

Department of Accounting
ACC 311 -- Fundamentals of Financial Accounting
Summer, 2009
Syllabus

Instructor:	Brent Lao
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Office:	CBA 1.310A
Phone:	
Office Hours:	MTWTHF 11:30-12:30 Others by appointment
Class time & Location:	Unique # 70995 MTWTHF 10:00-11:30 UTC 1.102

Required Materials:

- Accounting Cycle Supplement: *Solid Footing: Building an Accounting Foundation*, 4th edition, by Dan Wiegand, (Micro Solve, Inc., 2008).
- Textbook: *Financial Accounting*, Sixth Edition, by Libby, Libby, and Short, (McGraw-Hill/Irwin, 2009)
- Basic Calculator—we do not allow graphics or other calculators with text memory in our examinations

Publisher Supplements

- Student CD ROM: *Financial Accounting*, Sixth Edition (Generally only available with new textbook purchases)
- Study Guide: *Financial Accounting*, Sixth Edition (may be packaged with new textbooks or may be purchased separately)
- Website for the text: www.mhhe.com/libby6e

Objectives of the course: To learn the following:

- A. The nature and purpose of accounting for business, government, non-profit organizations and society in general, with emphasis on the various business entities.
- B. The use and interpretation of financial reports (i.e., income statement, balance sheet, statement of retained earnings, statement of cash flows) prepared for

users external to the business enterprise (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 the enterprise.
- E. The basic language of business as represented by business and accounting terminology.

Course Routine

You are expected to study the chapter readings and other assigned materials in depth **prior to** each class meeting. You are encouraged to ask questions and to request that particular points be explained in more detail if you remain confused or uncertain about items discussed or if concepts in the readings remain unclear. Copies of class notes will be posted on Blackboard prior to starting a new chapter. You will find it extremely helpful to bring a printout to class for note-taking.

Knowledge and skills learned in this course are fundamental. If you do not thoroughly understand the material, you will have difficulty in advanced accounting classes. The keys to success in this class are to keep up with the readings, to complete all the assigned homework problems before class, and to ask me about items that remain unclear.

Please arrive on time. If for some reason you are running late, do not feel you should skip class. Please come in quietly and take a seat at the side or in the rear of the classroom. If you must leave class early, please tell me before class starts.

Participation

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. Another way to contribute to the learning process is by posting questions and answers to other students' questions on the class discussion board on Blackboard. Periodically, I will check the discussion board to make sure that all questions have been answered correctly and to clarify the answers to any remaining questions.

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, through the discussion forum on Blackboard, and via e-mail.

Homework

There are two types of homework in the course, *Solid Footing* homework and homework from the textbook.

During the first three 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 every student develop 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 faculty adopted *Solid Footing*, a semi-interactive tool for learning the accounting cycle. It is meant to present, reinforce and test progress in the accounting cycle in a way that leads to more consistent and deeper understanding among our students, leading to less attrition and disappointing grades in ACC 311.

Textbook homework is assigned for most chapters, and as the name implies, is 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, by appointment or by email. You will not turn in textbook homework; solutions will be available on Blackboard.

Quizzes

At my discretion, I will give pop quizzes on the first class day of any new topic to ensure that students have incentives to read chapter materials before the class sessions at which topics are first covered. The quizzes will consist of multiple-choice and/or short-answer questions.

E-mail and Blackboard

The use of e-mail and Blackboard is required for this course, and I will use the e-mail addresses that are supplied to me on Blackboard. If you normally use a different e-mail address, please make sure the UT email address you have given the registrar is set up for forwarding. Any outside-of-class announcements that I make (e.g., corrections or clarifications of items discussed in class, syllabus changes, quiz announcements, etc.) will be sent to you via e-mail. I check my e-mail on a regular basis during weekdays and somewhat less regularly over weekends. **It is your responsibility to regularly check both your e-mail and the class website on Blackboard.**

Postings for each class:

- Before each class, I will post on Blackboard any lecture slides I intend to use. You should print them in handout style to save paper—either six slides to a

page or, if you prefer, three slides accompanied by note-taking space.

- After each class, I will post solutions to any exercises we do in class.

Laptop Policy

Due to abuse by those who came before you, I regret to announce there is a NO LAPTOP policy in the classroom.

Academic Standards

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:

Solid Footing ACP	10%
Exam I	20%
Exam II	20%
Final Exam (comprehensive)	30%
Instructor discretion—quizzes, group projects, etc.	<u>20%</u>
	<u>100%</u>

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 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. For example, I might recognize an improvement in performance on a subsequent examination and adjust the score on an earlier examination upward 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—that would violate University policy.

Examinations

There will be two midterm examinations and a comprehensive final examination.

<u>Exams I & II</u>				
Exam I:	Tuesday	June 16	10:00 – 11:15	Room: UTC 1.102
Exam II:	Monday	June 30	10:00 – 11:15	Room: UTC 1.102

Unexcused absence from a midterm will result in a score of zero. Make-up mid-term exams will not be given except in emergencies and only within 24-hours of the scheduled examination. If you miss a mid-term 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. I have final authority to determine if your absence should be excused and if I can give you a make-up exam. If you have an excused absence from a mid-term exam and I cannot give you a make-up exam, you will receive extra weight on your final to compensate for the missed examination.

Unexcused absences from the final will result in a score of zero.

Grading Quizzes

There are no make-up quizzes. At my discretion, you will be allowed to drop one or more of your lowest quiz scores. The drop provision is intended to take care of a low quiz score and/or a missed quiz, that is, a missed quiz will count as a quiz with a score of zero for this purpose.

Grading Questions and Appeals

If you feel that there exists a grading error on any of the above grade components, you will have one week from the date the graded item is redistributed back to the class to take such action and have the matter resolved.

DO NOT WAIT UNTIL THE END OF THE SEMESTER TO TAKE ACTION ON GRADING ISSUES.

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 (<http://www.utexas.edu/student/registrar/cals.html>) for specific deadlines.

Required Disclosures

Students with Disabilities

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.

Policy on Scholastic Dishonesty

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 CBA.

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://www.utexas.edu/depts/dos/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.

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>

ACC311
2009 Spring Semester
Libby, Libby, Short, Financial Accounting, Sixth Edition
Textbook Material Excluded From The Course

Chapter 1

Chapter Supplement B: Employment in the Accounting Profession (p 27)

Chapter 2

Key Ratio Analysis: Financial Leverage Ratio (p 70-72)

Chapter 3

Key Ratio Analysis: Total Asset Turnover Ratio (p 127-128)

Chapter 4

None

Chapter 5

pp. 248-251

Chapter 6

Key Ratio Analysis: Receivables Turnover Ratio (p 297)

Reconciliation of the Cash Account and the Bank Statement (p 301-305)

Chapter 7

Key Ratio Analysis: Inventory Turnover Ratio (p 354-355)

Inventory Methods and Financial Statement Analysis (p 358-360)

Chapter Supplement A: LIFO Liquidations (p 365-368)

Chapter Supplement B: Additional Issues in Measuring Purchases (p 368-369)

Chapter 8

Key Ratio Analysis: Fixed Asset Turnover Ratio (p 400-401)

Repairs, Maintenance and Additions (pp. 404-405)=====>

Read the supplemental reading provided by the faculty instead of these pages.

International Perspective: Depreciation Methods in Other Countries (p 419)

Chapter 9

Key Ratio Analysis: Accounts Payable Turnover Ratio (p 464)

Chapter Supplement A: Income Taxes and Retirement Benefits (p 482-484)

Chapter Supplement B: Federal Income Tax Concepts (p 484-485)

Chapter 10

Key Ratio Analysis: Times Interest Earned Ratio (p 522-523)

Bonds Issued at a Discount (p 523-528)=====>

Bonds Issued at a Premium (p 528-531)=====>

Early Retirement of Debt (pp 532-533))=====>

Read the supplemental readings provided by the faculty instead of these pages.

Chapter 11

Key Ratio Analysis: Dividend Yield (p 566)

Chapter Supplement A: Accounting for Owner's Equity for Sole Proprietorships and Partnerships (pp 576-579)

Chapter 12

Entire Chapter

Chapter 13

Key Ratio Analysis: Quality of Income Ratio (p 667-668)

Key Ratio Analysis: Capital Acquisitions Ratio (pp 670-671)

Part B: Reporting Cash Flows from Operating Activities-Direct Method (p 677-681)

Chapter Supplement B: Spreadsheet Approach-Statement of Cash Flows: Indirect Method (p 681-682)

Chapter 14

Financial Statement Analysis (pp. 714-end)

The University of Texas at Austin Department of Accounting

(Tentative) Schedule for ACC 311 — Fundamentals of Financial Accounting, Summer 2009

				Solid Footing	Libby, Libby and Short Textbook Assignments (Don't hand in)			
Date	Day	TextCh	Topic		Questions	Exercises	Problems	
6/4	Th		Course Policies, Syllabus, Introduction	Chapters:				
6/5	F	01,A	Financial Statements & Business Decisions	1	8,12,13,15,18,19	1,7,9,11	3	
6/8	M	02	Investing and Financing Decisions and the Balance Sheet	2,3	3,5,12	2,10,17	3(R1-4)	
6/9	T	03	Operating Decisions and the Income Statement	4	4,6,8,11	7,10,11	1, 3(R2)	
6/10	W		Continued	5,6				
6/11	Th	04	The Adjustment Process and Financial Statements	7,8	4,6,7,13	2,13,16	2, 4(R2)	
6/12	F		Continued	9,10				
6/15	M		Review for Exam I	ACP Due				
6/16	T		Exam 1					
6/17	W	13,A	Statement of Cash Flows (Indirect method)		3,5,6,10,11,12	1,7,9,14	4(R2),AP1	
6/18	Th		Continued					
6/19	F	06,A	Sales Revenue, Receivables, and Cash		1,4,7,8,9,12,16	3,9,10,13,18	1,2	
6/22	M		Continued					
6/23	T	07,C	COGS and Inventory		2,3,6,8,9,10,11	2,5,10,,17,19	3,5,6	
6/24	W		Continued					
6/25	Th	08,A	Tangible long-lived assets& Intangibles		4,5,7,10,12,13	4,7,11,14,17,23	6,7	
6/26	F		Continued					
6/29	M		Review for Exam II					
6/30	T		Exam II					
7/1	W	09,D	Liabilities		7,8,10,12,15	1,8,15,16,22,25	3,7,11	
7/2	Th		Continued					
7/3	F	10	Bonds (Effective Interest method only)		1,5,8,9,10,11	1,2,4,9,11,12,19	7,12	
7/6	M		Continued					
7/7	T	11	Owners' Equity		3,4,9,10,11,13,15	2,3,4,8,11,16,19	1,5,7,8	
7/8	W		Continued (Final class)					
7/9	Th		Review for Final Exam					
TBA			Final Exam (Date, time, & location to be announced)					