



THE UNIVERSITY OF TEXAS AT AUSTIN

McCOMBS SCHOOL OF BUSINESS

Department of Accounting

ACC 311H – Honors Fundamentals of Financial Accounting

Fall 2013: Syllabus¹

Instructor:	Dr. Patrick Badolato, CPA
E-mail:	patrick.badolato@mcombs.utexas.edu
Office:	CBA 4M.252
Phone:	(512) 471-7920
Office Hours:	Tuesday and Thursday 3:00 – 4:00 or by appointment.
Class time and location:	<u>Unique #'s: 02630, 02635, 02640</u> Mon-Wed: 9:30, 11:00 and 12:30 GSB 5.153
Teaching Assistant:	Chongho Kim and Shelby Henderson
E-Mail:	chongho.kim@utexas.edu shelby.henderson@bba09.mcombs.utexas.edu
Office:	CBA 4.304A
Office Hours:	To be determined.

What is this class all about and why should you take it?

In this class we will cover accounting from the very basics through the creation and use of financial statements. The goal of the class is to help you understand accounting as a system of representing business and economics so that you can use and apply this knowledge. A cliché is that accounting is the language of business. As much as I hate clichés, this one is useful.

A solid knowledge of accounting will ensure that you are best equipped to understand the way and manner in which businesses make economic transactions, the implications of these transactions, and the various ways in which you can use this information to: understand firms, analyze firms, inform decisions, make decisions, and, ultimately, work through and solve more challenging problems and applications. **This class is extremely important for students who aspire for careers in business, including those not pursuing accounting.**

If you put the time in, this class will help you understand accounting, provide you with the ability to better understand various aspects of businesses and help lay the foundation for future success as a student and in your career.

What is the game plan for how to do well?

- 1. Attend class and be an active learner**
- 2. Do all of the homework, whether or not it is required**
- 3. Be a group leader in the class and outside of the classroom**
- 4. If you struggle, review the class material in the 24 hours that follow class—do this with a small group or on your own and then come talk to me or our TAs.**
- 5. Read (and at times reread) the text, especially for the areas that you find more challenging**

Things that may not help you:

1. Not paying attention during class or, worst of all, skipping class
2. Relying on the fact that you were an A student in high school or your freshman year
3. Not preparing for class nor reviewing the material and attempting to cram for exams

¹ This Syllabus serves as a guide and may be revised up to the first day of class (August 28, 2013).

Objectives of the course: To learn the following:

- A. The nature and purpose of accounting for businesses, organizations and society in general, with emphasis on corporate business entities.
- B. 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.
- C. The basic language of business as represented by business and accounting terminology.
- D. The concepts and standards underlying the measurements used in accounting to develop the financial statements of businesses.
- E. The creation, use and interpretation of financial reports (i.e., income statements, balance sheets, statements of cash flows) prepared for users external to businesses (i.e., owners, creditors, government and investors). We will stress the interpretation and use of financials from the perspective of business decision makers.

What are the required Materials and Equipment:

- Textbook: *Financial Accounting*, 7th Edition, by Libby, Libby, and Short, (McGraw-Hill/Irwin, 2011). You will also need your own access to McGraw Hill Connect, the online component of the textbook (see last page of this syllabus for more information).
 - You should be able to buy either an E-book or a used version of the text.

A financial calculator is required for this course and the Honors Program provides one for each of you. I will distribute calculators to you and we will note how calculators cannot replace thought and how we do not want to let them become an academic crutch.

E-mail, Blackboard and Our Discussion Board

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.

Questions related to the class, homeworks, or material should be posted to the class's Discussion Board. The TAs and I will review this board and post answers when necessary, but the expectation is that you will answer each other's questions. Questions cannot be about a specific homework answer or any exam. Useful questions and helpful answers and good questions work towards class participation. For any personal matters (exam conflicts, etc.), please email me directly.

Supplements

- Homework solutions (to be made available online)
- Instructor Handouts (handed out, also made available on Blackboard)
- Sample Exams (to be made available on Blackboard)
 - Note: The exams will be from past semesters, when I did not teach the course. Therefore, they will be similar but not identical to our exams. During our class, we will cover problems that relate to the exam material—the exam WILL NOT be these same problems with different numbers. Those exams are insulting to you and defraud you of learning.

What will the class be like day to day?

I will conduct the course by guiding you through concepts, facilitating solutions to in-class exercises and conducting discussions in a manner that encourages class participation. Some of the classes will be primarily led by students (these are noted as the “Group Class” classes and details follow will follow) and all classes require participation. *Students are expected to study the chapter readings before topics are introduced in class and to complete assigned homework questions, exercises and problems to reinforce what they learn.*

Students are encouraged to ask questions during class and on our Discussion Board. In order to stick with our course plan, some questions may not be answered during class, but these will be addressed via a follow up email or on the Discussion Board. If an outside-of-class question and answer are critical to the class’s learning my related email or Discussion Board post will explicitly note that the item could be considered for a future exam.

Please allow me to stress the importance of your efforts and focus. If you want to do well in this class, master the material and be able to apply these lessons in your future, it is critical that you give your best. This is an Honors class taught to Honors students, as a result, the material and expectations will be more than they may be in other non-honors courses. Moreover, this material may be new and hard for some of you and therefore may require more work than you’ve put into classes in the past.

Homework

There are two types of homework in the course, *McGraw Hill Connect* (hereafter, Connect) homework and Group Homework.

Connect homework is due before class (unless an exception is noted) and is individual. You may, however, work with small groups on this homework, provided that you also provide your own answers. Please note that your problems and answers may differ among students. You will see what problems are due for Connect on both the Connect site for our course and on Blackboard. In the event of a discrepancy, you are required to complete the homework listed in Connect. http://connect.mcgraw-hill.com/class/p_badolato_fall_2013_311h

The group homework is to be done in your groups and only one copy may be turned in. This homework will involve working with a group on more challenging problems and participating in class discussions about the work. Part of this will involve analyzing financial information and then presenting the work during the respective class. More information regarding the group homework will be provided during class and listed on Blackboard.

Examinations

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

Exam I:	Monday, October 7, 2013	7-9 PM	Rooms TBA
Exam II:	Thursday, November 14, 2013	7-9 PM	Rooms TBA
Final Exam:	TBD during Exam week		

All examinations are scheduled for all sections of ACC 311H on the same dates and times.

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

Academic Standards and Grades

This is an Honors class that is critical to your success; therefore, 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:

Connect Homework	8%
Exam I	20%
Exam II	20%
Final Exam (comprehensive)	35%
Group Homework	15%
Class performance	<u>2%</u>
	<u>100%</u>

Course letter grades will be assigned such that the class GPA distribution is similar to the historical performance of past 311H classes. No letter grades will be associated with scores on exams or quizzes during the semester. At the end of the semester, I will calculate composite numerical scores, rank students according to their composite scores and assign final letter grades based on the distribution. Your distribution relative to the class determines your grade, not the raw, numerical score. For example, if the highest raw score in the class is an 88 then students with grades in the 80's can get A's. That being said, not all students can get A's; this is an inevitable reality. Also, some students with similar numerical grades may get different grades. For example, if the distribution falls a certain way, a student with a certain numerical grade could get an A while another student with a numerical grade that was slightly lower could get an A-; the break must fall somewhere. It is unprofessional and inconsistent with maintaining the integrity of our University and the Honors Program to complain about this inevitable reality. If you want to do well you will need to work hard each day, come to see me if you need help, and do not cheat.

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.

What about all of the specific policies of the class?

Class Protocol

You should be as professional as possible during the semester and especially in class. Your education is your job and immature behavior or choices that are disrespectful to an individual, the class, the professor, the material or our University will not be tolerated.

Personal Electronic Equipment Policy

You may not use a LAPTOP, CELL PHONE, MUSIC PLAYER or any electronic device connected to a network or source of entertainment/distraction during class time. All such equipment should be turned off and put away. I will let you know when it is best to bring a calculator or laptop to class.

Cell phones should not be left on vibrate; they must be off. If you text during class, I reserve the right to take your phone and read aloud whatever texts you made during class. Do not text during class as it is embarrassing, distracting and unprofessional. In the same way, I will not text any of you about class when you are hanging out with your friends or engaging in activities outside of class. If your cell phone is on, out, vibrates or rings during an exam, you will get a 0 on the exam.

DO NOT TEXT DURING CLASS or LEAVE YOUR PHONE ON FOR AN EXAM.

Grading Questions or Appeals

If you feel there exists a grading error on any of the above grade components, or if you feel you need to bring to the attention of our Teaching Assistant or me other facts or circumstances that might affect the grade for that item, you will have 72 hours from the end of the day of the date the grade is posted on Blackboard or the graded item is redistributed back to the class (whichever is later) to take such action and have the matter resolved. If for whatever reason you have an unexcused absence from class on the day the graded item is available for pickup, the 72 hour period will still begin on that day.

“Make Ups”

There are no extra makeup homeworks as the homework requirements will allow you to drop a small amount of missed or late homework without a penalty.

Any makeup exam conflict with another exam must be communicated to the professor within the first week of school (before September 4, 2013). Work and other extracurricular activities do not constitute a valid reason for missing an 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. A student who misses an exam for any illness or an unforeseen personal event **must** register their situation with UT’s Student Emergency Services.

<https://intranet.mcombs.utexas.edu/AcademicAffairs/Pages/Student-Emergency.aspx>

Religious Holy Days

You will be given excused absences for observance of religious holy days. By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work provided you have clearly communicated your conflict prior to its occurrence.

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://registrar.utexas.edu/calendars/>) for specific deadlines.

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 311H, or the Office of the Dean of Undergraduate Programs will drop you from the course. Instructors may not waive prerequisites to their courses.

Quantitative Reasoning Flag

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.

Students with Disabilities

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, <http://www.utexas.edu/diversity/ddce/ssd/>.

Policy on Scholastic Dishonesty

Don't cheat as (1) it is wrong; (2) the costs far outweigh the benefits: you don't want to get kicked out of our University in a short-sighted attempt to make a B+ an A-; and (3) there is a very good chance that your cheating will be revealed and we will all be extremely disappointed. Moreover:

The McCombs School of Business 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 BBA Program's Statement on Scholastic Dishonesty at <http://www.mcombs.utexas.edu/BBA/Code-of-Ethics.aspx>. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. 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, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Finally, we will not take this lightly. I have and will follow all of the University's policies when it comes to cheating, including failing a student who is proven to have cheated. This is not a threat, but an assurance to those who will do what is right and not cheat.

Campus Safety

Please note the recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, <http://www.utexas.edu/safety/>:

Class #	Day	Month	Date	Coverage	Chapters
1	Wed	August	28	Intro, Accounting information and business decisions	1,5
	Mon	September	2	Labor Day: No Class	
2	Wed	September	4	Intro, Accounting information and business decisions	1,5
3	Mon	September	9	Accounting tools and the Balance Sheet	2
4	Wed	September	11	Accounting tools and the Balance Sheet	2
5	Mon	September	16	Group Class: Balance Sheet and using Accounting Info	2
6	Wed	September	18	The Operating Cycle and the Income Statement	3
7	Mon	September	23	The Operating Cycle and the Income Statement	3
8	Wed	September	25	The Accounting Process and Adjusting Entries	4
9	Mon	September	30	The Accounting Process and Adjusting Entries	4
				Group Class: Understanding Operations and Financial	
10	Wed	October	2	Statements	3,4
11	Mon	October	7	Exam 1 (Classes 1-10)	
12	Wed	October	9	Revenue and Receivables	6
13	Mon	October	14	Revenue and Receivables	6
14	Wed	October	16	Inventory and Cost of Goods Sold	7
15	Mon	October	21	Inventory and Cost of Goods Sold	7
16	Wed	October	23	PPE and other Long-lived Assets	8
17	Mon	October	28	PPE and other Long-lived Assets	8
18	Wed	October	30	Group Class: Analyzing Revenue and Expenses	6,7
19	Mon	November	4	Liabilities and the Time Value of Money	9
20	Wed	November	6	Liabilities and the Time Value of Money	9
21	Mon	November	11	Bonds and Financial Obligations	10
22	Wed	November	13	Bonds and Financial Obligations	10
23	Thurs	November	14	Exam 2 (mostly classes 12-22)	6-10
24	Mon	November	18	Owners' Equity	11
25	Wed	November	20	Passive Investments and Financial Assets	12
26	Mon	November	25	Statement of Cash Flows	13
	Wed	November	27	No class: Thanksgiving. Make up for Exam 2	
27	Mon	December	2	Statement of Cash Flows	13
				Group Class: The Statement of Cash Flows and Financial	
28	Wed	December	4	Statement Analysis	13
	tbd	December	tbd	Final Exam (cumulative, slight emphasis on classes 24-28)	1-13

NOTE: SCHEDULE MAY BE REVISED BEFORE THE FIRST CLASS. THE SYLLABUS POSTED ON AUGUST 28, 2013 WILL BE THE OFFICIAL SYLLABUS. ANY CHANGES AFTER AUGUST 28 WILL BE ANNOUNCED IN CLASS.