

UCI Paul Merage School of Business

MGMT 30A (Principles of Accounting I) Winter Quarter 2020

CONTACT INFORMATION

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PROFESSOR BIO



Machiavelli W. Chao has been teaching at the Paul Merage School of Business since 2003, and has been honored with numerous teaching awards from his students, the Merage School and the university. He is UCI's 2018 Lecturer of the Year, and the recipient of the 2019 Merage Excellence in Teaching awards.

In the undergraduate program, he teaches financial accounting, individual, corporate and partnership taxation, and business law. In the Fully-Employed MBA program, he teaches business law. As a full-time continuing lecturer, he often represents the Merage School at speaking engagements and educational programs, and has been interviewed by local and national newspapers regarding tax-related topics. He is the faculty advisor for the Accounting Association, Beta Alpha Psi (the national accounting honor fraternity) and Students Consulting for Non-Profit Organizations.

Upon graduation from Cal State Fullerton in 1990 with a Bachelors of Arts degree, *cum laude*, in Business Administration with an emphasis in Accounting, he worked for three years at KPMG Peat Marwick, LLP, rising to the level of supervising senior auditor. After entering law school, he interned with the City Attorney of Huntington Beach, and the Orange County District Attorney, and externed with the Honorable Thomas F. Crosby, Justice, California Court of Appeal, Fourth District. Upon graduation from the University of Southern California in 1990 with his Juris Doctorate, Mr. Chao worked for Ernst & Young, LLP, as a senior tax consultant. Later, as an associate with Graham & James, LLP, he specialized in corporate and real estate transactions, income tax planning and appeals, and estate planning.

From 1999 to current, he has been in his own private law practice in Orange County which serves a wide range of clients, from high-wealth individuals to partnerships, multi-national corporations to non-profit organizations, and local businesses to overseas clients. His firm specializes in counseling clients in business and real estate transactions, including the formation of business entities, the negotiation and implementation of business contracts and the purchase, sale and lease of real estate. Additionally, he focuses on planning clients' estates to minimize the effect of estate and gift taxes through the implementation of estate planning strategies. Further, he advises and represents clients before governmental taxing authorities.

COURSE OVERVIEW

One of the most important measurements of any business organization is the money that comes in, and the money that goes out. And accounting is the key to keeping track of this money. Accounting helps establish consistent procedures to record transactions, to organize these transactions into common reports, and to analyze transaction patterns for informed decision-making. Accounting ultimately helps a business determine its profitability, health and efficiency.

There are two primary goals in accounting. The first goal is to establish generally accepted principles on how transactions are recorded to ensure all businesses report their financial results consistently and fairly. The second goal is provide tools to allow businesses to analyze financial results so managers can make better-informed decisions and implement strategic goals.

Management 30A focuses on this first goal. The objectives of this course are to help students understand the basic financial statements, and to identify the business activities which are required to be reported within them. This course emphasizes how information is gathered in an accounting system, how this information is transformed into a common language, how this information is recorded in a systematic manner, and how this information is presented in a way which allows users to understand the results and operations of the business.

Additionally, another important objective of this course is to help students understand how the gathering and reporting of financial information is affected by the decisions made by management, and the changing environment of doing business. While many of the core components of financial accounting have remained unchanged for over a century, digital technologies have resulted in important innovations related to the accounting practices themselves. Some examples are:

- The popularity of accounting information systems has helped accountants efficiently record transactions, but has come at the cost of many accountants no longer being as familiar with specific accounting principles and the knowledge of how to make journal entries. You will learn about generally accepted accounting principles, and the application of these principles to different types of businesses, ranging from sales businesses to service providers, and from traditional brick-and-mortar stores to e-commerce websites.
- With the use of connected computer systems allowing just-in-time reporting of sale, the gathering of information on sales within a store is now near-instantaneous. You will learn when revenue should be properly recognized by a business, and how this revenue is properly reported on the financial statements.
- The digitization of goods, parts and supplies management systems allows alerts to be sent to managers as to when to re-order goods to restock shelves, supplies for employees and parts for manufacturing, allowing managers to take better advantage of fluctuations in market prices. You will learn how cost of goods sold are recorded, and the effect on the profitability of a business.
- The ability to customize products, especially through e-commerce, has changed how businesses allocate their costs to manufactured goods. You will learn various methods of inventory costing, and why different businesses use specific methods of inventory costing.

The amount of information that must be correctly reported can be overwhelming, and you may be intimidated by all the new accounting principles and rules you will learn in our course. However, through our e-textbook and WileyPlus, you will have access to integrated digital tools to help you understand and practice key accounting concepts so that you will be able to learn them efficiently and effectively.

Learning accounting is not difficult. The key is to not just merely memorize principles. Rather, the best way to learn accounting is to understand the principles by applying them repeatedly to many different examples. Accounting is not just about numbers; rather, it also involves a significant amount of reasoning and analysis. Because each principle learned affects subsequent principles, it is imperative you stay focused, prepare all of the materials ahead of time, and complete each of the assignments.

COURSE MATERIALS

- Financial Accounting: Tools for Business Decision Making (9th edition)
Paul D. Kimmel, Jerry J. Weygandt and Donald E. Kieso

Every student **must** purchase access to *WileyPlus*, the online homework solution for our course. It also contains practice questions and quizzes to help you practice and understand the course materials. And, most importantly, WileyPlus comes with access to an e-textbook. To register for *WileyPlus*, click on the any *Adaptive Practice* or *WileyPlus* assignment in *Canvas*. You will automatically be directed to WileyPlus where you can complete the registration process.

COMMUNICATION POLICY

Because this is an online course, our interactions are intended to be conducted exclusively online. This does not mean we are unavailable or unwilling to assist you. Rather, your primary source of assistance and communication will be through our weekly Zoom.us conference sessions and the Canvas discussion forums.

Please limit your e-mails to **only** those matters which cannot be solved through the Canvas discussion forums. If you must e-mail, send it to: MaxMerage@gmail.com. For the subject line, please use this format: MGMT 30A: (insert your topic). Our TAs and I have joint access to all e-mail sent to this address, and one of us can address your issue efficiently. Please consider it would be unreasonable to expect us to be monitoring e-mail on a 24-hour basis. As such, we commit to respond to your e-mail within twenty-four (24) hours.

If you have any questions regarding a *personal or confidential matter*, you may e-mail me directly at mwchao@uci.edu.

GRADING

| | |
|--|-------------|
| Quizzes #1 and #2 (February 1/2) | 10% |
| Quizzes #3 and #4 (February 15/16) | 10% |
| Quizzes #5 and #6 (February 29/March 1) | 10% |
| Final Examination (March 14-17, March 16-19) | 26% |
| Adaptive Practice/WileyPlus | 10% |
| Zoom.us Conference Sessions | 12% |
| Canvas Discussion Forums | 8% |
| Group Project | 10% |
| Peer Review | <u>4%</u> |
| | 100% |

QUIZZES AND EXAMINATIONS (56%)

Each set of quizzes will cover the materials discussed in the immediately prior classes—these quizzes are NOT cumulative—and will consist of two (2) separate quizzes. The first quiz will consist of multiple-option questions, while the second quiz will consist of up to two (2) short-

answer questions. The Canvas quiz window opens at 8:00 a.m. on Saturday, and closes at 11:00 p.m. on Sunday. The goal of these quizzes is to give you an incentive not to fall behind.

At the end of our class, there will be a two-part cumulative final examination. The first part will be administered via Canvas, and will consist of multiple-option questions. The second part will be administered either via Canvas (with Examity) or at a pre-set date in-person, and will consist of short-answer questions. The goal of the final examination is to test your overall knowledge and understanding of accounting.

ADAPTIVE PRACTICE/WILEYPLUS (10%)

Accounting is impossible to learn by mere osmosis. Because the most effective way to learn is through practice, practice and more practice, you must complete two (2) types of assignments.

First, for each chapter of our textbook, you will be assigned at least twenty (20) questions through Adaptive Practice. *Be warned:* if Adaptive Practice believes you need additional practice, you may be assigned additional questions. Adaptive Practice is a self-assessment tool designed to help you learn the course materials while identifying your strengths and weaknesses. All Adaptive Practice pre-homework will be due every Monday at 11:00 p.m. Second, for each chapter of our textbook, you will be assigned homework on WileyPlus. All WileyPlus homework assignments will be due every Saturday at 11:00 p.m.

If you have issues with Adaptive Practice or WileyPlus, click the “WileyPlus Support” button in the left-hand-side navigation bar on Canvas, where you will find a “Live Chat” option. **Before** contacting us about any issue with Adaptive Practice or WileyPlus, you must have a WileyPlus ticket number which can only be obtained by first contacting WileyPlus Support.

PARTICIPATION (20%)

In addition to our expectation that you view all lecture videos in Canvas, there are two (2) components to your *required* participation in our class. First, each week, you are required to attend at least one (1) online Zoom.us conference session, and actively participate in this session. Active participation means asking questions, answering questions or contributing meaningful comments to the session. Our Canvas website will provide you information as to when each week’s online Zoom.us conference sessions will be held.

Second, you must contribute posts to the Canvas discussion forums. Each discussion forum requires a minimum number of posts—*it varies for each Canvas discussion forum*—by specified deadlines. The goal is for our class to work together to help you learn, and to increase your engagement with the course materials. These posts may consist of starting a new topic, answering questions, or making other comments relevant to our class. While the discussion forums will be moderated, it is unreasonable to expect us monitor them on a 24-hour basis.

GROUP PROJECT/PEER REVIEW (14%)

Because accounting will be new to you and may be confusing, it is important for you to have a network of fellow students to bounce ideas off of, or to seek assistance from. As such, you will be assigned into a group. Each group will complete a project which will require you to track financial transactions for a fictional company. Initially, this project will consist of the periodic posting of journal entries. By the end of the quarter, each group must prepare a complete set of financial statements.

Additionally, so as to provide an incentive to you to contribute to your group, each group will collectively complete a peer review to be completed to evaluate the performance, participation and contribution of each group member.

COURSE SCHEDULE

| WEEK/CLASS | TOPIC | OTHER |
|--|---|---|
| WEEK #0 <i>December 30 to January 5</i> | | <ul style="list-style-type: none"> Academic Honest and Syllabus Quizzes Introductory Post in Discussion Forum |
| WEEK #1 <i>January 6 to 12</i> | <u>Module 1</u> (1A to 1E) Chapter 1: Introduction to Financial Statements Chapter 2: A Look at Financial Statements | |
| WEEK #2 <i>January 13 to 19</i> | <u>Module 2</u> (2A to 2E) Chapter 3: The Accounting Information System | |
| WEEK #3 <i>January 20 to 26</i> | <u>Module 3</u> (3A to 3D) Chapter 4: Accrual Accounting Concepts (Part 1) | |
| WEEK #4 <i>January 27 to February 2</i> | <u>Module 4</u> (4A to 4C) Chapter 4: Accrual Accounting Concepts (Part 2) | |
| ONLINE QUIZZES <i>February 1/2</i> | <i>Chapters 1 through 4</i> | |
| WEEK #5 <i>February 3 to 9</i> | <u>Module 5</u> (5A to 5D) Chapter 5: Merchandising Operations | |
| WEEK #6 <i>February 10 to 16</i> | <u>Module 6</u> (6A to 6E) Chapter 6: Reporting and Analyzing Inventory | <ul style="list-style-type: none"> Start Group Project |
| WEEK #7 <i>February 17 to 23</i> | <u>Module 7</u> (7A to 7C) Chapter 8: Reporting & Analyzing Receivables | |
| ONLINE QUIZZES <i>February 22/23</i> | <i>Chapters 5 through 8 (not including Chapter 7)</i> | |
| WEEK #8 <i>February 24 to March 1</i> | <u>Module 8</u> (8A to 8F) Chapter 9: Reporting and Analyzing Long-Lived Assets | |
| WEEK #9 <i>March 2 to 8</i> | <u>Module 9</u> (9A to 9J) Chapter 10: Reporting and Analyzing Liabilities Chapter 11: Reporting and Analyzing Equity | |
| ONLINE QUIZZES <i>March 7/8</i> | <i>Chapters 9 through 11</i> | |
| WEEK #10 <i>March 9 to 15</i> | <u>Module 10</u> (10A to 10D) Chapter 12: Statement of Cash Flows | <ul style="list-style-type: none"> Submit Online Course Evaluation Complete Peer Evaluation Survey |
| ONLINE MULTIPLE-CHOICE FINAL <i>March 14 to 17</i> | <i>Comprehensive (Everyone takes this)</i> | |
| SHORT-ANSWER FINAL <i>March 16 to 19 or March 19</i> | <i>Comprehensive (Choose either:)</i> <ul style="list-style-type: none"> Online with Examity from March 16 to 19 In-class on March 19 from 1:30 p.m. to 3:30 p.m. in SB1 Auditorium | <ul style="list-style-type: none"> Turn in Group Project (on Wednesday) |

GUIDELINES AND POLICIES

ACADEMIC HONESTY

UCI's policies requiring academic honesty will be strictly applied and enforced. Academic dishonesty includes, but is not limited to, obtaining copies of, or information about, any prior quizzes or examinations given in prior classes. *This specifically includes the use of test banks.* It also includes turning in any work product, including your work on quizzes or examinations, which is not the result of your sole effort, and collaborating with any third party or resource when taking any quizzes or examinations. For information on the duties imposed upon you under UCI's policy on academic honesty, go to: <http://senate.uci.edu/academic-integrity/>.

Academic dishonesty will result in an F for the course plus additional university-level disciplinary action. There will be no exceptions made to this policy as I have no tolerance whatsoever for academic dishonesty. Resist any urge you have to engage in any type of academic dishonesty. Do not believe you can get away with it as you will be caught, and you will be punished.

CHANGES AND MODIFICATIONS

While every effort is made to provide accurate information, I reserve the right to change this Syllabus, including, but not limited to assignments and dates, as necessary in my sole discretion. Every effort will be made to announce any changes in class. However, changes may be made without prior notice. You are encouraged to check the course website each week.

PLEAS FOR RE-GRADING A QUIZ OR AN EXAM, OR FOR A HIGHER GRADE

If you ask us to re-look at a question on a quiz or an exam—not because we made a mistake—because you are looking for extra points to boost your final course grade, we will be happy to do so. But consider yourself warned: we will not just look at that one question; rather, we will re-grade the entire quiz or final exam. This may result in a higher quiz or exam grade. But more likely than not, your quiz or exam grade will fall as we realize we were too generous when we originally graded your quiz or exam. Make this request at your own risk!

This same warning applies to any request for additional points at the end of the quarter. This will result in us re-examining all points which have been awarded to you during our course.

EXCUSES

You are an adult, and you are required to act like one. This means you must read this Syllabus—I don't write this for my own pleasure—and pay attention to and follow all instructions. Additionally, you are expected to **not** make excuses for failing to complete any requirement of this course, to take any quiz or examination as scheduled, or to submit any required assignment.

Any request for an exception to any rule or requirement, or to postpone any scheduled due date, will generally not be looked upon favorably, especially if your request includes any of the following phrases, or similar: "I didn't know" or "I forgot" or "I didn't have time." Further, if you have an assignment or quiz to complete, *and you wait until near the last minute to start it*, then you better hope your Internet connection does not fail because we will not grant any extensions because your Internet failed unexpectedly. Plan ahead accordingly.

HELP!

Our goal is for you not just to pass our course, but to have a thorough understanding of our subject matter. Thus, if you need assistance, please follow these steps in order. First, check to see if the Syllabus contains the information you are looking for. Second, post your question in the Canvas discussion forums which should be your primary source of assistance.

REQUESTS FOR LETTERS OF RECOMMENDATION

Before making a request for a letter of recommendation, make sure you have met these minimum requirements first: (1) you have *completed* at least two (2) courses from me, one (1) of which was an upper-division course; and (2) you received an A- or better in all of these courses. If you do not meet these minimum requirements, because of the already-high volume of requests I receive from former students, the chances of me agreeing to write a letter of recommendation for you will be very low. Of course, exceptions may be made, but they are generally few and far between.

DIVERSITY AND INCLUSIVENESS POLICY

The University of California, in accordance with applicable Federal and State law and University policy, does not discriminate on the basis of race, color, national origin, religion, sex, gender identity, pregnancy, physical or mental disability, medical condition (cancer related or genetic characteristics), ancestry, marital status, age, sexual orientation, citizenship, or service in the uniformed services. The University also prohibits sexual harassment. This non-discrimination policy covers admission, access and treatment in University programs and activities.