

USC Marshall School of Business

USC Leventhal School of Accounting

ACCT 558: Advanced Accounting Valuation

Term:	Spring 2021
Unit Credit:	1.5 Units
Timing:	2:00pm to 3:20pm Tuesdays and Thursdays, Delivered via Zoom
Start Date:	Commencing Tuesday, March 16, 2021
End Date:	Concluding Thursday, April 29, 2021
Final Examination	Term Paper, due May 6, 2021 (midnight Pacific time)

Professor:	Anthony V. Aaron (Tony)
Office:	ACC 213
Office Hours:	By appointment only, using a Zoom Meeting or Teleconference. E-mail to schedule, Tuesdays and Thursdays (class days) are preferable.
Phone:	(213) 821-4368 (office) (310) 849-5987 (mobile) (preferable)
Email:	aarona@marshall.usc.edu

COURSE DESCRIPTION

Per the University Catalogue: “Explores 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 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 revised auditing standards on “Auditor’s Use of the Work of Specialists”, and “Auditing Accounting Estimates, including Fair Value Measurements”

- Technical guidance providing insights on “best practices” for valuation in the Fair Value area including Accounting and Valuation Guides relating to: Valuation of Privately-Held-Company Equity Securities Issued as Compensation and Assets Acquired in a Business Combination to be Used in Research and Development Activities.
- The valuation best practice treatments of the following subjects are covered in more limited depth: Identification of Contributory Assets and Calculation of Economic rents, Customer Related Intangible Assets, Market Participant Acquisition Premiums, Contingent Consideration, Goodwill Impairment, Business Combinations (Accounting and Valuation Guide currently under development by the AICPA) and Investment Valuation for Private Equity/Venture Capital .
- 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, application of professional skepticism, consideration of contrary evidence, and documentation in both the report and the supporting working papers, etc.). The MPF documents include the Mandatory Performance Framework (MPF), the Application of the Mandatory Performance Framework (AMPF), and the Frequently Asked Questions document (FAQ) related to the MPF and AMPF.
- 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. Also, 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, quiz materials, a team project and a final term paper.
- 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, a team project and a final term paper.
- Demonstrate an understanding of basic valuation approaches and methods by completing classroom exercises/case studies, quiz materials, a team project and a final term paper.

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

<p>USC LEVENTHAL STUDENT LEARNING OUTCOMES FOR MASTER OF ACCOUNTING</p>
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1. Technical, Conceptual, Problem-Solving

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

2. Professional Development

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

3. Research/Life-Long Learning

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

4. Ethical Principles and Professional Standards

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

5. Globalization and Diversity

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

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 in order to participate in discussions involving current business events.

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 Help Desk at 213-740-3000 or HelpDesk@marshall.usc.edu.

GRADING

Grading Policy

We adhere to the USC Leventhal School of Accounting and Marshall School of Business grading standards for graduate programs. In general, final course grades at the graduate level in a core course

average approximately B+ (3.3), but may vary based on class performance. For elective courses, the class average is usually higher--approximating 3.4 to 3.5, which is between a B+ and an A-. ACCT 558 will be graded as a core course. I have been informed that the Marshall School (including the Leventhal School) will be adopting the same relaxed target GPA approach in the spring of 2021, as was the case for the fall of 2020, in light of the continued challenging environment we are all experiencing. Thus, faculty have been provided additional leeway in grading classes for Spring 2021, to the extent it is warranted. That being said, you must receive a C or better to pass a required class, and you must have an *overall* B average (3.0 minimum) from all your courses in order to graduate from USC. **The graded elements of this course are listed below along with information about how they will be evaluated.**

<u>Assignments</u>	<u>% of Grade</u>
Quizzes	40%
Team Project	20%
Class Participation and Professionalism	10%
Final Term Paper	<u>30%</u>
TOTAL	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. 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 and will be administered via Blackboard.

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, 10 and 12 (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 indicated that when they attend all classes and carefully study the materials posted on blackboard they have done well on the quizzes.

Team Project

You will each be assigned to a team for ACCT 558. Team assignments will be posted to Blackboard as soon as the class roster is stabilized. Each team will conduct a complete analysis as set forth in Comprehensive Case Study/Classroom Exercise #4, and prepare a brief write up, together with spreadsheet analyses to be submitted for grading. The write up Comprehensive Case Study/Classroom Exercise #4 will be posted to Blackboard, subsequent to Class #8. During the final week of class, each team will present an assigned portion of Comprehensive Case Study/Classroom Exercise #4.

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 may utilize the assistance of a Teaching/Instructional Assistant and recording this information). 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 sections entitled “Critical Thinking”, “Professionalism and Attendance”, and “Fellow Students in This Course and the USC Family” 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 Term Paper

The final Term Paper will be assigned in lieu of a final examination. Students must first select a topic regarding Fair Value, to be approved by the Professor. Refer to the course outline (below) for specific due dates related to the Term Paper. Detailed instructions for the Term Paper will be provided via Blackboard.

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 an individual 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 professors or managers for detailed 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 as much in terms of annual salary when compared to jobs that require performance based on critical thinking ability.

As a member of the USC community, you should be aspiring to progress to perform at a level of productivity that is a multiple of how minimally productive and effective one might be solely through compliance with, or following simple “recipe” type activities. Compliance with guidelines and instructions is required. However, compliance alone, i.e. doing solely 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 our online class sessions, in the analysis of case studies, and during possible office hours Zoom sessions. During class sessions, I will hope to provide a friendly, simulation of a career environment, to accentuate comments and questions demonstrate the use of critical thinking.

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 their 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 financial statement analysis 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 makes has a tremendously important impact on their business success. The overall collection of impressions regarding an individual represents a “Personal Brand.” In this class students will be encouraged to think about how their personal brand is affected by their choices and actions.

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 from others 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 the Professor 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 Zoom meeting 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 choose to offer an explanation, you do not need to tell me why you will be absent. Failure to notify me in advance by email that you will miss class does not reflect an appropriate level of 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 increased numbers of 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 four 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 and announcements if I have posted them on Blackboard. **If you miss a class, I recommend that you contact a classmate before the next class meeting. Ask them for any announcements, lecture notes, readings, assignments, etc. that have not been otherwise posted to Blackboard.**

Generally, I request that all Zoom meeting class sessions be recorded. Thus, barring technology “glitches”, audio/video recordings of the class lectures will be available and may be helpful for those who miss a class. I will post links to Blackboard which will allow students access to the audio/video recordings. 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/or reviewed the class recording and you still feel you need further clarification or interpretation of the material covered, I am available for office hours and more than happy to help you.

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 or Marshall School

when such circumstances arise. As noted above, recordings of the class sessions also may be helpful in such circumstances.

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.

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 pure economic perspective, it is not unlikely that your future careers could be positively impacted by “crossing paths” with one or more of the students in this course, who may be in positions of great authority and responsibility at some point in the future. Thus, relationship building is an expected outcome of this course and of your attendance at the Marshall School of business and the Leventhal School of accounting. I recognize that such interaction with your fellow students may be more difficult as we utilize an online format, but class sessions and office hours, as well as team activities are all ways to interact with your fellow students as well as with your professor.

THE IMPORTANCE OF COURSE EVALUATIONS

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

TECHNOLOGY REQUIREMENTS

Online lectures through Zoom will be provided through Blackboard or through a direct link to the Zoom meeting. Therefore, you must have access to the Internet to view/hear lectures. No special software is required.

The lecture presentations, links to articles, assignments, quizzes, and rubrics (if any) are located on Blackboard. To participate in learning activities and complete assignments, you will need:

- Access to a working computer that has a current operating system with updates installed, plus speakers or headphones to hear lecture presentations;
- Reliable Internet access and a USC email account;
- A current Internet browser that is compatible with Blackboard (Google Chrome is the recommended browser for Blackboard);
- A working video camera with microphone for use on Zoom;
- Microsoft Word as your word processing program; and
- Reliable data storage for your work, such as a USB drive or Office365 OneDrive cloud storage.

If your computer does not have Microsoft Word, an Office 365 package is available to you free of charge and allows you to install Word, Excel, PowerPoint, Outlook, OneNote, Publisher, and Access on up to 5 PCs or Macs and Office apps on other mobile devices including tablets. Office 365 also includes unlimited cloud storage on OneDrive. To download Office 365 log into your student

(University) email through a web browser, choose Settings (top right corner), and select software. If you have further questions or need help with the software, please contact the USC ITS service portal.

CLASS CONDUCT/NETIQUETTE

Professionalism will be expected at all times. Because the university classroom is a place designed for the free exchange of ideas, we must show respect for one another in all circumstances. We will show respect for one another by exhibiting patience and courtesy in our exchanges. Appropriate language and restraint from verbal attacks upon those whose perspectives differ from your own is a minimum requirement. Courtesy and kindness is the norm for those who participate in my class.

Some Netiquette Rules:

- Dress respectfully. Video conference business meetings are and will be the norm, so practice your professional telepresence.
- Make sure your virtual background is respectfully professional
- Keep light sources either in front of, or above you (but not behind you) while participating in video conferencing. This prevents you from appearing as a “shadow” or “silhouette”, and allows fellow participants to better see your face and facial expressions.
- Display both your first and last name during video conferencing and synchronous class meetings.
- Respectfully minimize distractions with muting and video off when moving around
- Disagree respectfully
- Respectfully pay attention to classmates
- Do not use all CAPITAL LETTERS in emails or discussion board postings. This is considered "shouting" and is seen as impolite or aggressive.
- Do not use more than one punctuation mark, this is also considered aggressive!!!!
- Begin emails with a professional salutation (Examples: Dr. Name; Ms. Name; Hello Professor Name; Good afternoon Mr. Name). Starting an email without a salutation or a simple "Hey" is not appropriate.
- When sending an email, please include a detailed subject line. Additionally, make sure you reference the course number (Example: ACCT 558, 2:00pom Section) in the message and sign the mail with your name.
- Use proper grammar, spelling, punctuation, and capitalization. Text messaging language is not acceptable. You are practicing for your role as a business leader.
- Re-Read, think, and edit your message before you click "Send/Submit/Post.". as a check, consider whether you would be comfortable with your email or post or text being widely distributed on the Internet.

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” 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 at <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.

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.symplcity.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.

USC Leventhal School of Accounting	
Important Dates	
Spring 2021- Session 442	
Wellness Days for Spring Second-Half	Tuesday, March 23; Wednesday, April 7; Thursday, April 22; Friday, April 30
Last Class Meeting for Regular (001) and 442 sessions	Friday, April 30
Study Days	Saturday- Tuesday, May 1-4
Final Exams for Regular (001) and 442 sessions	Wednesday-Wednesday, May 5-12
Commencement	Friday, May 14

Second-Half Session Dates (Session 442), March 15-May12	
First Day of Classes for second half ACCT courses	Monday, March 15
Last Day to Add or Drop second half ACCT courses w/out a "W"	Wednesday, March 24
Last Day to Change from P/NP to Letter Grade	Monday, April 5
Last Day to Drop ACCT courses with a "W"	Friday, April 30

COURSE OUTLINE

	Topics/ Daily Activities	Readings and Advance Preparation
<i>Week 1, Class 1 March 16, 2021</i>	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 others). High level review of PCAOB Website specifically: AS 1210 “Using the Work of an Auditor-Engaged Specialist (As Amended for FYE December 15, 2020 and After)”, and AS 2501 “Auditing Accounting Estimates, Including Fair Value Measurements (As Amended for FYE December 15, 2020 and After)”.
<i>Week 1, Class 2 March 18, 2021</i>	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 2, March 23, 2021</i>	No Class - Wellness Day	N/A
<i>Week 2, Class 3 March 25, 2021</i>	Quiz #1 , Review of Valuation Approaches and Methods for entities and for assets, Discussion of 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 3, Class 4 March 30, 2021</i>	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 3, Class 5 April 1, 2021</i>	Term Paper Topics due Friday April 2, 2021. Second of two classes covering AICPA Practice Aid “Valuation of Privately-Held-Company Equity Securities”, Discussion of 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 4, Class 6 April 6, 2021</i>	Quiz #2 , 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 4, Class 7 April 8, 2021</i>	Second of two classes covering AICPA Practice Aid “Assets Acquired to Be Used In Research and Development Activities”, Discussion of 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 5, Class 8 April 13, 2021</i>	Quiz #3 , First of two classes covering other AICPA practice aids and Appraisal Foundation Valuation Advisories, Groups assigned for comprehensive case study/classroom exercise #4	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), Group assignments posted for comprehensive case study/classroom exercise #4, comprehensive case study/classroom exercise #4 (to be posted to Blackboard subsequent to Class #8)
<i>Week 5, Class 9 April 15, 2021</i>	Term Paper Outline due Friday April 16, 2021. 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>Week 6, Class 10 April 20, 2021</i>	Quiz #4 , 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 6, April 22, 2021</i>	No Class – Wellness Day	N/A
<i>Week 7, Class 11 April 27, 2021</i>	Team project write up and spreadsheets due prior to class. 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 7, Class 12 April 29, 2021</i>	Quiz #5 , In-class group presentations of analysis of comprehensive case study/classroom exercise #4. Each group will be assigned an aspect of the case study and will have 12-15 minutes each to present. Last day (prior to class) to request review of Term Paper drafts.	Review Slide Deck for Class #12 (to be posted to Blackboard), Group analysis and preparation of presentations for comprehensive case study/classroom exercise #4
<i>FINAL Term Paper Due by Midnight, Pacific Time, Thursday May 6, 2021</i>	Comprehensive assessment	All materials assigned for the semester, Instructions will be posted to Blackboard

Please note: The date/time of the Final Exam is determined by the University. For spring 2021, the last day of class is Friday, April 30th. Study days will be May 1-4. Final exams will be held during your scheduled class time May 5-12. Consult the USC Schedule of Classes at <https://classes.usc.edu/term-20211/finals/>.

Appendix I: ONLINE CLASS PARTICIPATION STATEMENT

Spring 2021 Asynchronous Participation Policy

For students displaced by the Coronavirus emergency who are currently facing extenuating circumstances that prevent them from attending our live classes. For example: students currently located in areas of the world with extreme time zone differences vs. Pacific Time. (e.g., some students are currently in time zones that are 15 hours ahead of local time in California, so our class will be meeting at 3:00 a.m. for them, which constitutes an extreme time zone difference.) This handout does not apply to students who are not facing extenuating circumstances that impact class attendance. The options for impacted students are summarized below.

OPTION 1	OPTION 2
Attend class at the regularly scheduled time, participate in the breakout groups, and earn participation points in the same way that all other students enrolled in the course will be earning their participation points.	<p>Complete the writing assignment described below for every online class session that you will not be attending. In order to earn full participation points, you must complete the assignment in its entirety, and submit it by no later than Sunday 11:59pm PT following the class session(s) you will not be attending.</p> <p>Each assignment takes no more than 2 hours to complete (same amount of time you'd spend in class).</p> <p>If you will not be attending any of the remaining class sessions prior to Team Project Presentations, you will have to complete the writing assignment described below for each of those sessions in order to earn participation points. <i>Please email me asap if you select this option.</i></p>

For **every class session for which you will be absent**, please complete the following writing assignment, which includes 2 sections and will take you no more than 2 hours to complete (same amount of time you'd spend attending class):

- 1) Write a one-page, double-spaced summary of the readings that are assigned for the class session(s) you will not be attending. . Please title this page "Reading X Summary, xx/xx/xxx". *[spend approximately 30 minutes on this]*
- 2) Write a one-page, double-spaced summary of 3 key points that you learned from viewing the recorded class session, which will be posted in Blackboard within 24 hours of the live class. Which points to highlight is your decision. Please keep in mind that Breakout Groups will NOT be included in the Zoom recording. *[spend approximately 1 hr. and 30 minutes on this]*

General tips: *Please budget approximately two hours to complete all the parts of the assignment as described above.* For example, if you miss class on both Tuesday and Thursday, budget 2 hours to complete the above assignment to compensate for Tuesday participation, and an additional 2 hours for the assignment that will compensate for Thursday participation. Submit both by Sunday of that same week. *Do not stress over the details or perfection of your submission.* This assignment is credit-no-credit and is simply intended to ensure that you get as much as possible out of the course, and that your learning experience will not be compromised compared to your classmates who will be attending class live and regularly.

Reminders: Team formation, team-based assignments, exams, office hours, and other components of the class will all be structured in ways that accommodate time differences for students displaced by the Covid-19 crisis. More details about these components of the course will be posted in Blackboard.

Email your completed assignment, for every class session you will not attend, to aarona@marshall.usc.edu

GENERAL 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/classroom exercise analyses to illustrate the practical application of concepts and practices requires the student to diligently and thoroughly prepare cases/classroom exercises 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 3 points will be awarded to a student for significant relevant and meaningful participation, 2 points will be awarded for modest contributions to the class, 1 point will be awarded for attendance with no participation at all, but in attendance and zero points for absence. The point totals for the semester will be totaled, ranked and scaled to the total points possible for the participation portion of your grade.

To underscore the importance of participation, ten 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