

ACCT 509
Concepts of Financial and Management Accounting
Online Class - Syllabus



FACULTY:

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Course Materials

Required:

1. Financial Accounting by Stice, Stice & Diamond, South-Western Publishers, 2003 edition.
2. Selected chapters from Managerial Accounting by Garrison & Noreen, McGraw-Hill, 10th edition, 2003. [Chapters 1, 6, 8 and 14]

Optional materials:

1. Business periodical to stay abreast of current business developments

Course Objectives

Accounting has often been called the 'language of business'. **Concepts of Financial and Management Accounting** should help you to begin to understand and communicate in this language. The course should also help you gain an appreciation for the uses of accounting information and limitations inherent in that accounting information. Very few people achieve serious levels of success in a business environment without a fundamental understanding of accounting principles and concepts.

Upon completion of **Concepts of Financial and Management Accounting**, you should:

1. Have a general understanding of the role of the accounting profession in our economic society, including an awareness of the process of regulation and self-regulation of the profession (including the accounting standard setting process) in the United States.
2. Have a basic understanding of how accounting is used in business, including an appreciation of the role of financial and managerial accounting.

Course Overview

Concepts of Financial and Management Accounting focuses on relevant topics within two of the functional areas in accounting: financial and management accounting. The other functional areas of accounting are mentioned when appropriate to establish that accounting extends beyond financial and management accounting.

Following is a brief overview of the course content.

Financial Accounting: This involves the study of the concepts, standards, and procedures that comprise generally accepted accounting principles [GAAP]. GAAP covers the external reporting process and includes

the rules for the preparation of the basic financial statements. These financial statements have a wide audience of users including present and potential investors, management, labor unions, employees, creditors and governmental entities among others. The financial accounting section will cover these topics.

- An overview of the financial reporting process including the objectives of financial reporting.
- The underlying concepts, principles and conventions governing the financial reporting process. This will include developing your ability to apply these concepts, principles and conventions in a wide variety of situations.
- The accounting cycle involves analyzing, recording and summarizing an entity's transactions in the books and records of an organization in order to prepare financial statements as well as other financial information. The financial statements include classified balance sheets, multiple step income statements and statements of cash flow.
- Revenue and expense recognition will be developed in some detail because these rules result in revenues and expenses appearing in a particular year's income statement.
- Revenue recognition criteria will be examined to better appreciate how and when revenues appear in an income statement. Uncollectible Accounts Receivable will be a part of this coverage as well as related topics.
- Inventories and Cost of Goods Sold will be explored because of their significance in balance sheets and income statements. Understanding financial statements of many firms will require an understanding of accounting methods for Inventories.
- Operating assets (property, plant, and equipment) present significant accounting issues because of their size in any enterprise. The variety of accounting methods for operating assets makes this area important.
- Inter-corporate and other investments can pose material accounting issues within the investors' balance sheets. Financial statement users need an appreciation for the impacts accounting methods have on this area.
- Capital sources, both debt and equity, will be developed appropriately. We will examine the accounting issues surrounding the reporting on these capital sources in the financial statements.

II. Management Accounting: In this area of accounting, managers' skills are developed leading to better business decisions through the use of accounting information. These skills will enhance a student's capability of progressing into senior management positions [or becoming a better entrepreneur].

Statement for Student with Disabilities

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 the instructor as early in the semester as possible. DSP is located in STU 301 and is open 8:30 am - 5:00 pm, Monday through Friday. The phone number for DSP is 213-740-0776.

"Blue sheets" should be given to the instructor for any quiz/exam for which the student intends to utilize the testing services facilities to ensure timely delivery of the quiz/exam to STU 301.

Course Format

Each week there are assigned readings in textbooks and the on-line discussions to be read before attempting the assigned homework. Your performance over the entire semester will depend on the preparation you have done before going through the on-line discussion, the energy you apply while going through the on-line discussion and review/study that you do after finishing the on-line discussion.

Review the schedule portion of the **syllabus** to make sure that you have read the appropriate material for each week. This will add value to your learning in the lecture and may shorten the total amount of time necessary to perform well in the course.

The instructor and the instructional assistant [IA] will be available on-line through email each week. They are available to you and appointments can be scheduled for telephone conversations if that is desirable. Make a point to resolve any questions about the course or course content with the instructor or one of the IA. The instructor and the IA can be a valuable source of information and you are encouraged to communicate with them on a regular basis. Timely resolution of problems/questions should enhance your performance on the exams. A typical week's assignments will include reading assignments and completion/submission of assigned homework problems.

Working in Groups

You may wish to create informal groups to discuss on-line various class topics and/or homework. This can be a valuable use of your time and energy.

Grading

Final course grades will be assigned depending upon cumulative course points accumulated by you and your fellow students. Grading will be done on a curve that is responsive to the mean and median points accumulated by all the students completing the course. I have no preconception of the number of points needed to earn a particular letter grade. I will attempt to create exams where the average [mean] score will be in the 70%-75% range. The average student completing the course likely will receive a B+ [3.3/4.0].

Points will be allocated as follows:

Mid-term I	450 points
Final	450 points
Homework	<u>100 points</u>
Total	<u>1,000 points</u>

The exams will be made up of problems/exercises of a computational nature. Some problems may involve matching or true-false responses. There may be some discussion questions included on the exams. Advance announcements will be made related to the nature of the questions/problems on a specific exam. Your preparation on a regular basis throughout the semester should enable you to complete successfully the exams. You will be expected to have learned the material thoroughly enough to efficiently adapt to different assumptions or formats.

*The final exam will **not** be cumulative over the entire semester.* The final exam will generally cover material discussed in class after the mid-term. A word of caution is appropriate: **accounting is cumulative**. The ideas and concepts developed early in the course often become the basis for topics introduced later. The nature of the accounting material in this class does not suggest that you pin your hopes for a good grade on a strong 'second half performance'. Second-half 'comebacks' are more common on the football field [and more spectacular:].

The course schedule contains homework assignments that are to be ready to be turned in during the assigned week. An email address will be provided and this is how you should submit homework and other questions to the IA. Your homework should be done in Word or Excel [or comparable programs] and submitted as attachments to the IA. The IA will review your homework and reply to you confirming receipt of the homework and providing any appropriate feedback. Homework will not be reviewed for correct answers. Solutions and check figures for the assigned homework will be provided. Homework is part of the learning process. To encourage that your learning occur on a continuous basis, there is homework component in the grade determination process.

Exam Schedule

Mid-term I	Week of February 20-24
Final Exam	Week of May 1-5

Make-Up Exam Policy

Exams should only be missed in extreme situations that, in the opinion of the instructor, constitute a true emergency. Any such situation must be supported by documentation deemed adequate by the instructor. If circumstances permit, the instructor's prior approval is required. If an exam is missed without prior approval of the instructor and that approval is not obtained subsequently, the student will receive a score of zero for the missed exam. The instructor reserves the right to choose between two options if a student misses a mid-term for an instructor-approved reason: (a) to administer the mid-term on a make-up basis or (b) to have the final exam score serve as a relative proxy for the missed exam score. [In option (b), the student's subsequent exam score relative to the mean score would be used as the student's score on the missed exam. If a student scored 10% higher than the mean on the final exam, the student would get a score on the missed mid-term exam that was 10% higher than the mean had been for the missed mid-term exam.]

Final exams must be taken by the student at the designated time unless an 'incomplete' [IN] contract has been previously approved according to Leventhal School of Accounting regulations or an adequately documented situation necessitates the exam to be completed later in the university's final exam period. The instructor alone shall decide whether the situation warrants postponing the exam within the final exam period. Advance requests by individuals for exceptions involving the time of a student's final within the university's scheduled finals period will be evaluated by the instructor on a case-by-case basis.

Incompletes

Please review the Leventhal School of Accounting standards for receiving and clearing an 'IN' at the end of this syllabus. Note that only the Dean of the Leventhal School of Accounting, not your instructor, may assign an incomplete [IN] based on these policies.

Academic Integrity

Ethics and values are very important in accounting and in the business world. We will consider ethical issues in accounting throughout this course. Ethics and values are also important in education. The instructor will assume that you are an ethical person, unless there is evidence to the contrary. To help you fulfill your ethical responsibilities as a student, the ethical standards for ACCT 509 are listed below.

Examinations are to be exclusive work of the individual student. If any class resources are to be used by students there will have been a prior announcement authorizing such use. Students shall not seek to obtain assistance from any other student during the exam nor shall any student provide assistance in any form to a fellow student during the exam.

If you know that another student is violating [or has violated] these standards, it is your responsibility to inform the instructor or the IA immediately. Student academic integrity enhances the moral environment of this university. Each of us has an obligation to seek an environment where results are established on the basis of individual efforts and abilities. If you become aware of a violation or a potential violation you have an obligation to take some action. Failure to do anything about a possible violation places you in a situation where you are aiding and abetting the violation [despite the lack of any improvement in your own grade].

Policies Regarding Returned Graded Work

Returned paperwork, unclaimed by the student, will be discarded after 4 weeks. After attempting to return grades exams, quizzes and homework in the classrooms, these materials will be available in the IA office for students with picture IDs to establish identities.

Policies on Reviewing Returned Exams

When mid-term exams are returned to students, an announcement will be made regarding a deadline for reviewing the exam with the instructor by appointment. Before the expiration of that deadline and if a student has been unable to communicate with the instructor by appointment, a written extension may be requested by the student. If granted, the request will be for as many days as the instructor feels are warranted in the circumstances and will apply only to those students whose requests for extension have been granted.

Leventhal School of Accounting Grading and Academic Standards

A summary of the most important grading and academic standards of the Leventhal School of Accounting is attached to this syllabus. These pages contain information on grading matters such as the rules for 'incompletes' and information about the grade requirements for accounting majors

Advice for Achieving Success in this Course During this Semester

Make plans now to commit the appropriate resources [chiefly your time, attention and energy] to learning accounting well enough to allow you to be successful after your 'student days' have ended. An important by-product is a better grade in this course. Most of you will discover that you will work harder than you initially expect in this class, that you will learn more than you initially expect, and that you'll enjoy the class more than you initially expect. There is more *enjoyment* associated with earning an A [4.0] than with earning a B [3.0]. :

Success is available to all in this course. Earn it!