



ACCOUNTING 370
EXTERNAL FINANCIAL
REPORTING ISSUES
Syllabus – Spring 2020



14025D; M & W: 8:00 am –9:50 am; ACC 303
14026D; M & W: 10:00 am –11:50 am; ACC 303
14027D; M & W: 12:00 pm –1:50 pm; ACC 303
Discussion; F: 10 am–11:50 am; HOH EDI

Professor: Smrity Randhawa
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Office Hours: M & W 2:30 pm to 4:30 pm; or by Appointment

COURSE DESCRIPTION

This course focuses on developing the requisite problem solving and research skills in order to understand problems and issues related to the collection, reporting and analysis of financial accounting information for decision-making from the preparer’s perspective. This is an intermediate financial accounting course designed for students majoring in Accounting.

LEARNING OBJECTIVES

Upon successful completion of the course, students will be able to:

- Report and analyze accounting information;
- Identify and create accounting information, including the rules used to prepare and report this information;
- Explain the usefulness and limitations of accounting information;
- Analyze accounting information from the perspective of its various users (e.g., equity investors, creditors, auditors, etc.);
- Write accounting reports, discuss accounting issues, work in a team on accounting projects and make oral presentation

REQUIRED MATERIALS:

- **Required Textbook:** *Intermediate Accounting 17th Edition*, (by Donald E. Kieso, Jerry J. Weydandt, and Terry D. Warfield; John Wiley & Sons, Inc.; 2019). ISBN: 978-1-119-50368-2
- **Accounting Standards Codification:** You will need access to and develop facility with the FASB Accounting Standards Codification (“ASC”). The ASC represents the authoritative standards that, in large measure, constitute Generally Accepted Accounting Principles (“GAAP”). See attachment at end of syllabus- “Using the American Accounting Association...” for login instructions. Specific assignments to the ASC are provided on the take-home quizzes.

PREREQUISITES:

One from: BUAD 281, BUAD 285b or BUAD 286b, or BUAD 305

COURSE NOTES:

This course will consist of class discussions, homework, quizzes, in-class exercises, presentations, two midterms, and a final examination. Students should attend class during the section for which they are officially enrolled. Class slides and other class information will be posted on Blackboard.

GRADING POLICIES:

GRADING:

Two midterm exams	50% (25% each)
Final Exam	27%
WSJ Assignment	3%
Team Project	9%
Professionalism, class participation, Homework, and in-class exercise	5%
Reflection paper	2%
Quizzes (Take-home quizzes)	<u>4%</u>
	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 average grade for this class is expected to average about 3.3 (i.e., B+). Three items are considered when assigning final grades:

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

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

General descriptions on the components of your grade (team case and team project assignments, etc.) are given below:

Midterm Exam

There will be two midterm examinations given during the semester. These midterms will start at the beginning of class on the dates listed on the schedule. The midterms will emphasize material covered in lectures, homework assignments, and the text. The midterms may include multiple-choice questions, brief essay discussion questions, exercises and problems. In order to prepare for the midterm please make sure you understand the assigned readings and the concepts discussed in class. **There will be no make-up**

midterms. If you have to miss a midterm for a valid reason, the score earned on the final examination will be attributed to the missed examination. **This policy is intended to accommodate sickness or other emergencies.**

Final Exam

The final exam will include all material covered in the course subsequent to the second midterm examination. It will be of similar nature to the midterm examinations. The final exam will be held **Monday, May 11, 4:30 pm to 6:30 pm.**

Wall Street Journal Assignment

This is a team assignment. Team sizes can be four to five members. If you do not have a preference for teammates, the instructor will assign you to a team. Please make teams by January 31. After teams have been formed on January 31, the teams cannot be changed. The team assignment will consist of a written component in addition to a short presentation. More information about this team assignment will be discussed as the semester progresses. Your team for the WSJ team assignment does not have to be the same as your team for the final team project.

The assignment consists of producing a report and presentation of one article from the Wall Street Journal. The date of the article should fall within two weeks of your team's assignment date. The article must relate to the topics covered in this course and, fall into either of the following categories: 1) financial reporting issues; 2) accounting firms/profession; or 3) business ethics.

Once your team has agreed on an article for the assignment, please notify me of your selection. Articles will be awarded on first-come, first-served basis. Only one team will be approved for a particular article.

The written report cannot exceed one page, single-spaced 11-point type (1-inch margins). A copy of the original Wall Street Journal article should be attached to your summary. Please include a cover page for your assignment with the names of your team members in alphabetical order by last name. Please note that the presentation should be limited to 10 minutes in length, additionally the written report is due on date of presentation.

Final Team Project

The final project will require the students to work in teams to integrate the material learned during the semester in ACCT 370 to analyze an accounting issue. You will be graded on content (accuracy, completeness, etc.), writing style (grammar, consider your audience, etc.), professional appearance of your project, and the appropriate use of cited resources. More information about the final project will be discussed as the semester progresses. The due date for the ACCT 370 written team assignment is: **Friday, May 1.** Details on team makeup and size will be given to you during the semester.

Professionalism and Other Class Conduct

Professional conduct is expected from all students. Students are expected to adhere to, and will be bound by, the University and School policies governing academic integrity, classroom behavior, and etiquette. Active participation (e.g., posing questions and providing comments and observations) in class is strongly encouraged. Requests for exceptions to be made that are not consistent with the course policies set forth herein are considered unprofessional conduct.

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.

Reflection paper

In order to succeed in the workplace, it is important to be able to work well in diverse teams. To encourage the development of this skill, you will be provided with a short to list of activities meant to introduce you to different perspectives and socio-economic/cultural backgrounds to broaden your understanding of the current society in which we live. Once you have completed the activities, you will write a one-page reflection paper on your experience. The reflection paper is due on **April 10**. More information about this assignment will be discussed as the semester progresses.

Quizzes

The quizzes will be posted on Blackboard and will comprise of exercises, brief essay discussion questions and problems. Collaboration on the quizzes is encouraged as it might enhance the learning process. There will be total of five quizzes during the semester and you will be allowed to drop one quiz grade.

Final Comments:

You will benefit the most from this course by coming to class prepared. In other words, keep up with your homework and reading from the text. These actions will pay off at exam time! I hope you find the course enjoyable and beneficial. Please feel free to email me with questions.

GRADING AND ACADEMIC STANDARDS

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

GRADING STANDARDS

The following grades are used: A - excellent; B - good; C - fair; D - minimum passing; F - failure. The grade of F is awarded for failing work at the end of the semester. The assignment of minuses and pluses when earned is required.

The grade of W (Withdraw) is assigned if the student officially withdraws after the third week but before the end of the twelfth week of the semester. No withdrawals will be permitted after the end of the twelfth week except by student petition to the University's Committee on Academic Policies and Procedures. Students may elect to audit courses during the first three weeks of the semester. A course taken for audit (V) will be assessed at the current tuition rate. A course taken for audit (V) will not receive credit and will not appear on the USC transcript or grade report. Under no circumstances will the University allow a change in the registration status of a course from letter grade or credit to audit (V) or vice versa after the third week of a given semester.

OTHER ACADEMIC STANDARDS

1. The ability of students to write clearly and concisely is a necessary prerequisite to success in accounting work. Accordingly, students will be required to demonstrate writing capability in all accounting courses. This may be accomplished primarily through the inclusion of essay-type questions on course examinations.
2. **Academic Integrity:** Ethics and values are very important in accounting, in the business world, and in education. We will consider ethical issues in accounting throughout this course. As an instructor, I will assume, barring evidence to the contrary, that you are an ethical student. To help you fulfill your ethical responsibilities as a student, the ethical standards for this course are listed below.

Graded team assignments: All work is to be performed exclusively by the members of the team and all team members must contribute their fair share to each assignment. If outside research is performed, sources are to be cited and information discovered via outside research is to be clearly referenced as such. The products of your research are not to be shared with any student who is not a member of the team nor should you use the product of any prior students in the class.

In-class examinations: All exams must be the exclusive work of the individual student. No student may share the exam contents with another student until exam grading has been fully completed.

If you know that another student is violating these standards: Allowing another student to obtain course points by deceit contributes to a general lowering of the ethical standards of the University and contributes to deception of potential employers and other academic institutions. Thus, you have an obligation to take some action when you know another student is violating the course's academic integrity standards. This is a difficult personal trial to face, but it is an important part of your ethical obligation as a student. If you know that another student is violating the standards, it is your responsibility to inform the student's instructor. See the latest edition of SCAMPUS for a discussion of academic integrity violations. In this course, academic integrity violations generally will be penalized with a grade of F for the course.

ADDITIONAL INFORMATION

Add/Drop Process

Most Marshall classes are open enrollment (R-clearance) through the Add deadline. If there is an open seat, students can add the class using Web Registration. If the class is full, students will need to continue checking the *Schedule of Classes* (classes.usc.edu) to see if a space becomes available. Students who do not attend the first two class sessions (for classes that meet twice per week) or the first class meeting (for classes that meet once per week) may be dropped from the course if they do not notify the instructor prior to their absence.

Retention of Graded Coursework

Final exams and all other graded work which affects the course grade will be retained for one year after the end of the course *if* the graded work has not been returned to the student. If I returned a graded paper to you, it is your responsibility to file it.

Technology Policy

Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by the respective professor and/or staff. 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, iPads, other texting devices, laptops, I-pods) must be completely turned off during class time. Upon request, you must comply and put your device on the table in off mode and FACE DOWN. You might also be asked to deposit your devices in a designated area in the classroom. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by the professor. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

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

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/>

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.

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 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.symlicity.com/care_report

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/>

The Office of Disability Services and Programs

Provides certification for students with disabilities and helps arrange relevant accommodations. dsp.usc.edu

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

USC Emergency Information

Provides safety and other updates, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible. emergency.usc.edu

USC Department of Public Safety – UPC: (213) 740-4321 – HSC: (323) 442-1000 – 24-hour emergency or to report a crime.

Provides overall safety to USC community. dps.usc.edu

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 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.

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), teleconferencing, and other technologies.

Incomplete Grades Explanation

A mark of IN (incomplete) may be assigned when work is not completed because of a documented illness or other “emergency” that occurs after the 12th week of the semester (or the twelfth week equivalent for any course that is scheduled for less than 15 weeks).

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. If an Incomplete is assigned as the student’s grade, the instructor is required to fill out an “**Assignment of an Incomplete (IN) and Requirements for Completion**” form which specifies to the student and to the department the work remaining to be done, the procedures for its completion, the grade in the course to date, and the weight to be assigned to work remaining to be done when the final grade is computed. Both the instructor and student must sign the form with a copy of the form filed in the department. Class work to complete the course must be completed within one calendar year from the date the IN was assigned. The IN mark will be converted to an F grade should the course not be completed within the time allowed.

LSOA Learning Objectives

Program Learning Objective	Description	Level of Coverage
1. Technical Knowledge	Students will demonstrate technical proficiency in the accounting discipline, including the use of technical accounting knowledge to help solve problems and make decisions.	High
2. Research, Analysis and Critical Thinking	Students will demonstrate the ability to critically analyze, synthesize, and evaluate information for decision making in the local, regional and global business environment.	High
3. Ethical Decision Making	Students will demonstrate an understanding of ethics, ethical behavior and ethical decision-making.	Low
4. Communication	Students will demonstrate the ability to communicate ideas both orally and in writing in a clear, organized and persuasive manner.	High
5. Leadership, Collaboration and Professionalism	Students will demonstrate leadership skills and the ability to work cooperatively and productively to accomplish established goals.	Moderate
6. Technology	Students will demonstrate an understanding of technology issues and utilize relevant technology tools and applications to gather and evaluate information, analyze and solve problems, work interactively with other people, and develop and present conclusions.	Low

Spring 2020 ACCT 370 Tentative Schedule of Assignments

Session	Date	Topic	Readings	HW Problems
Accounting Fundamentals				
1	Jan 13	Introduction to Financial Accounting	Chapter 1	
2	Jan 15	Conceptual Framework	Chapter 2	E2.5 & E2.7
	Jan 20	Martin Luther King Jr. Day		
3	Jan 22	Adjusting Entries	Chapter 3	E3.5, E3.7 & E3.18
Lab	Jan 24	Friday Lab: Help with Journal Entries		
4	Jan 27	Income Statement	Chapter 4	BE4.2, BE4.3 & BE4.4
5	Jan 29	Income Statement	Chapter 4	BE4.6 & E4.14
6	Feb 3	Balance Sheet	Chapter 5	E5.8
7	Feb 5	Statement of Cash Flows	Chapter 5	E5.14
	Feb 7	Saturday Review for Exam 1		
8	Feb 10	Statement of Cash Flows/ Review for Exam 1	Chapter 5	No HW
9	Feb 12	Exam 1 (Sessions 1 to 8)		
	Feb 17	Presidents' Day		
10	Feb 19	Time Value of Money	Chapter 6	E6.13, E6.18 & E6.20
Lab	Feb 21	Friday Lab: Help with Time Value of Money		
Operating Activities				
11	Feb 24	Revenue Recognition- Five Step Process	Chapter 18	E18.3, E18.4 & E18.7
12	Feb 26	Revenue Recognition -Long-term construction contracts	Chapter 18A	BE18.22 & BE18.23
	Feb 28	Tentative LA Rams Site Visit (Limited spots!) - Joint between Acct 370 & 371		
13	Mar 2	Revenue Recognition	Chapter 18	E18.33, E18.17 & E18.18
14	Mar 4	Warranty Expense & Bad Debt Expense	Chapter 7	E7.9, P7.3 & E18.26
15	Mar 9	Disposition of Receivables/ Inventory	Chapter 7/ Chapter 8	E7.1, E7.16 & E8.1
16	Mar 11	Cost of Goods Sold & Inventory	Chapter 8	E8.13 & E8.14
Spring Recess March 15 - 22 (No class)				
17	Mar 23	Cost of Goods Sold & Inventory	Chapter 8	E8.18, E8.21 & E8.22

Session	Date	Topic	Readings	HW Problems
18	Mar 25	Cost of Goods Sold & Inventory/ Review for Exam 2	Chapter 9	E9.3 & E9.7 (No HW Collection)
Lab	Mar 27	Friday Lab: Review for Exam 2		
19	Mar 30	Exam 2 (Sessions 10 to 17)		
20	Apr 1	Accounting for Income Taxes	Chapter 19	BE19.1, BE19.2 & BE19.5
21	Apr 6	Accounting for Income Taxes	Chapter 19	E19.2 & E19.16
22	Apr 8	Accounting for Income Taxes	Chapter 19	E19.21 & E19.24
Apr 10		Reflection Paper Due Date		
Investing Activities				
23	Apr 13	Depreciation & PPE	Chapter 10 & 11	E10.1 & E10.8
24	Apr 15	Depreciation & PPE	Chapter 10 & 11	E10.18, E10.19, BE10.14 & BE10.15
25	Apr 20	Depreciation & PPE/Intangible Assets	Chapters 11 & 12	E11.12 (a, b & c), E11.16 & E12.9 (a & b)
26	Apr 23	Intangible Assets/Leases	Chapter 12 & 21	E12.11, BE21.2 & BE21.6
27	Apr 27	Leases	Chapter 21	E21.2 & E21.3
28	Apr 29	Leases	Chapter 21	No HW
May 1		Final Project Reports Due Date		
May 11	Final Exam (Sessions 18, 20-28)		4:30 pm to 6:30 pm	

Important Dates: Spring 2020 Regular Session (updated Dec 10/19)

First Day of Class	Monday, January 13
Accounting Orientation – ACCT-370 lab time	Friday, January 17, 10am
Martin Luther King Jr. Birthday, University Holiday	Monday, January 20
USC Career Fest	January 27- 31
USC Career Day	Thursday, February 6
Meet the Firms	Thursday, February 13, 6:30-9pm
Presidents' Day, University Holiday	Monday, February 17
Spring Break	Monday, March 16 - Friday, March 20
Last Class Meeting for Regular (001) and 442 sessions	Friday, May 1
Study Days	Saturday- Tuesday, May 2-May 5
Final Exams for Regular (001) and 442 sessions	Wednesday, May 6-May 13
Commencement	Friday, May 15