



ACCT 410x – Foundations of Accounting

Course Syllabus Fall Semester 2019

Class Sessions: T&Th: 2:00 – 3:50 pm (Section #14094R)
T&Th: 4:00 – 5:50 pm (Section #14096R)
T&Th: 6:00 – 7:50 pm (Section #14097R)
Classroom: ACC 201

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Office: HOH 819
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Office Hours: Th 12:30 – 1:30 pm and 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 banks and investors. Management accounting systems summarize important phenomena for internal users, such as marketing 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. 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 280 and 281 (or a similar 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:

- Gaining factual knowledge of important financial and management accounting terminology. For example, you should be able to define the term "asset" and provide an example.
- Gaining factual knowledge of the placement of various items in annual reports. For example, you should be able to identify a financial statement that contains information on dividends paid.
- Learning 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.
- Applying the above knowledge to novel situations. For example, you should be able to use an item's description to classify it as an asset, liability (or neither). You should also be able to critically read media articles that use financial accounting and management accounting terms.

- Beginning to learn how to critically analyze financial statements using the above factual knowledge and principles. 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 the above learning objectives, I will employ a combination of background reading, interactive lecture, practice problems with solutions covered in class, in-class quizzes, and prompt feedback on quizzes and exams. The course also includes a team project that allows students to apply their newly gained knowledge to analyzing financial statements of a public company. I expect questions from you during class, and you should expect questions from me. Research on learning indicates that it is very difficult to gain anything more than a superficial understanding of material without practice and feedback, so this class incorporates a substantial amount of both. Given that you cannot obtain this practice and feedback without attending class, attendance is very important. NOTE: The "Problems to Try" for each class period are optional; I do not collect or grade homework. Some students prefer to do these problems before class, then receive further reinforcement on the material when we cover them in class. Other students feel more comfortable working the problems after we have covered them in class, which we almost always do. You should choose the option that works best for you.

Required Materials

The following texts are required for this course:

- "Financial Accounting for Decision Making", 2e by Mark DeFond, Cambridge Business Publishers. ISBN: 978-1-61853-314-2. The first two chapters are free at the publisher's website and can be accessed under TOC tab at:
<https://cambridgepub.com/ereader/9736/?preview#page/i>
- SELECTED CHAPTERS from Garrison, R.H., Noreen, E.W., & Brewer, P.C., (2012). *Managerial Accounting, 14th Ed.* New York: McGraw-Hill (978-0-07-811100-6).

Feel free to purchase the books online as this can result in substantial cost savings. However, if you choose to do so, please be aware that you are responsible for making alternative arrangements for completing all readings and advance preparation until the books arrive.

There also will be readings from the business press, which I will hand out to you and also post on the course website. Additionally, you will find it helpful to bring a simple calculator to class each day as we often will work problems in class. No other readings or tools are necessary.

Prerequisites and Recommended Preparation

The course has no prerequisites and requires no special skills. The quantitative aspects of the course require only elementary math skills, and you are allowed to use a calculator. I will provide you with calculators for quizzes and exams.

Course Notes

I will be actively using Blackboard for posting lecture slides, solutions to homework problems, quizzes, and exams. The course-related announcements are sent via Blackboard, which is connected to your USC email accounts. In order to receive all announcements, make sure that your USC emails are forwarded to the address that you are checking regularly.

Grading Policies

Your grade in this class will be determined by your relative performance on three exams and a team presentation. The total class score will be weighted as follows:

Midterm I	25%
Midterm II	25%
Final Exam	30%
Homework	5%
Team Projects	15%

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 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 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 and the team presentation are as follows:

Mock Quizzes

Approximately one 'class week' before each exam (including the final) there will be a mock (non-graded) quiz. It will include multiple-choice questions and short problems/spreadsheets. The purpose of these quizzes is to help prepare the students for each of the exams.

Exams

Exams will include multiple-choice questions, brief essay questions, and longer problems/spreadsheets. Because there is little ambiguity as far as the correctness of answers in this course, the expectations are clear – you should answer as accurately as you can and as thoroughly as you can. You will be allowed to use simple calculators on quizzes and exams (you must use the calculators that I provide to you in accordance with Leventhal School policy). Preparing for these exams is facilitated by keeping up with the work in class, reworking problems that we have done in class, trying other problems that I will suggest (for exams only), and practicing with the old quizzes and exams that I will post on Blackboard.

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 that 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 that is properly documented and (when possible) I have been notified before the exam, a substitute grade will be calculated based on the normalized average of your remaining 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.

Homework Assignments

There are weekly collected homework assignments (textbook problems marked with asterisks on the schedule of classes at the end of the syllabus). These assignments are due at the end of the day on Friday of each week indicated in the schedule of classes. Solutions are to be submitted via Blackboard and will be graded based on effort. Answers will be provided for your reference and posted on Blackboard weekly.

In class, we will go over some textbook problems indicated on the schedule of classes as “practice” problems. Depending on your learning style, you may want to work through them prior to class session and/or attempt to solve them independently after they were discussed in class. Solutions to practice programs are available on Blackboard.

Attendance

With the exception of the first two weeks, I do not take attendance. However, it is to your advantage to attend class every day, be well prepared, and act professionally (including being on time). This is true for at least two reasons. First, and most significant, the material we cover in class is what is considered most important for the course and, therefore, will be the material tested on quizzes and exams. Second, quizzes and exams start promptly at the beginning of class; late arrivers will not be given extra time to complete them.

Team Project

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.

ADDITIONAL INFORMATION

Add/Drop Process

If you miss the first two sessions of the course, I may ask an administrator to drop you from the course. This is so that everyone who wants the chance to take the course will have that chance. Web registration will be open during the first week of class. After that, I will add people based on the wait list that I am maintaining.

Retention of Graded Coursework

I return all exams to you after they are graded. If you are not present on the day an exam is returned, I will continue to bring the exam to class for one week after the initial return attempt. After that, I will maintain exams in my office for you to pick up during office hours. Any exams not picked up will be shredded at the end of the 2020 fall semester.

Technology Policy

Laptop and Internet usage is not permitted during academic or professional sessions. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, I-pods) must be completely turned off during class time. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by me. **Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.** Exceptions to this policy may be granted to individual students with appropriate documentation on a case-by-case basis.

USC Statement on Academic Conduct and Support Systems

Academic Conduct:

Students are expected to make themselves aware of and abide by the University community's standards of behavior as articulated in the [Student Conduct Code](#). 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>.

Support Systems

Counseling and Mental Health - (213) 740-9355 – 24/7 on call

studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-4900 – 24/7 on call

engemannshc.usc.edu/rsvp

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

usc-advocate.symplicity.com/care_report

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Office of Equity and Diversity (OED) | Title IX - (213) 740-5086

equity.usc.edu, titleix.usc.edu

Information about how to get help or help a survivor of harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following protected characteristics: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations.

The Office of Disability Services and Programs - (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Support and Advocacy - (213) 821-4710

studentaffairs.usc.edu/ssa

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.

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). 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.

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), teleconferencing, and other technologies.

SCHEDULE OF CLASSES

Session	Date	Topic	Reading Assignments	Homework and Practice Problems
Financial Accounting (DeFond)				
1	8/27	Introduction to Course / Purposes of Accounting		
2	8/29	Introduction to Financial Accounting	DF – Ch 1	
3	9/03	Reporting Financial Condition (Balance Sheet)	DF – Ch 2, Ch 4 (pp.130-136)	E1-7A, P1-6A
4	9/05	Reporting Financial Performance (Income Statement) I	DF – Ch 3 (pp. 86-89), Ch 4 (pp. 137-139) <i>P.S. Corp. handout</i>	P2-6A, P2-10A, E3-11A
	9/06	<i>Weekly homework due by the end of the day</i>		<i>E1-7B*, P2-6B*</i>
5	9/10	Reporting Financial Performance (Income Statement) II	Appendix C (pp., C2-C10)	P2-12A
6	9/12	End-of-year Adjustments and Preparation of Financial Statements	DF – Ch 3 (pp. 89-101) Appendix C (pp., C11-C22) <i>Radiation Shields handout</i>	P3-3A, P3-5A
	9/13	<i>Weekly homework due by the end of the day</i>		<i>P2-12B*, P3-3B*</i>
7	9/17	Revenue and Receivables (I)	DF– Ch 6	E6-8A, E6-3A
8	9/19	Mock Quiz 1 (Sessions 1 – 7) Revenue and Receivables (II)		E6-9A, P6-1A, P6-8A
	9/20	<i>Weekly homework due by the end of the day</i>		<i>E6-8B*, E6-9B*</i>
9	9/24	Catch Up / Inventory & Cost of Goods Sold	DF – Ch 7 (pp. 250-255)	E7-13A
10	9/26	MIDTERM I (Sessions 1 – 8)		
11	10/01	Inventory & Cost of Goods Sold	DF – Ch 7 (pp. 255-264)	SE7-9, E7-9A(a,b), E7-11B(a), P7-4A
12	10/03	Property, Plant, and Equipment (I)	DF – Ch 8 (pp. 296-309)	E8-3A, E8-4A, P8-3A(a,b)
	10/04	<i>Weekly homework due by the end of the day</i>		<i>E7-9B(a,b)*, E8-4B*</i>
13	10/08	Property, Plant, and Equipment (II) / Intangibles (I)	DF – Ch 8 (pp. 309-312)	E8-5A, P8-6A
14	10/10	Intangibles (II) / Liabilities	DF – Ch 9 (pp. 334-338), Appendix E	LO3, EE-5A, EE-10A, EE-15A
	10/11	<i>Weekly homework due by the end of the day</i>		<i>E8-5B*, EE-5B*</i>
15	10/15	Bonds (I)	DF – Ch 9 (pp. 339-348)	SE9-2, SE9-8, P9-4A, P9-5A,
	10/17	No class (Fall Recess)		
16	10/22	Bonds (II) / Stockholders' Equity	DF – Ch 10	E10-2A, E10-4A, P10-3A
	10/22	<i>Group Lists and Company Selection Due</i>		
17	10/24	Mock Quiz 2 (Sessions 9, 11 – 16. Stockholders' Equity <u>not</u> included) Financial Investments	DF – Appendix D (pp. D2 - D14)	ED-4A, ED-5A, ED-7A

	10/25	<i>Weekly homework due by the end of the day</i>		<i>P9-5B*, E10-2B*</i>
18	10/29	Catch Up / Statement of Cash Flows (I)	DF – Ch 11	E11-1A, E11-7A,
19	10/31	MIDTERM II (Sessions 9, 11 – 17)		
20	11/05	Statement of Cash Flows (II) / Financial Ratios	DF – Ch 12	P11-4A, P11-2A

Management Accounting (Garrison, Noreen & Brewer)				
21	11/07	Managerial Accounting: An Overview Managerial Accounting and Cost Concepts (I)	GNB – Ch 2 (pp. 25-31, 44-46)	
	11/08	<i>Weekly homework due by the end of the day</i>		<i>DF: E11-1B*, P11-4B*</i>
22	11/12	Managerial Accounting and Cost Concepts (II)	GNB – Ch 2 (pp. 31-43)	P2-14
23	11/14	Job-Order Costing (I)	GNB – Ch 3 (pp. 84-106)	E3-5, E3-6
	11/15	<i>Weekly homework due by the end of the day</i>		<i>GNB: P2-18*, E3-7*</i>
24	11/19	Job-Order Costing (II) / Activity-Based Costing (I)		
25	11/21	Mock Quiz 3 (Sessions 18, 20 – 24) Activity-Based Costing (II) / Cost-Volume-Profit Relationships	GNB – Ch 5 (pp. 184-203)	E5-5, E5-20
	11/22	<i>Group project reports are due by midnight</i>		
26	11/26	Catch Up / Review		
	11/28	No class (Thanksgiving Holiday)		
27	12/03	Team Presentations		
28	12/05	Team Presentations		
Final		FINAL EXAM (Sessions 18, 20 – 28). Thursday, 12/12. Times vary by section per University Schedule Location TBA		

DF – DeFond
GNB – Garrison, Noreen & Brewer