

# ACCOUNTING

## (WH) {ACCT}

### SM . EMPIR DESIGN IN ACCT RES.

#### L/R 101. Principles of Accounting I. (C)

This course is an introduction to the basic concepts and standards underlying financial accounting systems. Several important concepts will be studied in detail, including: revenue recognition, inventory, long-lived assets, present value, and long term liabilities. The course emphasizes the construction of the basic financial accounting statements - the income statement, balance sheet, and cash flow statement - as well as their interpretation.

#### L/R 102. Managerial Accounting. (C)

The first part of the course presents alternative methods of preparing managerial accounting information, and the remainder of the course examines how these methods are used by companies. Managerial accounting is a company's internal language, and is used for decision-making, production management, product design and pricing and for motivating and evaluating employees. Unless you understand managerial accounting, you cannot have a thorough understanding of a company's internal operations. What you learn in this course will help you understand the operations of your future employer (and enable you to be more successful at your job), and help you understand other companies you encounter in your role as competitor, consultant, or investor.

#### 201. Financial Accounting I. (A) Prerequisite(s): ACCT 101,102.

This course revisits topics covered in Introductory Financial Accounting (Accounting 101), with a focus on the asset side of the balance sheet: Cash, accounts and notes receivable, inventory, marketable securities, equity investments, PPE, and intangibles. The course also covers revenue and expense recognition issues, and generally accepted accounting principles that affect the format and presentation of the financial statements.

#### 202. Financial Accounting II. (B) Prerequisite(s): ACCT 101,102.

Covers liabilities and equities, especially long-term debt, convertible securities, equity issuance, dividends, share repurchases, employee stock options, pensions, leases, deferred tax, and derivative securities. Related topics covered include computation of diluted earnings per share, disclosure issues, earnings management, and basic financial statement analysis of cash flows.

#### 203. (ACCT703) Cost Accounting. (B) Prerequisite(s): ACCT 101,102, STAT 101,102 & ECON 001.

Deals with the application of statistical tools and decision models to accounting data for the purpose of facilitating managerial control.

#### 208. (ACCT718) Auditing. (C) Prerequisite(s): ACCT 201, 202 or equivalent.

This course includes a consideration of the historical role of the auditor and the changing role in today's environment, the organization of the accounting profession, and the new influences of the Public Company Accounting Oversight Board. It introduces the students to generally accepted auditing standards, professional ethics, and legal liability. A conceptual theory of auditing is discussed and practical examples of auditing techniques and work programs are used to illustrate the application of the theory. The course also covers the auditor's reporting standards and uses case studies and professional journal articles as bases for discussion and analysis.

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**242. (ACCT742) Financial Statements: Analysis & Reporting Incentives. (C)** Prerequisite(s): ACCT 101.

In the course, students learn how to analyze firms' financial statements and disclosures to determine how a firm's particular accounting choices reflect the underlying economics of the firm. As a result, the course strengthens students' ability to use financial statements as part of an overall assessment of the firm's strategy and valuation. The course is especially useful for anyone interested in working on the buy or sell side.

The course provides both a framework for and the tools necessary to analyze financial statements. At the conceptual level, it emphasizes that preparers and users of financial statements have different objectives and incentives. At the same time, the course is applied and stresses the use of actual financial statements. For example, students learn how to detect when firms are managing earnings and/or balance sheets. It draws heavily on real business problems and uses cases to illustrate the application of the techniques and tools.

**243. (ACCT743) Accounting for Mergers, Acquisitions, and Complex Financial Structures. (A)** Prerequisite(s): Prerequisites: ACCT 101, 102, 201, 202.

The objective of this course is to discuss and understand the accounting that underlies merger, acquisition, and investment activities among firms that result in complex financial structures. Key topics include the purchase accounting method for acquisitions, the equity method for investments, the preparation and interpretation of consolidated financial statements, tax implications of mergers and acquisitions, earnings-per-share considerations, the accounting implications of intercompany transactions and non-domestic investments, etc.

**297. (ACCT897) Taxes and Business Strategy. (C)** Prerequisite(s): ACCT 101 and FNCE 101.

The objective of this course is to develop a framework for understanding how taxes affect business decisions. The key themes of the framework - all parties, all taxes and all costs - are applied to decision contexts such as investments, compensation, organizational form, and mergers and acquisitions. The ultimate goal is to provide a new approach to thinking about taxes that will be valuable even as laws and governments change.

**399. Supervised Study. (C)** Prerequisite(s): Senior standing and 3.4 average in major related subjects.

Intensive reading and study with some research under the direction of a faculty member. Approval from one of the departmental advisers must be obtained before registration.

**611. Fundamentals of Financial Accounting. (C)**

The objective of this course is to provide an understanding of financial accounting fundamentals for prospective consumers of corporate financial information, such as managers, stockholders, financial analysts, and creditors. The course focuses on understanding how economic events like corporate investments, financing transactions and operating activities are recorded in the three main financial statements (i.e., the income statement, balance sheet, and statement of cash flows). Along the way, students will develop the technical skills needed to analyze corporate financial statements and disclosures for use in financial analysis, and to interpret how accounting standards and managerial incentives affect the financial reporting process. This course is recommended for students who want a more in-depth overview of the financial accounting required for understanding firm performance and potential future risks through analysis of reported financial information, such as students intending to go into security analysis and investment banking.

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### **612. Accelerated Financial Accounting. (A)**

The intended audience for this course is students with prior knowledge of financial accounting who understand: (1) the recording of economic transactions in the accounting records; (2) the basic financial statements that summarize a firm's economic transactions (the balance sheet, the income statement and the statement of cash flows) and (3) the fundamental concepts needed to prepare or understand published financial statements (e.g. use of accrual accounting). Exploiting prior knowledge, the course aims in six weeks to help students become effective users of financial statements.

### **613. Fundamentals of Financial and Managerial Accounting. (C)**

This course provides an introduction to both financial and managerial accounting, and emphasizes the analysis and evaluation of accounting information as part of the managerial processes of planning, decision-making, and control. A large aspect of the course covers the fundamentals of financial accounting. The objective is to provide a basic overview of financial accounting, including basic accounting concepts and principles, as well as the structure of the income statement, balance sheet, and statement of cash flows. The course also introduces elements of managerial accounting and emphasizes the development and use of accounting information for internal decisions. Topics include cost behavior and analysis, product and service costing, and relevant costs for internal decision-making. This course is recommended for students who will be using accounting information for managing manufacturing and service operations, controlling costs, and making strategic decisions, as well as those going into general consulting or thinking of starting their own businesses.

**706. Cost Management. (C)** Prerequisite(s): ACCT 611/612/613 or waiver. Lecture, case studies, class participation, written group cases, and exams.

This course covers managerial accounting and cost management practices that can be strategically applied across the various functions of a business organization to improve organizational performance. The course emphasizes the methods available to measure and evaluate costs for decision-making and performance evaluation purposes. It reviews a number of cost management issues relating to the design and implementation of strategic, marketing, value analysis, and other management models in modern firms; and identifies major contemporary issues in managerial accounting and financial decision-making. A variety of case studies in different industries and decision contexts are used to examine the application of these concepts.

**718. (ACCT208) Auditing. (C)** Prerequisite(s): ACCT 611/612/613 or waiver.

This course includes a consideration of the role of the auditor, the organization of the accounting profession, and the current audit environment. It introduces the student to generally accepted auditing standards, professional ethics, and legal liability. A conceptual theory of auditing is discussed and practical examples of auditing techniques and work programs are used to illustrate the application of the theory. The course also covers the auditor's reporting standards and uses case studies and professional journal articles as bases for discussion and analysis.

**747. Financial Statement and Disclosure Analysis. (C)** Prerequisite(s): ACCT 611/612/613 completed or waiver.

This course focuses on the analysis of financial communications between corporate managers and outsiders, including the required financial statements, voluntary disclosures, and interactions with investors, analysts, and the media. The course draws on the findings of recent academic research to discuss a number of techniques that outsiders can use to detect potential bias or aggressiveness in financial reporting. FORMAT: Case discussions and lectures. Comprehensive final exam, group project, case write-ups, and class participation.

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### **SM 910. Accounting Theory Research. (A)**

The course includes an introduction to various analytical models and modeling/mathematical techniques that are commonly used in accounting research as well as related empirical applications.

### **SM 921. Empirical Research in Accounting I. (B)**

The course covers empirical research design and provides students with a perspective on historically important accounting research. Topics covered such as research on the time-series and cross-sectional properties of financial accounting measures, capital markets behavior, financial intermediaries, and international accounting research.

### **SM 922. Empirical Research in Accounting II. (B)**

The course covers empirical research design and provides students perspective on historically important accounting research. Topics covered such as research on the time-series and cross-sectional properties of financial accounting measures, capital markets behavior, financial intermediaries, and international accounting research. Topics covered may include corporate governance, executive compensation, debt contracting, accounting regulation, tax, and management accounting.

**SM 930. Empirical Design in Accounting Research.** Prerequisite(s): At least one graduate level course in econometrics.

Course on empirical methods and their application to accounting research topics.