Blackboard)
<i>Week 6</i> February 13, 2018	<b>Quiz #2</b> , First of two classes covering AICPA Practice Aid “Assets Acquired to Be Used In Research and Development Activities”	Review Slide Deck for Class #6 (to be posted to Blackboard), Reading of selected excerpts from AICPA Practice Aid “Assets Acquired to Be Used In Research and Development Activities” (to be posted to Blackboard)
<i>Week 7</i> February 20, 2018	Second of two classes covering AICPA Practice Aid “Assets Acquired to Be Used In Research and Development Activities”, case study/classroom exercise #3	Review Slide Deck for Class #7 (to be posted to Blackboard), Continued reading of selected excerpts from AICPA Practice Aid “Assets Acquired to Be Used In Research and Development Activities” (to be posted to Blackboard), case study/classroom exercise #3 (to be posted to Blackboard)
<i>Week 8</i> February 27, 2018	First of two classes covering other AICPA practice aids and Appraisal Foundation Valuation Advisories	Review Slide Deck for Class #8 (to be posted to Blackboard), Reading of selected excerpts from AICPA Practice Aids and Appraisal Foundation Valuation Advisories (to be posted to Blackboard)
<i>Week 9</i> March 6, 2018	<b>Quiz #3</b> , Second of two classes covering other AICPA practice aids and Appraisal Foundation Valuation Advisories	Review Slide Deck for Class #9 (to be posted to Blackboard), Continued reading of selected excerpts from AICPA Practice Aids and Appraisal Foundation Valuation Advisories (to be posted to Blackboard)
<i>Spring Recess</i> March 11-18, 2018	n/a	No assignments
<i>Week 10</i> March 20, 2018	Discussion of the Fair Value Quality Initiative’s “Mandatory Performance Framework”	Review Slide Deck for Class #10 (to be posted to Blackboard), High level review of the “Mandatory

		Performance Framework” (to be posted to Blackboard)
<i>Week 11</i> March 27, 2018	<b>Quiz #4</b> , First of two classes covering a discussion of the Fair Value Quality Initiative’s “Application of the Mandatory Performance Framework”	Review Slide Deck for Class #11 (to be posted to Blackboard), High level review of the “Application of the Mandatory Performance Framework” (to be posted to Blackboard)
<i>Week 12</i> April 3, 2018	Second of two classes covering a discussion of the Fair Value Quality Initiative’s “Application of the Mandatory Performance Framework”	Review Slide Deck for Class #12 (to be posted to Blackboard), Continued high level review of the “Application of the Mandatory Performance Framework” (to be posted to Blackboard)
<i>Week 13</i> April 10, 2018	Discussion of advanced fair value measurement issues, Begin in-class analysis of comprehensive case study/classroom exercise #4	Review Slide Deck for Class #12 (to be posted to Blackboard), comprehensive case study/classroom exercise #4 (to be posted to Blackboard)
<i>Week 14</i> April 17, 2018	<b>Quiz #5</b> , Continued discussion of advanced fair value measurement issues, Conclude in-class analysis of comprehensive case study/classroom exercise #4	Review Slide Deck for Class #14 (to be posted to Blackboard), comprehensive case study/classroom exercise #4 (to be posted to Blackboard)
<i>Week 15</i> April 24, 2018	Comprehensive Review, preparation for Final Exam	Review Comprehensive Review Slide Deck for Class #15 (to be posted to Blackboard)
<i>FINAL EXAM</i> Date and location: TBA	Comprehensive assessment	All materials assigned for the semester

## Appendix I

### CLASS PARTICIPATION STATEMENT

Class participation is an extremely important part of the learning experience in this course as the richness of the learning experience will be largely dependent upon the degree of preparation by *all* students prior to each class session.

A course that incorporates the frequent use of case analyses to illustrate the practical application of concepts and practices requires the student to diligently and thoroughly prepare cases and actively offer the results of the analyses and conclusions derived as well as recommendations during each class session. My expectation and that of your classmates are that you are prepared for *all* classes and will actively participate in and meaningfully contribute to class discussions.

In-class participation is also a critical part of this course's learning experience. Cold calling may take place to encourage active participation and to gain multiple perspectives and points of view, thus lending itself to the richness of the learning experience. In-class participation grading will be based on students' demonstrated willingness to participate and the quality of the comments expressed, rather than quantity. While some students are far more comfortable than others with class participation, *all* students should make an effort to contribute meaningfully.

Students will offer their opinions in group settings many times in their careers; thus, class participation serves to prepare students for this business experience.

The evaluating of in-class participation is based on the following:

- *Relevance* – Does the comment or question meaningfully bear on the subject at hand? Irrelevant or inappropriate comments can detract from the learning experience.
- *Responsiveness* – Does the comment or question connect to what someone else has said?
- *Analysis* – Is the reasoning employed consistent and logical? Has data from course materials, personal experience, or general knowledge been employed to support the assertions/findings?
- *Value* – Does the contribution further the understanding of the issues at hand?
- *Clarity* – Is the comment concise and understandable?

During class sessions, I frequently assume the role of a facilitator to encourage a discussion that includes perspectives from a variety of viewpoints and, secondly, to help pull together prevailing analyses and recommendations. The direction and quality of a discussion is the *collective responsibility of the class*.

For each in-class session two (2) points will be awarded to a student for relevant and meaningful participation, one (1) point for modest contributions to the class and zero (0) points for no participation or absence. Attendance during office hours, and/or meaningful e-mail communications will also factor into participation.

To underscore the importance of participation, 10 percent of the course grade or 100 of 1000 points are allocated to class participation.



## Class Participation—Behavioral Anchor Rating Scale:

### Excellent Performance

- Initiates information relative to topics discussed
- Accurately exhibits knowledge of assignment content
- Clarifies points that others may not understand
- Shares personal experiences or opinions related to topic
- Offers relevant / succinct input to class
- Actively participates in class exercises
- Demonstrates ability to apply, analyze, evaluate & synthesize course material.
- Demonstrates willingness to attempt to answer unpopular questions
- Builds on other students' contributions

### Average Performance

- Participates in group discussions when asked
- Demonstrates knowledge of course material
- Offers clear, concise, “good” information on class assignments
- Offers input, but tends to reiterate the intuitive
- Attends class regularly

### Unacceptable Performance

- Fails to participate even when directly asked
- Gives no input to discussions
- Does not demonstrate knowledge of the readings
- Shows up to class: does nothing
- Distracts group / class
- Irrelevant discussion