



ACCOUNTING 470
ADVANCED EXTERNAL
FINANCIAL REPORTING
ISSUES; Syllabus – Spring 2020

Professor: Herb Perlmutter

**14116 Tues and Thurs: 10:00 am – 11:50 am;
Classroom: ACC 310**

**Office: ACC 234B
E-mail: hperlmut@marshall.usc.edu
Cell Phone: (213) 705-1482**

**Office Hours: Tuesday and Thursdays
between 9:00 am and 9:45 am, and by
appointment**

Course Description

Developing capabilities to identify, articulate and resolve current external financial reporting challenges and issues, concentrating on operating, financing, and investing activities of business enterprises, governmental entities and no-business organizations (e.g., not-for-profit organizations).

Learning Objectives

This course focuses on problems and issues related to the reporting and disclosure of external financial accounting information (e.g., financial accounting information included within company external financial reports such as SEC Form 10-K). As such, it is an extension of intermediate financial accounting. The objectives and expected learning outcomes of the course include the following:

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

- Develop capabilities to identify and articulate current external financial reporting challenges and issues, concentrating on operating, financing, and investing activities of primarily business enterprises, by solving problems and analyzing transactions.
- Be able to use accounting information, including the underlying professional standards required to prepare and report this information by using the FASB Codification (“ASC”) and other authoritative sources (SEC), to analyze, guide and support a position taken on complex accounting matters.
- Analyze accounting information from the perspective of its various users (stakeholders) such as equity investors, creditors, company management and auditors, by preparing written and oral presentations based on information presented in cases, SEC Filings, articles discussing emerging accounting issues.

- Identify and describe differences between the various forms of business combinations by preparing business combinations worksheets resulting in the preparation of consolidated financial statements.
- Recognize and explain differences between U.S. and International Financial Reporting Standards (IFRS) by using the FASB Codification, other U.S. authoritative sources to compare, identify and articulate areas of convergence and disagreement with IFRS.
- Apply ethical principles and professional standards in analyzing situations and making informed decisions.

STUDENT LEARNING OBJECTIVES

OBJ 1	Technical Knowledge Heavy	Students will demonstrate technical proficiency in the accounting discipline, including the use of technical accounting knowledge to help solve problems and make decisions.
OBJ 2	Research, Analysis and Critical Thinking Heavy	Students will demonstrate the ability to research, critically analyze, synthesize, and evaluate information including professional standards for decision making in the local, regional and global business environment.
OBJ 3	Ethical Decision Making Moderate	Students will demonstrate an understanding of ethics, ethical behavior and ethical decision-making.
OBJ 4	Communication Moderate	Students will demonstrate the ability to communicate ideas both verbally and in writing in a clear, organized and persuasive manner.
OBJ 5	Leadership, Collaboration and Professionalism Moderate	Students will demonstrate leadership skills and the ability to work cooperatively and productively to accomplish established goals.
OBJ 6	6. Technology	Students will demonstrate an understanding of technology issues

Light	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.
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REQUIRED TEXTBOOKS:


Kieso, Weygandt, Warfield, John Wiley & Sons, Inc. Intermediate Accounting, 16th Edition
Hoyle, Shafer & Douppnik, Advanced Accounting, McGraw Hill 13e Edition

RECOMMENDED OTHER COURSE MATERIALS:

FASB Codification: The ASC is provided electronically. You should use this resource to resolve financial reporting problems addressed in this course.

You will see the American Accounting Association **Login** screen.

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American Accounting Association

Thought Leaders in Accounting


[AAA Home Page](#)

Academic Accounting Access

FASB Accounting Standards Codification™
GASB Governmental Accounting Research System Online™

Please login with the username and password provided by your accounting department and submit. This form will NOT accept your AAA member ID and password.

Username:

Password: 

[Forgot your login?](#)
[Report a problem](#)

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Student Access

The database is available **online** from on-campus or any web-available location at:

<http://aaahq.org/ascLogin.cfm>

User Name: AAA51188
Password: 9Wa4eMK

After you have logged in, you can select the FASB Accounting Standards Codification or the GASB Governmental Accounting Research System

Logout - Please use the logout link in the upper right when you have finished your work. This releases the database for others to use. When you logout, the blue and red Welcome screen appears with fields for login credentials. Please close that screen and do not use it for any purpose. It is not functional for our Professional

View license. Note: If you lose or forget the ID and/or Password, please contact your instructor for another copy of this document.

Note: Pre-Codification standards – FASB Pronouncements and EITF – can also be viewed at www.fasb.org or <http://www.fasb.org/jsp/FASB/Page/SectionPage&cid=1218220137031>

Subscriptions to the FASB Codification material are available to non-Leventhal users at www.fasb.org

Supplemental material: *Problem Solving Survival Guides volume 1 (Chs. 1-14) and volume 2 (Chs. 15-28).* The survival guides contain additional problems you can do, and excellent descriptions of how to solve each problem. Although no formal assignments will be given from the guides, doing additional problems in the guides will help you better understand the course material.

Prerequisites and/or Recommended Preparation:

For successful performance in ACCT 470, completion of ACCT 370 is required. The USC Catalogue identifies all course pre-requisites. They also appear in the Schedule of Classes.

Course Notes:

This course will consist of class discussions, homework, quizzes, in-class exercises, presentations, two mid-terms and a final exam. Students should attend class during the section for which they are officially enrolled. Class slides and other class information will be posted on Blackboard. Note that solutions to assigned homework and in-class exercises will be posted on blackboard after the assignment is due and/or exercise/problem was discussed in class.

ASSIGNMENTS AND GRADING DETAIL

The average grade in this course will be in accordance with Leventhal School of Accounting Standards.

The following weights will be assigned for determination of final grades:

Professionalism, class participation and homework.....	10%
Group Project.....	10%
Quizzes (Take home).....	5%
Two Mid-Term Examinations.....	50% (25% each)
Final examination.....	25%
Total.....	<u>100%</u>

The +/- grading system will be used. (See attached "Leventhal School of Accounting Grading and Academic Standards.") Final grades are obtainable only through USC's formal grade report; they are not obtainable from the Leventhal School of Accounting Staff. Final grades are **NOT NEGOTIABLE**.

Final grades represent how you perform in the class relative to other students. Your grade will **not** be based on a **mandated** target, but on your performance. Historically, the average grade for this class is about a (B+). Three items are 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 in the class.

Assignment Submission Policy:

Assignments must be turned in on the due date/time electronically via Blackboard. Any assignment turned in late, even if by only a few minutes, will receive a grade deduction (for example, if your work is a B+ grade, you will be given a C+ grade). If your internet breaks down on the due date, you must deliver a hard copy at the beginning of class on that day. If you are unable to attend class on that day, make arrangements for it to be delivered to the classroom or to my box by the start of class. Late or not, however, you must complete all required assignments to pass this course.

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

Midterm Exams - 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. An unexcused absence from an exam results in a grade of “0” on the exam**

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 Tuesday, May 13 from 2:00 pm to 4:00 pm.

Group Project - The final project will require the students to work in teams to integrate the material learned during the semester in ACCT 470 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 written team assignment is **Monday November 25**. Details on team makeup and size will be given to you during the semester.

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. These exercises will count towards the professionalism, participation and homework component of your grade.

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 demonstrate an earnest effort for 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.

Quizzes - The quizzes will be posted on Blackboard and will be comprised of exercises, brief essay discussion questions and problems. Collaboration on the quizzes is encouraged as it might enhance the learning process. There will be approximately four quizzes during the semester.

Participation - One of the primary goals of this course is to help you develop the ability both to clarify your own position on an issue and to be able to articulate and defend it clearly. Sharing your perceptions and ideas with others is crucial for learning and for understanding how the diverse opinions that you are likely to encounter in an organization are debated. You will find yourself presenting and testing new ideas that are not wholly formulated and assisting others in shaping their ideas as well. You should be prepared to take some risks and be supportive of the efforts of others.

Effective class participation consists of analyzing, commenting, questioning, discussing, and building on others' contributions; it is not repeating facts or monopolizing class time. The ability to present one's ideas concisely and persuasively and to respond effectively to the ideas of others is a key business skill. One of the goals of this course is to help you sharpen that ability. In determining your grade for participation, I will utilize the following guidelines:

- **Outstanding Contribution:** Your contributions reflect considerable preparation; they are substantive and supported by evidence from the case, readings, and logic. Your comments or questions create a springboard for discussion by making a critical insight. You synthesize and build upon what has already been said in the discussion. The class learns from you when you speak; in your absence, the discussions would suffer.
- **Good Contribution.** You come prepared with substantiated comments. You demonstrate good insight and clear thinking. You are able to make some connection to what has been said in prior discussion. The class notices when you're not part of the discussion.
- **Minimal Contribution.** You participate but are unprepared. You rarely offer interesting insights into the discussion. It appears that you are not listening to what others are saying during discussion.
- **No Contribution.** You say little or nothing in class. If you were not in the class, the discussion would not suffer.

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. Participate in class. These actions will pay off at exam time!

Classroom Rules of Conduct

- During exams, any cell phone use or other inappropriate external electronic communication will automatically constitute cheating and will be dealt with as such.
- Cell phones should be turned off.
- Use of computer, music player and other electronic devices is not permitted during class except for using a computer for classwork and examinations.
- Be courteous to your fellow students by not making distractions (e.g., coming to class late, eating, talking, paging through newspapers).

Retention of Graded Coursework

Final exams and all other graded work which affected 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.

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.

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.

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.

Relationship and Sexual Violence Prevention and Services (RSVP) - (213) 740-9355(WELL), press "0" after hours – 24/7 on call
studenthealth.usc.edu/sexual-assault

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

Campus Support & Intervention (CSI) - (213) 740-0411
<https://campussupport.usc.edu/>

A team of professionals here to assist students, faculty, and staff in navigating complex issues. Whether you are here seeking support for yourself or someone else, we are available to help you problem solve, understand options, and connect with resources. Please note that we are not an emergency resource and are not available 24/7.

Office of Equity and Diversity (OED)- (213) 740-5086 | *Title IX* – (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by 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 university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

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

usc-advocate.symplicity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity |Title IX for appropriate investigation, supportive measures, and response.

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

uscsa.usc.edu

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.

COURSE AND EXAMINATION SCHEDULE

DATE	TOPIC	TEXT READING
Tues 1/14	Introduction	
Financing and Operating Activities		
Thurs 1/16	Current Liabilities and Contingencies	IA Chapter 13
Tues 1/21	Long-term Liabilities	IA Chapter 14
Thurs 1/23	Long-term Liabilities	IA Chapter 14
Tues 1/28	Stockholders' Equity	IA Chapter 15
Thurs 1/30	Accounting for Pensions	IA Chapter 20
Tues 2-4	Accounting for Pensions	IA Chapter 20
Thurs 2-6	Accounting for Post Retirement Benefits and other employee compensation	IA Chapter 20 IA Chapter 16, pp 843-851 IA Chapter 13, pp 666-670
Tues 2-11	Exam 1	
Investing Activities		
Thurs 2-13	Investments	IA Chapter 17
Tues 2-18	Investments (and guest speaker)	IA Chapter 17
Thurs 2-20	The Equity Method of Accounting for Investments	AA Chapter 1
Tues 2-25	Consolidation of Financial Information	AA Chapter 2
Thurs 2-27	Consolidations-Subsequent to the Date of Acquisition	AA Chapter 3
Tues 3-3	Consolidated Financial Statements and Outside Ownership	AA Chapter 4

Thurs 3-5	Consolidated Financial Statements--Intra-Entity Asset	AA Chapter 5
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Tues 3-10	Review Day	
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Thurs 3-12		EXAM 2
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3-16 thru 3-20 Spring Break. Enjoy!

Foreign Activities and Disclosures

Tues 3-24	Foreign Currency Transactions and Hedging Foreign Exchange Risk	AA Chapter 9
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Thurs 3-26	Translation of Foreign Currency Financial Statements	AA Chapter 10
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Disclosures

Tues 3-31	Dilutive securities and earnings per share	IA Chapter 16
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Thurs 4-2	Dilutive securities and earnings per share	IA Chapter 16
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Tues 4-7	Segment and Interim Reporting	AA Chapter 8
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Thurs 4-9	Accounting Changes and Error analysis	IA Chapter 22
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Tues 4-14	Disclosure in Financial Reporting	IA Chapter 24
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Governmental and Nonprofit Accounting

Thurs 4-16	Accounting for State and Local Governments	AA Chapter 16
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Tues 4-21	Accounting for State and Local Governments	AA Chapter 17
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Thurs 4-23	Accounting and Reporting for Private Not-for-Profit Entities	AA Chapter 18
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Tues 4-28	Team Presentations	
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Thurs 4-30	Team Presentations	
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Wed 5-13 2:00 pm

Final Exam

IA = Intermediate Accounting

AA = Advanced Accounting



Important Dates: Spring 2020 All Sessions

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
First-Half Session Dates (Session 431), January 13 - March 6	
First Day of Classes for first half ACCT courses	Monday, January 13
Last Day to Add or Drop first half ACCT courses w/out a "W"	Thursday, January 23
Last Day to Change from P/NP to Letter Grade	Monday, February 6
Last Day to Drop first half ACCT courses with a "W"	Tuesday, February 26
Final Exams for first half ACCT courses	Tuesday, March 3 - Friday, March 6
Second-Half Session Dates (Session 442), March 9 - May 13	
First Day of Classes for second half ACCT courses	Monday, March 9
Last Day to Add or Drop second half ACCT courses w/out a "W"	Thursday, March 19
Last Day to Change from P/NP to Letter Grade	Thursday, April 2
Last Day to Drop ACCT courses with a "W"	Wednesday, April 22
Regular Session Dates (Session 001), January 7 - May 13	
First Day of Classes	Monday, January 13

Last Day to Add or Drop w/out a “W”
Last Day to Change from P/NP to Letter Grade
Last Day to Drop with a "W"

Friday, January 31
Friday, February 28
Friday, April 3