# Department of Accounting ACC 311 - Fundamentals of Financial Accounting Summer, 2013 Syllabus – Quick Reference

**Instructor:** Christopher Yust

**E-mail:** christopher.yust@phd.mccombs.utexas.edu

Office: CBA 3.332W

**Office Hours:** MW 10:30am-12:30pm or by appointment

Email questions are also welcome

Class time and Unique # 71345

**location:** Monday-Thursday; 8-10am; UTC 1.116

# **Required materials**

➤ <u>Textbook</u>: *Financial Accounting*, 7th Edition, by Libby, Libby, and Short, (McGraw-Hill/Irwin, 2011)

- Accounting Cycle Supplement: *Solid Footing: Building an Accounting Foundation*, 6th edition, by Dan Wiegand, (Micro Solve, Inc., 2012)
- ➤ <u>A basic FINANCIAL calculator</u>: The department does not allow graphing calculators or other calculators with text memory during examinations. I will teach with the HP 10bII.

# Other important information

- ➤ Note: It is your obligation during the first week of class to ensure that you can access the class site on *Blackboard*, and that the email account you use is correctly recorded in the UT-Austin Registrar system.
- Attendance in class is strongly encouraged and class participation is expected of all students.

# **Important dates**

6/11	Solid Footing 1-1, 2-1 due	6/19	Quiz #1	7/2	Exam 2 - UTC 3.102
6/12	Solid Footing 3-1, 4-1, 5-1 due	6/24	Quiz #2	7/8	Quiz #5
6/13	Solid Footing 6-1, 7-3 due	6/26	Quiz #3	7/10	Quiz #6
6/17	Exam 1 - UTC 3.102	7/1	Quiz #4	7/12	<b>Cumulative Final Exam</b>

#### **Course assessment**

Assignment				
Exam 1	25%			
Exam 2	25%			
Cumulative Final Exam	30%			
In-Class Quizzes (Best 5 out of 6)				
Solid Footing Homework (3)				
Total	100%			

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NOTE: There is a special distribution system for *Solid Footing* to save students money and to ensure that every student has the necessary tools to do Solid Footing Assignments on a timely basis. *Directions for acquiring the Solid Footing Tools are Posted on Blackboard*.

# Strongly recommended materials and supplements

- Lecture notes: Available on Blackboard
- ➤ Homework solutions: Available on Blackboard
- > Sample ACC 311 exams: Available on Blackboard

# Additional publisher supplements (if desired for additional support)

- ➤ <u>Student CD ROM</u>: *Financial Accounting*, 7th Edition (generally only available with <u>new</u> textbook purchases)
- > <u>Study Guide</u>: *Financial Accounting*, 3rd Edition (may be packaged with <u>new</u> textbooks or may be purchased separately)
- Website for the text: www.mhhe.com/libby6e

#### **Prerequisite**

The prerequisite for this course is twenty-four semester hours of (prior) college credit. If you do not satisfy this prerequisite, you should drop ACC 311, or the Office of the Dean of Undergraduate Programs will drop you from the course. Instructors may not waive prerequisites to their courses.

# **Other important information**

- Note: It is your obligation during the first week of class to ensure that you can access the class site on *Blackboard* (courses.utexas.edu), and that the email account you use is correctly recorded in the UT-Austin Registrar system.
- Attendance in class is strongly encouraged and class participation is expected of all students.
- Class on 6/13 will begin at 8:30 (enjoy the extra 30 minutes of sleep) with a substitute lecturer

# **Objectives of the course**

This is an *introduction to* financial accounting, not an *introductory* course in financial accounting. It will be demanding. Upon completion of this course, you should have a strong understanding of:

- A. The nature and purpose of accounting for business, government, non-profit organizations and society in general, with emphasis on corporate business entities;
- B. The use and interpretation of financial reports (i.e., income statements, balance sheets, statements of retained earnings, statements of cash flows) prepared for users external to businesses (i.e., owners, creditors, government, and investors);
- C. The concepts and standards underlying the measurements used in accounting to develop the financial statements of businesses;
- D. Accounting methods and their use as an orderly means of recording, classifying, and presenting useful information from a mass of data derived from transactions and events affecting businesses; and
- E. The basic language of business as represented by business and accounting terminology.

# **Course format**

This will be a *very* fast-paced class. We will be covering thirteen chapters in five weeks. As such, it is extremely important that you keep up with required readings and homework problems. Your best chance for success in this course is to read the relevant chapter and attempt the assigned homework problems *prior to attending class*. I know that most every professor asks you to do that and the average student *never* does. You all have plenty of things to do outside of class and reading the accounting textbook may not rate all that highly on your "to do" list. But it IS important, particularly for this class and particularly over the summer when we already have less class time to cover the material. By familiarizing yourself with the material before class, you will be better positioned to understand the information presented during lecture. You will also be more able to ask questions and seek clarification on things you did not completely understand in the chapter. Because the class will move quickly, *you will be primarily responsible for learning much of the material*. In class, I will highlight main learning points from the chapters, work through examples, and answer your questions. It is up to you to ensure that you understand the material and are able to apply the concepts learned in class to other situations with different fact patterns.

I may post some additional material on Blackboard on some of the sources of discretion in accounting or some of the gray areas in accounting. I will *not* test you on this material since that is not a focus of this class. But to start preparing you for future accounting classes, I will try to occasionally challenge you to think more "big picture" about what matters, does this accounting reflect the economics, what discretion does management have, etc. If you go on to a career in accounting, you will learn that accounting is not as black-and-white as it sometimes appears in this class. Please talk to me if you ever want to learn more information about this.

#### **Course policies**

- ➤ Class participation is required in this course. I encourage you to work together in the learning process and expect each of you to make a valuable contribution to the class's learning experience by asking questions, offering solutions to problems, and working with group members when group problems are assigned in class. Remember, we may challenge ideas, but we will *not* challenge people. Rude classroom behavior is unprofessional and unacceptable. *Keep in mind that participation may help you if I am making a fine distinction between grades*.
- ➤ Please arrive on time. However, if you are running late, quietly enter class and take a seat. I do not want for you to miss an entire class because you were late, but I do not want you to distract other students who are already there. If you need to leave a class early, please inform me prior to the beginning of class.
- ➤ You are not required to bring your laptop to class. If you do, keep it closed.
- **Please turn off your cell phone.** Texting is not permitted during class.
- The use of email and Blackboard is required for this course, and I will use the email addresses that are supplied to me on Blackboard. They are the email addresses that you have given the University for directory purposes. If you need to update your email address with the University go to your UT Direct page and, under personal info/all my addresses, change your email address. Any outside-of-class announcements that I make (e.g., corrections or clarifications of items discussed in class, syllabus changes, etc.) will be sent to you via e-mail. It is your responsibility to regularly check both your e-mail and the class site on Blackboard. If you have problems with Blackboard, support is provided by the ITS Help Desk at 475-9400 Monday through Friday 8am-6pm.

# **Course assessment**

A high academic level will be maintained with respect to (a) the quality of the course and (b) grading. Semester grades will be determined using the following factors and relative weights:

Assignment				
Exam 1	25%			
Exam 2	25%			
Cumulative Final Exam	30%			
In-Class Quizzes (Best 5 out of 6)	15%			
Solid Footing Homework (3)	5%			
Total	100%			

Course grades will be such that the class average will be approximately 2.7 - 2.9 range. No grades will be associated with scores on exams or quizzes during the semester. At the end of the semester, I will calculate composite scores and assign grades in accordance with the guidelines and grading standards for the course. I *may* curve the final grades if necessary, based on the class average and the academic standards for the course.

I also reserve the right to make score revisions (*upward only*) to previously graded work for improvement in performance on subsequently graded work of like kind. I know that we all occasionally have "bad days," and I don't want you to give up on the semester if you simply have a bad day and perform very poorly on one of the midterms. For example, I might recognize an improvement in performance on a subsequent examination and adjust the score on an earlier examination upward some to add weight to the improvement factor.

Incompletes will be given only in the RAREST of circumstances and according to university policy. There will be no opportunity to raise your course grade by doing "extra credit" work during or after the end of the semester.

#### **Examinations**

There will be three exams in this course. All three exams will be individually-completed closed-book exams. The two midterms (Exam 1 and 2) are not cumulative; however, certain fundamental aspects of accounting that you learn for Exam 1 may be needed for Exam 2 although they will not be explicitly tested. The final examination *will* be cumulative. The dates for the exams are listed on the attached Class Schedule. The first two exams will be taken during class time on the dates listed. However, the tests will be administered in a different, larger classroom – UTC 3.102. The final exam will be administered on the date listed by the registrar, tentatively Friday July 12th from 7-10pm., in a location to be announced.

<u>Unexcused absence from a midterm will result in a score of zero</u>. If you miss a midterm exam due to an illness or other emergency reason, you should notify me as soon as possible and provide me with written documentation (e.g., a note from the attending physician) after you return. If you know that you will miss an exam in advance, please notify me *immediately* or as soon as you learn about the conflict. All notifications of exam conflicts must be received at least a full week before the exam is scheduled. I have final authority to determine if your absence should be excused based on University policy. If you have an <u>excused</u> absence from the midterm exam, you will receive extra weight on your final to compensate for the missed examination and your other midterm will count for 30% of your final grade. <u>Make-up midterm exams will not be given</u>.

The final exam is <u>mandatory</u>. <u>Unexcused absences from the final will result in a score of zero</u>. Making non-refundable (or non-cancelable) arrangements for travel before the final exam will not constitute an excused absence.

# Homework

To supplement the assigned readings, there are two types of homework in the course, *Solid Footing* homework and homework from the textbook.

➤ Solid Footing homework: During the first two weeks of the course, you will be learning about the accounting cycle, the process with which companies capture transaction data, record them, summarize them and transform them into financial statements that conform with Generally Accepted Accounting Principles (GAAP). It is essential that each student develops a solid understanding and ability to do accounting cycle tasks because these accomplishments early in the course are the foundation for learning the remaining content of the course. Accordingly, the department faculty adopted Solid Footing, a semi-interactive tool for learning the accounting cycle. To be sure that all students keep up with the lessons during this phase of the course, Solid Footing homework assignments must be handed in and

graded. Working with fellow students on this homework is fine, although I strongly encourage you to work through the problems on your own first. Simply copying another student's answers is <u>not</u> permitted. Ultimately, you will be tested on this material for the tests, so it is imperative that you use the homework as an opportunity to learn what you know and ask questions about what you do not know. See the attached Class Schedule for the assignments and dates on which <u>they must be uploaded before the start of class on the day</u> they are due.

Textbook homework: I list specific textbook questions, exercises, and problems for most chapters in the attached Class Schedule. Like the *Solid Footing* homework, they are meant to be done outside of class. This phase of your study is intended to be a learning experience rather than a grading device. You should develop your best solution for each of the questions, exercises, and problems assigned. Working with fellow students on this homework is fine. If you have questions about how to solve the exercises or problems after looking at the solutions, you should consult with me during office hours. You will not turn in textbook homework; solutions will be available on Blackboard.

# Quizzes

There will be 6 quizzes administered throughout the second phase of the course (i.e., after Exam 1). Quizzes will be completed in the first ten minutes of class. Tentative quiz dates are listed on the attached Class Schedule. The quizzes will be similar to homework exercises and problems and examples covered in class. There will be no make-up quizzes; however, I will drop your lowest quiz score. This lenient policy is designed to incorporate all valid and unavoidable reasons for missing a quiz (e.g., your car broke down and you couldn't make it to class, you were busy saving a litter of puppies from a burning building, you had to camp out for tickets to the concert of the century, etc) as well as reasons that may be less valid! If you miss a quiz, your grade will be zero. If you are running late for class and arrive after I have collected the quizzes, your grade will be zero. You will not be able to take the quiz at the end of (or during) class.

#### Office hours

I encourage each of you to take advantage of my regularly scheduled office hours to discuss problems and to seek assistance when needed throughout the semester. *I would like to talk to each of you at least once.* If you cannot make it to my regularly-scheduled office hours, feel free to schedule an individual appointment with me. *It is my job to help you learn and succeed in this class, and I will help whenever possible.* 

In an effort to make the class successful for all students, please provide me feedback on how the course is going and how you feel you are doing in the course. I can make this class more successful if I hear from you about what you do and do not understand. I welcome your feedback during office hours and via e-mail.

# **Grading questions or appeals**

DO NOT WAIT UNTIL THE END OF THE SEMESTER TO TAKE ACTION ON GRADING ISSUES. BY THAT TIME IT WILL BE TOO LATE! If you feel there exists a grading error on any of the above grade components, or if you feel you need to bring to my attention other facts or circumstances that might affect the grade for that item, you will have 72 hours from the date the grade is posted on Blackboard or the graded item is redistributed back to the class (whichever is earlier) to take such action by submitting a grade dispute **in writing** and have the matter resolved. If for whatever reason you are not in class on the day the graded item is available for

pickup, the 72 hour period will still begin on that day. After that time is over, there will no grade changes with **no** exceptions.

# **Dropping the course**

Students must go through the official procedures to drop the course. A student who stops attending the class and fails to officially drop will receive a grade of F. Consult the Academic Calendar on the Registrar's website (<a href="http://www.registrar.utexas.edu/calendars/index.html">http://www.registrar.utexas.edu/calendars/index.html</a>) for specific deadlines.

#### **Scholastic dishonesty**

Please don't violate – it's *not* worth it. Trust me.

The McCombs School of Business and the department of accounting have **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 McCombs School of Business.

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.

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., cheat sheets, solutions, graphing or programmable calculators, pagers, cellular telephones, Palms, etc.), *continuing work on an exam after a stop time has been announced*, etc.

Students are expected to adhere to a strict ethical standard in this course.

You should refer to the Student Judicial Services website at:

http://deanofstudents.utexas.edu/depts/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.

#### **Students with disabilities**

The University of 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, 471-6441 TTY or on the web:

http://deanofstudents.utexas.edu/ssd/providing.php

#### **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

# **University of Texas Flag Course**

This course carries the Quantitative Reasoning flag. Quantitative Reasoning courses are designed to equip you with skills that are necessary for understanding the types of quantitative arguments you will regularly encounter in your adult and professional life. You should therefore expect a substantial portion of your grade to come from your use of quantitative skills to analyze real-world problems.

#### **Changes and notification**

The information included in this handout, including the schedule below, is subject to change but I will try not to do so. I will notify students during class time and via Blackboard or email if I make any changes.

# Advice on using your textbook from Phillips and Phillips 2007

- Read the chapters to learn rather than just to get through them. Learning doesn't miraculously occur just because your eyes have skimmed all the assigned lines of the textbook. You have to think and focus while reading to ensure that you sink the material into your understanding and memory. Use the learning objectives in the text to focus on what's really important in each chapter.
- Don't get discouraged if you initially find some material challenging to learn. At various times, both the best and weakest students describe themselves as "confused" and "having a good grasp of the material," "anxious" and "confident," and "overwhelmed" and "comfortable." The simple fact is that learning new material can be challenging and initially confusing. Success does not appear to depend as much on whether you become confused as it does on what you do when you become confused.
- Clear up confusion as it arises. A key difference between the most and least successful students is how they respond to difficulty and confusion. When successful students are confused or anxious, they immediately try to enhance their understanding through rereading, self-testing, and seeking outside help if necessary. In contrast, unsuccessful students try to reduce anxiety by delaying further reading or by resorting to memorizing without understanding. Aim to clear up confusion when it arises because accounting, in particular, is a subject for which your understanding of later material depends on your understanding of earlier material.
- Think of reading as the initial stage of studying. Abandon the idea that "studying" only occurs during the final hours before an exam. By initially reading with the same intensity that occurs when later reviewing for an exam, you can create extra time for practicing exercises and problems. This combination of concentrated reading and extensive practice is likely to contribute to better learning and superior exam scores.

To learn more about the study on which this advice is based, see "Sink or Skim: Textbook Reading Behaviors of Introductory Accounting Students" (Phillips and Phillips 2007, *Issues in Accounting Education* 22 (February: pages 21–44)). This advice should help you not just in this class but throughout the rest of your college experience.

# The University of Texas at Austin Department of Accounting

					Optional Text boo	T HAND IN	
Date	Day	LLS Chpt	SF Chpt	Торіс	Questions	Exercises	Problems
6/6	Th	1		Introduction, Financial Statements and Business Decisions	Q1-3,8,12,13,14,15,17	E1-1,2,5,6,9	P1-3
6/10	M	2	1,2	Investing and Financing Decisions and the Balance Sheet	Q2-2,3,5,8,11,12	E2-1,3,4,8,10	P2-3
6/11	Т	3	3,4	Operating Decisions and the Income Statement, <i>Solid</i> Footing 1-1, 2-1 due	Q3-4,5,6,7	E3-5,7,10,11	P3-1,2,3
6/12	W	4	5,6	Adjustments, Financial Statements, and the Quality of Earnings, <i>Solid Footing</i> 3-1, 4-1, 5-1 due	Q4-1,4,12,13	E4-7,9,17,18,19	P4-2,4(Part 2)
6/13	Th		7,8	Review for Exam 1, <i>Solid Footing</i> 6-1, 7-3 due. Class starts at 8:30am.			
6/17	M			Exam 1 (Chapters 1-4 and Solid Footing)			
6/18	Т	6		Reporting and Interpreting Sales Revenue, Receivables, and Cash	Q6-1,5,7,8,9,14	E6-3,9,10,13,16,23	P6-2
6/19	W	6,7		Continued, Reporting and Interpreting Cost of Goods Sold and Inventory, <b>Quiz 1</b>	Q7-8,9,10,11	E7-3,8,12,17	P7-3,4,6
6/20	Th	7		Continued			
6/24	M	8		Reporting and Interpreting PP&E Natural Resources; and Intangibles - See Supplement on Repairs, Quiz 2	Q8-4,5,6,14,15	E8-4,5,8,22	P8-2
6/25	T	8		Continued		E8-10,13	P8-3,10
6/26	W	9		Reporting and Interpreting Liabilities, Quiz 3	Q9-1,5,7,8,10,12	E9-1,15,22,24,25	P9-2,11,12
6/27	Th	9,10		Continued, Reporting and Interpreting Bonds - see supplement on Blackboard for Chapter 10 instead of textbook.	Q10-3,4,5,8,9,10	E10-5,9,12,13,19	P10-12,14
7/1	M			Continued, Review for Exam 2, Quiz 4			
7/2	T			Exam 2 (Chapters 6-10)			
7/3	W	11		Reporting and Interpreting Owners' Equity	Q11-1,3,4,9,11,12,13	E11-3,6,18,19,23	P11-2,6
7/4	Th			Independence Day Holiday - NO CLASS			
7/8	M	11,12		Continued, Reporting and Interpreting Investments in Other Corporations, <b>Quiz 5</b>	Q12-2,6,7	E12-5,6,7	P12-5,7,9
7/9	T	12,13		Continued, Statement of Cash Flows	Q13-6,9,10,11,12	E13-1,4,5,7	P13-1
7/10	W	13		Continued, Quiz 6		E13-10,15	P13-2
7/11	Th			Review for Final Exam			
7/12	F			Cumulative Final Exam 7:00pm - 10:00pm Location TBA			