

McCOMBS SCHOOL OF BUSINESS
The University of Texas at Austin

Accounting 326 - Fall 2010
Financial Accounting - Intermediate

Class Hours:	TTh 12:30 - 1:45 (Unique #: 02690)	Location:	GSB 2.122
Professor:	Doug deVidal	Office:	GSB 5.126B
E-mail:	Doug.deVidal@mcombs.utexas.edu	Office Hours:	TTh 11:15 - 12:00
Website:	http://courses.utexas.edu (Blackboard)		and by appointment
Phone:	471-7893		
TA:	TBA	Office:	TBA
E-mail:	TBA	Office Hours:	TBA

Course

Objectives

This course examines issues in financial reporting from both preparer and user perspectives. The basic objectives of the course are:

- (1) to learn and evaluate current principles of financial accounting,
- (2) to apply generally accepted accounting principles to situations involving the recording of transactions and the preparation of financial statements (i.e., work forward from the data to the journal entry to the financial statements),
- (3) to read and critically evaluate financial statements (including working backward from financial statement and footnote data to the journal entry), and
- (4) to consider the larger context of financial reporting (beyond rules and procedures).

Required Materials

INTERMEDIATE ACCOUNTING: Kieso, Weygant, and Warfield (13th edition), 2010).

FUNDAMENTALS OF ADVANCED ACCOUNTING: Hoyle, Schaefer, and Douppnik. Later in the semester, you will need to purchase (on-line) several chapters of this text. The cost should be less than \$30. That will give you unlimited on-line access and also allow you to print one copy. We will use this material at the end of the semester, and specific information about how to purchase it will be available at that time

CLASS NOTES: Available on Bb throughout the semester.

ANSWERS TO HOMEWORK PROBLEMS: Available on Bb.

FINANCIAL FUNCTION CALCULATOR (and know how to use it)

How to Prepare for this Class

Based on feedback from students who have taken this course previously, your primary source of study topics will probably be the class notes. Spending time reading every word in the textbook in detail was not deemed as productive for three reasons: (1) we cover topics very quickly in this class, and there is not much time to spend reading the textbook, (2) the textbook contains many accounting details that are not that important (i.e., they will never show up on exams), and (3) the textbook forces students to think only about current GAAP, while many aspects of this course involve thinking about alternative perspectives, some of which are not GAAP. Heavy reliance on the textbook hinders performance in these aspects of the course. Thus, you are encouraged to use the textbook primarily as a reference tool. My suggestion for preparing for class is to quickly read the assigned textbook material before class. Thereafter, the textbook will be most helpful for working the assigned homework problems. Students have indicated they rely most heavily on the class notes and homework problems to study for exams.

Grades

Your course grade will be based on three exams and graded homework/quizzes. The first two exams will be given in the evening, **not** during the regularly scheduled class periods. Two regularly scheduled classes will not meet because of the evening exams. If you have another UT class or UT exam at the same time as one of the evening midterms, there is a provision for an alternate exam. No other conflicts (classes at other educational institutions (including UT Extension), work schedules, etc.) will constitute an acceptable reason to take the alternate exam. Therefore, you are responsible for arranging your schedule to make sure you can take the exams on their scheduled dates and times. The exams will consist of both multiple-choice and computational questions. While the exams are “closed book,” you may take one **hand-written, 8-1/2 x 11, single-sided** “cheat sheet” to the exams. The “cheat-sheet” will be turned in along with your other exam materials. No make-up exams will be given. Medical or family emergencies are the only valid reasons that will be accepted for missing an exam. You must provide supporting documentation (e.g., a signed note from a physician) for me if you miss an exam. In these cases, a weighted average of the other exams will substitute for the missed exam. If you do not have a valid reason for missing an exam, you will receive a grade of zero, which usually implies failing the course.

Lowest Exam	15%
Other Two Exams (32.5% each)	65%
Graded Homework/Quizzes	<u>20%</u>
	<u>100%</u>

Course grades will be determined according to the usual grading distribution: > 90% = A, 80% = B, 70% = C, 60% = D, and below 60% = F. However, if examinations grades do not fall into the above pattern (i.e., there are very few scores above 90% due to the difficulty of a particular exam), then the distribution for the final grade will be lowered. This means that points will not be added to any examination to achieve the above distribution. Rather, students will be told how they ranked on each examination (i.e., what the A, B, etc. cutoffs were), and the final distribution based on the total points for the course will be adjusted downward accordingly. Additionally, beginning Fall 2009, The University of Texas at Austin permits plus/minus grading (A, A-, B+, B, B-, etc.) for all courses in which grades are awarded, including undergraduate as well as graduate courses. Consequently, plus/minus grading will be used in this class. Finally, incompletes will be given only in the **RAREST** of circumstances and according to university policy. Also note there will be no

opportunity to raise your course grade by doing "extra credit" work either before or after the end of the semester.

Important - Exam I will be on **Wednesday, September 29, at 6:30 (Location: TBA)**, Exam II will be on **Wednesday, November 3, at 6:30 PM (Location: TBA)**, and Exam III will be held during the regularly scheduled final examination period on **Monday, December 13, at 9 AM**.

Graded Homework/Quizzes

As noted above, graded homework/quizzes will comprise 20% of your total grade, and there will be 8 - 12 of these throughout the semester. Most assignments will be graded homework, but there will be several quizzes (both announced and unannounced) throughout the term. The graded homework will be posted on Bb, generally three or four days before it is due. You will be able to drop your lowest graded homework/quiz score. The drop provision is intended to take care of low homework/quiz scores or missed homework/quizzes. **No make-up homework/quizzes will be allowed.**

Class Attendance and Non-Graded Homework

In my opinion, class attendance and homework are the two most important components of this course. Based on prior experience, those students who generally do very well in this class are those who attend class and those who don't do as well are those who tend to skip class. There is a lot of material in ACC 326 and I make every effort during class lectures to indicate what is important and should be emphasized. Plus, some of what I cover in class is not in the textbook. Consequently, knowing what to study for the exams is much easier if you've been in class on a regular basis.

Since intermediate accounting is problem oriented, doing the homework problems on a timely basis is a necessity. Exam performance is directly related to systematic preparation, which includes timely completion of the homework assignments. **Because this course moves very quickly, you should make every effort not to fall behind on homework.**

Review Problems

In order to get off to a solid start in the course, I would highly recommend that those of you who feel nervous in any way about your skills at making journal entries read through Chapter 3 of Kieso, Weygant & Warfield and work the following review problems: E3-1, E3-8, E3-9, E3-20, P3-1, P3-5, P3-6, P3-9, P3-10, and P3-11. Work as many as you need to until you feel comfortable with the material. Solutions to these problems are available on the course website.

E-mail and Blackboard

Use of e-mail and Blackboard is required for this course, and I will use the e-mail addresses that are supplied to me on the official UT class rosters. If you normally use a different e-mail address, please make sure the UT e-mail address you have given the registrar is set up for forwarding. Any outside-of-class announcements that I make (e.g., corrections or clarifications of items discussed in class, syllabus changes, quiz announcements, etc.) will be sent to you via e-mail and/or posted to the class web site. It is your responsibility to regularly check both your e-mail and Blackboard. Questions that you may have at times other than office hours can be e-mailed directly to me or the T.A. I check my e-mail on a regular basis during the week, but only irregularly (or not at all) over the weekend.

Class Protocol

- Please be sure your cell phones are on silent, vibrate, or off before class begins. As a side note, texting is absolutely forbidden!
- Laptop policy - Laptops are permitted for taking notes in class, but you must sit in the second row of the classroom. Any other laptops must be turned off and stored under your desk at the start of class.
- If for some reason you are running late, do not feel you should skip class. Please come in quietly and take a seat at the side or in the rear of the classroom.
- If you must leave class early, please tell me before class starts. I will appreciate it greatly.

Acc 326 Course Schedule

<u>Chapter</u>	<u>Topic</u>	<u>Homework Problems</u> (CA = Concepts for Analysis; E = Exercise; P = Problem)
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Part I

1 & 2	Syllabus & Overview (Read pages 2 - 20 and 30 - 51)	
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5 & 23	Contingencies, Post-Balance Sheet Events & Statement of Cash Flows (Read pages 191 - 206, 651 - 662, and 1242 - 1274, 1283)	E3-18, E3-19, E5-15(a), E5-16(a), P5-6, CA13-5, E13-13, E23-3, E23-4, P23-4, P23-6, P23-7
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4 & 22	Income & Retained Earnings Statements (Read pages 130 - 155 and 1180 - 1212)	CA4-3, P4-3, P4-6, P4-7, E22-2, E22-6, E22-9, E22-13, E22-21, P22-1, P22-2, P22-7
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19	Deferred Income Taxes (Read pages 990 - 1028)	CA19-4, E19-1, E19-2, E19-3, E19-4, E19-9, E19-10, E19-14, E19-17, P19-2, P19-6, P19-7
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15	Equity (Read pages 740 - 766, 769, and 771 - 772)	E15-2, E15-13, E15-15, P15-3, P15-6, P15-8
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Exam I - Wednesday, 9/29, 6:30 - 9:30 PM (No class on the day following the exam)

13 & 14	Liabilities (Read pages 636 - 646 and 688 - 722)	CA13-3, CA13-4, E13-3, E13-4, E14-9, E14-10, E14-12, E14-14, E14-15, E14-19, E14-20, E14-23, E14-24, E14-25, E14-26, P14-5, P14-10, P14-13, P14-14
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16	Hybrid Instruments (Read pages 794 - 803)	CA16-1, E16-1, E16-5, E16-6, E16-7, E16-8, E16-9
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17	Investments (Read pages 856 - 870 and 876 - 882)	E4-15, E17-3, E17-4, E17-5, E17-7, E17-15, P17-5, P17-7, P17-9, P17-10
16	Employee Stock Options (Read pages 803 - 811 and 827 - 829)	CA16-4, E16-10, E16-11, E16-29, E16-30
16	Earnings Per Share (Read pages 811 - 825 and 830 - 834)	E16-15, E16-18, E16-22, E16-24, E16-26, P16-5, P16-7, P16-9

Exam II - Wednesday, 11/3, 6:30 - 9:30 PM
(No class on the day following the exam)

10 + 11	Property, Plant & Equipment Depreciation (Read pages 488 - 506 and 538 - 554)	CA10-3, E10-1, E10-8, E10-9, E10-13, E10-15, P10-7, E11-16, E11-17, E11-18
18	Revenue Recognition (Only read pages 930 - 960)	E18-5, E18-8, E18-9, E18-10, E18-14, E18-15, P18-2, P18-5, P18-6, P18-15
HSD - 1	Equity Method	TBA
HSD - 2	Consolidations (at acquisition)	TBA
HSD - 3	Consolidations (after acquisition)	TBA
HSD - 8	Foreign Currency Translation	TBA

Exam III - Monday, 12/13, 9 - noon

NOTE: The above schedule is subject to change and any changes will be announced either in class, by e-mail, or on Blackboard. It is your responsibility to keep up with these announcements.

Note about religious holidays: If you will be observing a religious holiday that will interfere with any of our important class dates this semester, please let me know in writing during the first two weeks of class so I will be able to make accommodations for you.

Important Dates

08/30 Last day to add or drop a class without dean's approval.

09/10 Last day to add a class with approval, and last day to drop a class with possible refund.

09/22 Last day to drop a course without a possible academic penalty.

10/20 Last day an undergraduate student may, with the dean's approval, withdraw from the University or drop a course except for urgent and substantiated, nonacademic reasons.

Disclaimer: I believe these dates are accurate, but you should be sure to verify them on the university calendar if any of the situations described should apply to you this semester.

POLICY ON SCHOLASTIC DISHONESTY

The College of Business Administration has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the CBA.

By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. **Policy on Scholastic Dishonesty:** Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at: <http://deanofstudents.utexas.edu/sjs/> or the General Information catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Scholastic dishonesty includes, *but is not limited to:* copying tests or assignments, representing (copying) the work of another person as one's own or allowing another person to represent your work as their own, collaborating without authority with another student during an exam or in preparing academic work, using or having on your desk unauthorized materials or aids to complete a quiz or exam (e.g., graphing or programmable calculators, paggers, cellular telephones, Palms, etc), continuing work on an exam after a stop time has been announced, etc.

Electronic Class Rosters

A recent opinion from the US Department of Education states that the University must inform students in advance if their name will be appearing on an electronic class roster:

Since Fall 2001, web-based, password-protected class sites have been available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1. For information on restricting directory information see: <http://www.utexas.edu/student/registrar/catalogs/gi00-01/app/appc09.html>

Students with Disabilities

The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259, 471-4641 TTY.