



Accounting 380K.1 – Fall 2018

Financial Accounting Standards and Analysis I for MPA's **

Unique 02600 2:00-3:30 p.m. in GSB 3.138

**Integrated program, traditional, and ECO-MPA. Prerequisite for Integrated MPA is ACC 356; for traditional MPA and ECO-MPA, it is ACC 381.

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

- (1) to learn about current U.S. financial reporting, including (some) international financial reporting standards (IFRS),
- (2) to consider the economics of transactions and events, and understand whether and how financial reporting captures those economics. This sort of thinking is the foundation for understanding how equity and credit analysts use financial reports (and how they might make adjustments to them). This sort of thinking also allows you to learn about business (i.e., broadens your thinking beyond just debits and credits).
- (3) to learn how to reason about financial reporting problems in a forward direction, similar to what preparers normally do (i.e., work forward from the data to journal entry to financial statement) **and** to learn how to reason about financial reporting problems in a backward direction, similar to what financial report users do (i.e., work backward from financial statement and footnote data to journal entry).

Professor: Lisa Koonce
Email: Lisa.Koonce@mcombs.utexas.edu
Consultation
Location / Phone: CBA 4M.238 / 471-5576
Consult Hours: Monday 3:30-5:00 p.m.
 Wednesday 3:30-5:00 p.m.
 Anytime on Canvas discussion boards

FOR HOMEWORK, EXAM AND CASE CONSULTATIONS

Assistants: Laura Savoie
Email: Laura.Savoie@mcombs.utexas.edu
Location: CBA 5.334L or in adjacent PhD Student Lounge if it gets too busy in her office
Consult Hours: Tuesday 3:00 – 4:30 p.m.
 Thursday 11:00 a.m. – 12:30 p.m.

BRING YOUR NAME PLATE TO CLASS

COURSE MATERIALS

TEXT: **INTERMEDIATE ACCOUNTING**, by Kieso, Weygandt, and Warfield, 2016, 16th edition. Available for purchase at Co-Op in hardbound (new or used) or loose-leaf form. Many cheaper options exist: Available for hard copy rental on Amazon.com or (perhaps) Chegg.com. Available for e-purchase or e-rental in several places, including Kindle.

Unless you buy a new book at the Co-Op, you are not likely to have access to the Chapter 21 Update-Accounting for Leases. This updated chapter just came out last year. I can provide the updated chapter to you in November.

No matter what kind of book you buy/rent, you will not have access to the newly revised Chapter 19 on Accounting for Income Taxes. I'll provide the updated chapter to you in class in early September.

CLASS NOTES: These are essential, cannot-do-without class notes. Bring the relevant parts to class each day. I have prepared a packet containing my class notes. These notes contain (1) my class notes, (2) the "Additional Problems in Class Notes" indicated on the syllabus, and (3) old exams.

Based on feedback from students who have taken this course previously, your primary source of studying topics in this course probably will be these class notes. Students have indicated to me that they rely heavily on the class notes and homework problems to study for exams. Spending time reading every word in the textbook was not deemed as productive for several 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),
- (3) the textbook forces students to think only about current accounting; many aspects of this course involve thinking about alternative perspectives, some of which are not currently allowed (but were or will be entertained by standard setters), and
- (4) some topics are not discussed in the book.

Thus, you are encouraged to use the textbook as a reference tool; read excerpts from the textbook as necessary. For most, reading the textbook on an *as needed basis* after we talk about a topic in class will work best. For others, reading it before class optimizes their performance in this class. **DO WHAT WORKS BEST FOR YOU.**

Available for purchase at Jenn's Copy and Binding (2518 Guadalupe – at intersection of Guadalupe and Dean Keeton).

SOLUTIONS TO HOMEWORK PROBLEMS: This packet contains the solutions to all of the practice homework problems homework problems. It does not include those to be turned in for course credit (solutions for these will be available on Canvas right after the due date/time). Available for purchase at Jenn's Copy and Binding (2518 Guadalupe – at intersection of Guadalupe and Dean Keeton).

BE SURE TO GET THE CLASS SUPPLEMENTS DESIGNATED FOR YOUR SECTION. I TEACH A SIMILAR-ISH OTHER CLASS FOR MBA'S, AND THEIR MATERIALS DIFFER FROM YOURS.

ACCOUNTING STANDARDS: Your course fees allow us to purchase a site license to the FASB standards. The internet address is: <http://aaahq.org/FASB/Access.cfm>

Login Information: Before September 4, 2018: USER ID: AAA51055 PW: 6fJHf2Z
After September 4, 2018: USER ID: aaa75945 PW: Acce7594

COURSE REQUIREMENTS

EXAMS: There will be two mid-term exams and one final exam. With the exception of the final exam, each exam only covers the material covered in that portion of the course. The final is not cumulative, but it will have at least two topics from the previous components of the course – the two topics that it will definitely have are statement of cash flows and deferred taxes.

My exams are problem based. They are not memorization exams. Accordingly, for the three exams, you can bring a 4 x 6 inch index card "cheat sheet." Writing on both sides is acceptable.

HOMEWORK: There will be 13 homework assignments. These homework assignments exist to allow you to stay up to date on the material (it's easy to let things slide and somewhat disastrous in this class if you do). Homework is graded on an effort, not accuracy, basis.

Homework is to be uploaded onto canvas by 10:00 a.m. on the due date (unless otherwise indicated).

CASES: There will be two case assignments—they are done in three-person teams. These cases are real world situations (names have been changed) where there is no right answer. These cases complement the other material in the course which, for the most part, has right answers. As you progress in your accounting career, the "right answer" situations will become uninteresting and the "no right answer" situations will become much more interesting. Thus, part of your training in this class is to help you deal with (i.e., solve) unstructured, no-right-answer situations.

The cases for this class will be distributed about two weeks before the assignment is due. Your (three-page) case write-up should describe alternative solutions, cite references to relevant accounting standards, precedents, etc., and recommend a course of action.

Where to get your teams? On Wednesday, September 5th, you will be notified by email with the specifics of your three-person team for the two cases.

CLASS ATTENDANCE: Attendance is not part of the course grade.

GRADES

POINT ALLOCATION:

Course grades are made on a plus-minus basis and are determined by the following weighting scheme:

Exam 1	210 points	21%
Exam 2	250 points	25%
Final Exam	290 points	29%
Homework	100 points	10%
Team cases	<u>150 points</u>	<u>15%</u>
TOTAL POINTS	<u>1000 points</u>	<u>100%</u>

HOW DO I DO THE GRADING?

Exams: Exams are problem based and so we do assign partial credit. To the extent that I can tell you made a purely math mistake (i.e., you wrote $\$100 \times 40 = \3000), I do not take off points. Hence, showing your work is important!!

I grade on a curve, which is determined based on the class performance. Once I curve an exam, the curve "sticks." That is, I don't re-curve prior exams at the end of the term.

No make-up exams will be given. Medical emergencies and family emergencies are the only valid reasons that will be accepted for missing an exam. You must provide supporting documentation (e.g., signed note from a physician) if you do miss an exam. If you are excused from an exam, the other two exams will be re-weighted (e.g., if you miss the first exam, the second and final exams will be re-weighted). If you do not have a valid reason for missing an exam, you will receive a zero on the exam, which usually implies failing the course.

Homework: Unless otherwise noted, the homework will be graded on an effort, and not accuracy, basis. Homework is scored on a 0, 1, 2, 3 basis. You will receive full credit for a problem if the grader concludes that you made a reasonable effort; you will receive a zero if you did not turn in the homework (or turned it in late). Scores of 1 and 2 are based on partial completion of homework or signs of "faking out" on effort.

Two homework assignments will be dropped (i.e., your lowest two scores will automatically be dropped at the end of the term). So your homework score will be based out of the highest 11 homework scores you have (out of 13 homework assignments). Homework is considered late (score of 0) if received after 10:00 a.m. on the due date.

Cases: Because of the lack of a "right answer" to these cases, they are graded on a relative basis (your case write-up relative to the other groups). When grading, we are looking for cogent and articulate arguments that "make the case" for the solution you have proposed.

How to I deal with the free-rider problem on these cases? At the end of the semester, each team member will provide a **confidential** evaluation of him/herself and the other team members for their team. I will consider this information and make any necessary adjustments to the case grade for specific individuals in the team (e.g., a team member who does not contribute their share will get a deduction from the grade on the cases). The maximum downward adjustment is the earned score on the cases.

HOW TO DO WELL IN THE CLASS?

GET GOING WITH A SOLID FOUNDATION:

I would *highly* recommend that those of you who feel in any way nervous about your skills at making accounting entries to listen to the one-hour video I have done on the topic of "review of accounting." There also are class notes to accompany the video (also on Canvas). Further, you can read through Chapter 3 of the textbook and work some problems. Work through as many as you need to feel comfortable with making accounting entries. Suggested: E3-1, E3-8, E3-20 (don't do part B), P3-1, P3-5, P3-6, P3-8, P3-9, and P3-12. Solutions to these problems will be passed out on day #1 of class (and are on Canvas).

CLASS ATTENDANCE AND HOMEWORK:

In my opinion, class attendance and homework are the two most important components of this course. Why?

Reason #1: The course moves quickly. So if you miss class, you have to figure out the material on your own. That typically takes at least triple the time I spend on it in class. That is, easier to listen to me than to do it on your own. There is a lot of material in ACC 380K.1 and I make every effort during class to indicate what is important in the real world (and, thus, this class). 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.

Reason #2: Much of what I cover in class is not in the textbook.

If, for some reason, you have to miss class, I strongly recommend that you obtain the class notes from someone else and, if possible, also have them audio record the class. It's an easy way to ensure that you can get up to speed on the material you missed.

Reason #3: Since the content of this course is largely 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.

There are homework problems from the textbook and in my class notes. What is the difference? I generally write problems when I feel the textbook is deficient in a particular type of problem. So you should view the two as complements and not substitutes. If you don't do all of the problems for a particular topic, be sure to scan all problems and make sure you get coverage on all types of problems/subtopics within a particular topic.

USE THE RESOURCES THAT ARE AVAILABLE:

CANVAS: I am a big user of Canvas. What do I use there, you ask?

Solutions to homework that is turned in for credit will be available on Canvas the day that you turn it in.

Discussion boards are available on Canvas. The TA and I will monitor these discussion boards, providing timely answers to questions. I have no problem with your answering questions too (the easiest way to learn something is to try to explain it to somebody else); we'll monitor those posts as well, to ensure that nothing erroneous gets posted.

The only kind of question you should not post on Canvas are case-related questions as those need to be privately communicated to me or the case TA via email (you don't want to give away your case insights on Canvas!).

Corrections to homework solutions will be posted on the announcement portion of Canvas for the course – I'll label them as MAJOR and MINOR, depending on their severity.

Short Adobe Connect videos of me (or my hands anyway) doing the following:

- (1) doing a one-hour review of accounting to shore up your understanding of basic concepts –this should be watched, as necessary, no later than Labor Day weekend, given the speed of the course – don't fall behind;
- (2) providing a review of futures, forwards, options and swaps (early October) for those who have not had the investments class; and
- (3) working some homework problems for selected topics so you can see somebody solving them (this is basically a review session, available when it makes sense for you—works better than having an in-person review session where many people cannot attend due to conflicts, etc.).

PROFESSIONAL CONDUCT

The Department of Accounting is making a concerted effort to focus students' attention on their professional conduct. Why? We are the #1 program in the country, but this ranking can easily be undermined by a lack of professional conduct.

Developing and protecting the value of an MPA degree influences everything I do and should influence your behavior as well. The McCombs MPA brand will open doors for you, but it does not provide you with entitlements. You will still have to earn the benefits of being branded as a McCombs MPA. Because you are a McCombs MPA student, many employers will want to hire you BEFORE they get to know you. It is your responsibility to exhibit professional behavior so that they will want to hire you when they meet you and will be glad they hired you AFTER you begin work. This of course will also ensure that your degree reflects well on you and your fellow graduates throughout your careers.

What does it mean to be professional? *Behaving with the highest level of integrity, respect for others, and ethics.* Stand by your word, make good decisions, and take responsibility for your actions. Respect the views of others. This does not mean that you always need to agree with your colleagues or your faculty, but you must show courtesy and respect for your fellow students and to faculty, TA's, program directors, and staff. In turn, we will show you the same.

For this class

Professional behavior is not only required when interacting with someone outside of the university environment, but it also is expected in your classes. Therefore:

1. **I expect students to arrive to class on time.** It is very disruptive to me and other students when you enter the classroom after class has begun. You distract us in your search for a vacant space and interrupt the flow of the lecture/discussion. I do not expect you to waste my time or the time of other students in this fashion.

2. **I expect that all electronic devices will be turned off once class begins.** Laptops, smart phones, etc. are to be turned completely off. Getting up in the middle of class to “take a call” outside is unnecessary, absent truly extraordinary circumstances. Further, I expect that reading of non-class materials will stop once class starts.
3. **I expect students to not take personal breaks during class.** Of course from time to time a student must leave class for one important reason or another, but students leaving and returning during class is very disruptive, so please keep these disturbances to an absolute minimum.
4. **I expect that you will not have conversations or write notes back and forth** with other students during class.
5. **I expect that you will be respectful of me, my TA, and of the other students in the class.** If someone asks an odd question during class, think about how you can later help that student understand the material rather than expressing your displeasure with various facial contortions. Practicing a professional response in the classroom will serve you well in the future.
6. **I expect you to be diligent in working with your teams** for the case assignments and to be a team player, not a problem member.
7. **I expect you to be responsible for getting the course notes and in-class handouts** on any day that you must miss class. It is not my responsibility to secure missed material for you.

In return, you can expect me and my TA to:

1. **Be in class and office hours on time.** If I cannot be in office hours (rarely occurs), then I will reschedule and double my office hours for the time missed, to compensate for your inconvenience.
 2. **Be respectful of your need to learn the material in this class.** Thus, we will provide timely and enthusiastic responses to questions made in person or on Canvas and keep you up to date on changes in the syllabus or homework solutions, again on a timely basis. You can expect us to return homework, cases, and exams in a timely fashion to enhance your learning experience.
 3. **Provide you with an education** that will prepare you well for the long-term.
-

BEING A BUSINESSPERSON

Being a businessperson involves knowledge. One source of knowledge involves knowing what is going on in the business world. Thus, I encourage you to get access to a business publication and to read it on a regular basis. I realize that time is a scarce commodity but even a little bit of reading here and there (easy to do with the various portable devices almost all of us have now) is much better than no reading. I recommend:

1. The Wall Street Journal. It's THE newspaper of business.
2. Financial Times. It's equivalent to the international version of Wall Street Journal.
3. Fortune. It comes out every couple of weeks and has longer and more in-depth articles.
4. Forbes.
5. The Economist.
6. Bloomberg Business Week.
7. Barron's

DEPARTMENTAL POLICY ON SCHOLASTIC DISHONESTY

The Department of Accounting 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 department's Policy Statement on Scholastic Dishonesty in the MPA Program. 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.

Application of Departmental Policy to Writing Assignments in this Course

CASES

Each team's case solution should be independently prepared. Each team should not refer to other students, other team's solutions, or to solutions prepared in previous semesters. All questions on cases are to be directed to me or the case TA for my sections. Violation of this policy will be treated as an act of "scholastic dishonesty." Evidence of non-independent work will be forwarded to the Dean of Students with a recommendation that a grade of "F" be assigned in the course.

GRADED HOMEWORK

Working on the homework assignments with other students who are currently enrolled in ACC 380K.1 is permitted (and encouraged). However, merely copying the work of another student who has previously completed the homework assignment is not permitted. Copying homework solutions from the solutions manual, another instructors' solution packet, a previous semesters' solution packet, or any other source also is not permitted. Violation of this policy will be treated as an act of "scholastic dishonesty." Evidence of violation of this policy will be forwarded to the Dean of Students with a recommendation that a grade of "F" be assigned in the course.

EXAMS

Each student is expected to independently complete the exams during the designated exam period. Each student should not refer to other students' exam solutions or discuss the exam with other students during the exam period. Violation of this policy will be treated as an act of "scholastic dishonesty." Evidence of non-independent work will be forwarded to the Dean of Students with a recommendation that a grade of "F" be assigned in the course.

Other

Password-protected class sites will be 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 email, engaging in class discussions and chats, and exchanging files. In addition, class email 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/qi02-03/app/appc09.html>. 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.

Date	Chapter	Topic	Assignment (both homework to turn in and homework not to turn in) CA=case; E=exercise; P=problem from textbook	Due date for homework (indicated by those that are underlined)
PART I OF CLASS: ESSENTIALS FOR CFO's				
W 8/29	3, 8, 11	Hand out syllabus Review of basic accounting concepts (no class coverage; see online video review) The Bigger Picture (passed out in class – if you did not get a copy, see Canvas)	<u>P3-10, P3-11, E8-17, E11-4, Review Problem A</u> (Review Problem A will be passed out in class on August 29 th —day #1) (NOTE: If you are delayed in obtaining the textbook and/or class notes, go to my Canvas course page and download relevant materials for these homework assignments.)	Wednesday, 9/5 by 10 a.m. <div>HW 1</div>
<div>AFTER CLASS: READ OVER THE BIGGER PICTURE CLASS NOTES.</div>				
Week of 9/3	Booklet (on Canvas; Videos on Canvas)	Searching Accounting Standards, EDGAR, etc. and Analyzing/Writing Cases (video class)	<u>Additional Problems in Class Notes A-E</u> (This assignment relates to the Search topic and will be passed out in class on August 29 th —day #1.)	Friday, 9/7 by 4:30 p.m. <div>HW 2</div>
<div>I have recorded two videos: (1) Searching the FASB Codification, EDGAR, etc. (2) How to solve cases. (See Canvas for both.) Using video allows you to go back to the video as you need to when solving the cases for this class; doing it in class without an impending assignment is less effective, in my experience.</div>				
M 9/3	Labor Day – No Class			
W 9/5	5, 13, 24	Risks and Uncertainties Start Statement of Cash Flows with leftover time so bring those notes.	CA13-4, CA13-5, CA13-6, E13-13, <u>P13-10</u> , P13-11, E24-1, E24-2 <u>Additional Problems in Class Notes A</u>	Monday, 9/10 by 10 a.m. (note other homework due on Monday 9/10 -- see below) <div>HW 3</div>
<div>PREPARATION: READ PAGES 224-225, 673-676, 683-684, AND 1409-1413 FROM TEXTBOOK.</div>				
M 9/10	5 + 23	Statement of Cash Flows	<u>E23-3, E23-4</u> , E23-5, E23-6, E23-15, E23-16, P23-3, P23-7, P23-8, Financial Reporting Problem – Procter & Gamble, Financial Statement Analysis Case – Vermont Teddy Bear Co. (part a only) Additional Problems in Class Notes A-E NOTES: Problems A through D have deferred taxes in them, so do them after we have gone through that topic.	Monday, 9/10 by 10 a.m. (note other homework due on Monday 9/10 -- see above) <div>HW 3</div>
<div>PREPARATION: YOU'VE HAD THE SCF TOPIC BEFORE IN YOUR ACCOUNTING CLASSES. THUS, THE ASSIGNED HOMEWORK FOR THIS TOPIC IS DUE AS WE ARE DISCUSSING THE TOPIC RATHER THAN THE USUAL PROCEDURE OF AFTER WE DISCUSS THE TOPIC. READ PAGES 113-118, 216-221, AND 1330-1353 FROM TEXTBOOK. NOTE THAT THERE ARE A LOT OF PROBLEMS HERE TO PRACTICE, PERHAPS MORE THAN SOME OF YOU NEED (YOU BE THE JUDGE). THE TEXTBOOK PROBLEMS ARE PROBABLY THE PLACE TO START THOUGH, TO BE SURE YOU'VE GOT BASICS DOWN. THEN MOVE TO THE ADDITIONAL PROBLEMS IN CLASS NOTES, WHICH FOR THIS TOPIC, ARE OLD EXAM PROBLEMS.</div>				

Date	Chapter	Topic	Assignment (both homework to turn in and homework not to turn in) CA=case; E=exercise; P=problem from textbook	Due date for homework (indicated by those that are underlined)
W 9/12	4	Comprehensive Income Statement and Discontinued Operations	E4-8, E4-15, P4-7, Additional Problems in Class Notes A <u>Additional Problems in Class Notes B and C</u>	Monday, 9/24 by 10 a.m. (note other homework due on Monday 9/24 -- see below)
AFTER CLASS: READ PAGES 152-167 AND 173-176 FROM THE TEXTBOOK.				HW 4
M 9/17	19 NEW	Deferred Taxes	<u>E19-2, E19-4 (use 20% marginal rate; pollution fines are nondeductible), E19-10, E19-12, E19-13, E19-15 (use 40%, 20% and 20% as marginal tax rates for 2019, 2020, and 2021), E19-22, P19-1 (municipal interest not taxable), P19-2, P19-4 (use 20% for marginal rate; insurance and pollution not deductible; bond revenue not taxable), P19-5, P19-6 (use 30% marginal rate for 2021-2023, and then 20% thereafter)</u> NOTE: for any problem with an NOL, no carrybacks allowed, and indefinite carryforward. NOL deduction is limited to 80% of taxable income in a given year. Additional Problem in Class Notes A – C	Monday, 9/24 by 10 a.m. (note other homework due on Monday 9/24-- see above)
PREPARATION: WE HAVE AN UPDATED CHAPTER 19 FROM THE AUTHORS – WITH NEW TAX LAW REFLECTED IN IT. READ PAGES 19-1 THROUGH 19-29.				HW 4
W 9/19	19 NEW	Deferred Taxes continued...	See above	
F 9/21	Case #1 due – put in Case Box located in CBA 4m.202 (Department of Accounting) by 4 p.m.			
M 9/24	22	Retained Earnings Statement - Accounting Method (versus Estimate) Changes and Restatements	E22-1, E22-6, E22-7, <u>E22-12 (the double declining balance depreciation is \$148,395 total up to 1/1/2018)</u> , E22-13, E22-14, E22-15, P22-2, P22-3, P22-6 Additional Problems in Class Notes <u>B and F</u> Additional Problems in Class Notes A, C, D, and E	Monday, 10/1 by 10 a.m.
PREPARATION: READ PAGES 170-173 AND 1266-1291 FROM TEXTBOOK. NOTE THAT FOR THE 1270-1274 PAGES, THERE IS DISCUSSION OF REVENUE RECOGNITION METHODS THAT WE MAY NOT BE EASILY REMEMBERED BY YOU FROM PREVIOUS CLASSES, SO KEEP THAT IN MIND WHEN READING THOSE PAGES.				HW 5
W 9/26	22	Retained Earnings Statement -- Accounting Method (versus Estimate) Changes and Restatements continued...		
M 10/1	Catch-up / Do Work Backwards Problems			
W 10/3	NO CLASS – TIME OFF FOR FIRST NIGHT EXAM FIRST EXAM to be held from 5:05 p.m. to 7:35 p.m. in RRH 4.408 (will start my MBA class at 5:00 p.m. – hence, odd start time).			

Date	Chapter	Topic	Assignment (both homework to turn in and homework not to turn in) CA=case; E=exercise; P=problem from textbook	Due date for homework (indicated by those that are underlined)
PART 2 OF CLASS: FINANCIAL INSTRUMENTS				
M 10/8	15	Equity	E15-2, E15-3, E15-21, E15-22, Additional Problems in Class Notes A-E	
PREPARATION: READ PAGES 671-672, 719-731, 737-742, AND 941-944 FROM THE TEXTBOOK.				
W 10/10	13 + 14	Long-Term Liabilities (and the fair-value option)	Use effective-interest method on all problems throughout the course. CA13-2, <u>CA13-3</u> , E13-8, E13-9, E14-9, E14-10, E14-16, E14-19, E14-20, <u>P14-1</u> (assume interest is paid on December 31, not January 1; also indicate how the balance sheet, income statement, and SCF would look for 2011 and 2018), P14-10 (skip part d), Additional Problems in Class Notes A-B, D, and G-L <u>Additional Problems in Class Notes C, E, and F</u>	Friday, 10/19 by 10 a.m.
PREPARATION: READ PAGES 671-672, 719-725, 730, 737-742, AND 941-944 FROM THE TEXTBOOK.				
Sometime during week of 10/15	Optional Online Review Session -- <i>Review of Calls, Puts, Options, Forwards, Futures, and Swaps.</i> I have recorded a one-hour review session on the basics of calls, puts, options, forwards, futures, and swaps. I don't do any accounting (we do that in class starting on 10/17), just the basics of what these instruments are. If you have taken FIN 367—INVESTMENTS (or its equivalent), you are in fine shape and probably don't need this review. The class notes/problems are in your course packet.			
M 10/15	13 + 14	Long-Term Liabilities (and the fair-value option)		
W 10/17	17A	Derivatives	E17-24, E17-26, E17-28, P17-12, P17-13, P17-15, <u>P17-16 (show comprehensive income rather than just income statement)</u> , <u>P17-17</u> Additional Problems in Class Notes A-C, E, H-K <u>Additional Problems in Class Notes D, F, and G</u>	Friday, 10/26 by 10 a.m.
PREPARATION: READ PAGES 923-940 FROM TEXTBOOK.				
M 10/22	17A	Derivatives	See above	
W 10/24	17A	Derivatives	See above	
M 10/29	16	Compound Financial Instruments	CA16-1, <u>CA14-2</u> , E14-12, E14-13, E14-14, E14-15, E16-1, <u>E16-3</u> , E16-4, E16-7, E16-8, E16-9 Additional Problems in Class Notes C, D, and E <u>Additional Problems in Class Notes A, B, and F</u>	Friday, 11/2 by 10 a.m.
PREPARATION: READ PAGES 836-842 FROM TEXTBOOK. PAGES 891-894 OF THE TEXTBOOK TALK ABOUT HOW BIFURCATION OF CONVERTIBLE DEBT WORKS FOR IFRS WHERE CONVERTIBLE DEBT IS ALWAYS BIFURCATED. THE GENERAL DISCUSSION WILL BE HELPFUL FOR OUR DISCUSSION OF US GAAP IN THOSE CASES WHERE IT IS BIFURCATED. SO WHY DOESN'T THE TEXT JUST TALK ABOUT THIS BIFURCATION CONCEPT IN THE CASE OF US GAAP? THE TEXTBOOK IS NOT QUITE RIGHT WHEN IT SAYS US GAAP DOES NOT BIFURCATE CONVERTIBLE DEBT—UNDER SOME CIRCUMSTANCES (CASH SETTLEMENT OPTION), IT IS BIFURCATED.				

Date	Chapter	Topic	Assignment (both homework to turn in and homework not to turn in) CA=case; E=exercise; P=problem from textbook	Due date for homework (indicated by those that are underlined)
W 10/31	16	Stock-Based Compensation	E16-12, E16-13, E16-14, <u>P16-3</u> , <u>P16-4</u> Additional Problems in Class Notes A, B, and F <u>Additional Problems in Class Notes C, D, and E</u>	Monday, 11/5 by 10 a.m. <div>HW 9</div>
PREPARATION: READ PAGES 843-851 AND 863-866 FROM TEXTBOOK.				
M 11/5	Catch-up / Do Work Backwards Problems			
W 11/7	NO CLASS – TIME OFF FOR SECOND NIGHT EXAM SECOND EXAM to be from 5:05 p.m. to 7:35 p.m. in RRH 4.408 (will start my MBA class at 5:00 p.m. – hence, odd start time).			
M 11/12	16	Earnings Per Share	<u>E16-15</u> , E16-18, E16-22, E16-23, E16-24 (use effective interest method here-do not use straight-line as the problem states), E16-25, E16-26 (assume options are not employee stock options), E16-28, <u>P16-8</u> (assume options are not employee stock options), Additional Problems in Class Notes A-D	Monday, 11/19 by 10 a.m. <div>HW 10</div>
PREPARATION: READ PAGES 851-863 AND 867-870 FROM TEXTBOOK.				
PART 3 OF CLASS: OPERATING THE BUSINESS				
W 11/14	21 NEW	Leases	E10-19, P10-8, P10-9, P10-10, E21-10 (don't do reversing entries), E21-11, E21-19, E21-20, E21-21, E21-22 (don't do part e), P21-7, P21-8, P21-9, P21-10, P21-11 (don't do part d), P21-12 Additional Problems A-E, H-I, L-N <u>Additional Problems in Notes F, G, J, K</u>	Friday, 11/30 by 10 a.m. <div>HW 11</div>
PREPARATION: READ PAGES 21-1 THROUGH 21-34 AND APPENDIX C FROM THE 2017 FASB UPDATE – CHAPTER 21 UPDATE – ACCOUNTING FOR LEASES. ALSO READ PAGES 516-520 FROM TEXT (THIS IS ON NONMONETARY ASSET EXCHANGES).				
M 11/19	21 NEW	Leases	See above	
W 11/21	NO CLASS – DAY BEFORE THANKSGIVING			
M 11/26	21 NEW	Leases	See above	

Date	Chapter	Topic	Assignment (both homework to turn in and homework not to turn in) CA=case; E=exercise; P=problem from textbook	Due date for homework (indicated by those that are underlined)
W 11/28	20	Pensions	E20-2, E20-6, E20-8, E20-10, E20-11, E20-12, E20-13, E20-17 (skip question a), <u>P20-3</u> , P20-4, P20-5, <u>P20-7</u> , <u>P20-11</u> , <u>P20-12</u> Additional Problems in Class Notes A-D	Friday, 12/7 by 10 a.m. <div>HW 12</div>
PREPARATION: READ PAGES 1116-1145 FROM TEXTBOOK.				
F 11/30		Case #2 due – Put in Case Box located in CBA 4M.202 (Department of Accounting) by 4 p.m.		
M 12/3	20	Pensions		
W 12/5	8 + 9	Inventory	CA 8-6, CA 8-9, <u>E8-21</u> , E8-20, E8-23, <u>P8-8</u> , <u>P8-9</u> , P8-10, E9-3, E9-5, E9-7, E9-8, <u>P9-2 (skip c)</u> , <u>P9-5 (skip c)</u> , Financial Statement Analysis Case 1 Additional Problem in Class Notes A <u>Additional Problem in Class Notes B</u>	Monday, 12/10 by 10 a.m. <div>HW 13</div>
PREPARATION: READ PAGES 402-415 AND 444-452 FROM TEXTBOOK.				
M 12/10		Catchup		
FINAL EXAM: Monday, December 17 th from 2-5 p.m.				