Overview
This course provides an overview of the preparation, use, and interpretation of financial accounting information and the role of that information in the economy. The course focuses on the recognition and measurement concepts underlying financial accounting, but also covers the mechanics of recording and reporting accounting information.

During the course we will be considering the relations among:
- Bookkeeping,
- The concepts of accounting,
- How to read and evaluate accounting information

Bookkeeping is a mechanical procedure by which the financial transactions of an enterprise are systematically recorded. Double-entry bookkeeping is the global standard and was first documented in 1494 by an Italian monk, Luca Pacioli, as one of five sections in his mathematics book titled Everything about Arithmetic, Geometry, and Proportions. Double-entry bookkeeping is a system for keeping track of accounting information. Although this course at times (and all your subsequent courses) will be quite conceptual, bookkeeping is important for us for two reasons. First, it is a useful framework for thinking about transactions and how they affect both financial performance and financial position. Second, it is a useful, and universal, means for communicating with others about how transactions affect performance and position. You will find that without a solid knowledge of bookkeeping this course and subsequent courses will prove to be very difficult.

One of our focuses will be on how corporate financial statements report particular economic events. We will discuss generally accepted accounting principles for these events, including their conceptual underpinnings. By the end of the course, you should feel comfortable with a company’s annual report. You should be able to pick up a set of financial statements, understand where the numbers are coming from, and be able to take the statements apart and put them back together again so that they suit your
decision making needs. The course will proceed apace and there is significant interconnectivity among topics. Therefore, it is critical that you are prepared for each class and that you do not fall behind. Playing catch-up has proven to be a losing strategy.

Prerequisites
Admission to the Master in Professional Accounting degree program.

Course Materials
The textbook for the course is Financial Accounting, 5th edition, by Dyckman, Hanlon, Magee, and Pfeiffer, published by Cambridge Business Publishers. Please bring your laptop to class each day. Along with our daily class notes, we will be referring often to the following two documents which are posted on Canvas:

- Apple Inc.’s 2015 Form 10-K
- Accounting Authority Handouts

Please open both of these on your laptop at the beginning of every class. We will be referring to both as we go through the topics.

All other course materials, including class notes and homework solutions, will be provided on the Canvas course website.

A financial calculator is also mandatory for the course. A variety of Texas MPA courses require a calculator that performs basic business functions (business calculators have the following keys: IRR, n, i, PV, PMT, FV, and CF). If you already have one and know how to use it, that’s fine. If you do not, the accounting department recommends the HP 10b-II+ Financial Calculator (about $35). Other calculators are fine, if you already have another financial calculator just use it (do not buy a new financial calculator if you already have one).

Class Sessions
Please study the assigned textbook readings prior to each class meeting (we will read the accounting authority handouts together in class). I like class to be very interactive, so I hope you are prepared to ask questions and to respond to my questions. The more you engage the easier the course will be.

A Note to International Students
Many international students experience a degree of “culture shock” when they get to UT-Austin. They may be accustomed to extremely formal relationships between students and professors and they may tend not to ask questions or speak unless called on. In our class, I prefer an informal atmosphere. Please address me by my first name. Ask questions at any time. Don’t worry about your accent or what others think (I’m from the New York City area so I think these Texas folks, including my West Texas born-and-raised wife, have the funniest accents in the whole world!). The classroom is a risk-free place to practice and learn, not a place to worry.

A Note to Non-International Students
Look around. You may notice that the class has a number of international students enrolled. Take advantage of this resource. Learn about other countries and cultures. Learn how business is conducted elsewhere. Don’t let this significant resource go untapped.
Assignments and Advice
The course schedule details all readings and homework that are to be completed. Homework will not be collected or graded, but I encourage you to make your best effort in completing the assigned homework right after class and identify the areas where you need elaboration. Students are encouraged to ask questions and to request that particular points be explained in more detail if they remain confused or uncertain about items discussed or if concepts in the readings remain unclear.

Sometimes the book and class discussion will not systematically cover an assigned question. These questions will enrich your knowledge of the subject matter. If you do not understand the answer to these questions after referring to the reading(s), solutions manual, and class comments please see me or the TA for clarification. You are responsible for this knowledge on exams.

When you do the assignments I recommend that you have the solutions manual (posted on Canvas) with you. After answering each question (the key word is after, not before or during), refer to the solutions manual to see how well you did. The better prepared you are the more I can help you.

A strategy that has proven to be successful by former students is to read that day’s material before class and to do the homework assigned after class as soon as possible. (Read just the assigned textbook chapters before class, we will read the FASB statements together in class.)

This class is very cumulative and it goes by quickly. If you fall behind it will be both very difficult to understand new material and very difficult to catch up. Please, do not fall behind.

Grades
Grades for this course in the past have been about 50% A or A-, about 45% B+, B, or B-, and about 5% C+ or lower.

Every effort will be made to conform to a traditional scale of:
100% through 90% = A through A-
89% through 80% = B+ through B-
79% through 70% = C+ through C-
69% through 60% = D+ through D-
below 60% = F

However, I reserve the right to adjust the final semester grades based on the class average and in accordance with the guideline and grading standards for the course.

Incompletes will be given only in the rarest of circumstances and according to university policy. Unfortunately, there will be no opportunity to raise your course grade by doing “extra credit” work after the end of, or during, the semester.

Grading Summary
Your grade will be determined by the following:
Exam 1 30%
Exam 2 30%
Exam 3 30%
Financial Statement Analysis Project 10%
Please see the attached schedule for detail of topics for every class day and dates of exams and project.

None of the exams will be designed to be comprehensive. However, as noted above, the material is naturally cumulative. Therefore, your success on each progressive test will rely in significant part on your knowledge of the material covered on preceding exams.

An unexcused absence from an exam will result in a score of zero. Make-up exams will not be given except in emergencies and only within 48 hours of the scheduled examination. If you miss an exam for an illness or other emergency, you should notify me as soon as possible and present written documentation (ex. note from attending physician). I have final authority to determine if your absence is excused. If you have an excused absence from an exam and I cannot give you a make-up, your other two exams will receive extra weight to compensate for the missed exam. I will determine how the extra weight will be distributed on a case by case basis.

**Grading Questions or Appeals**
If you feel there exists a grading error on any of the exams or the FSA project, or if you feel you need to bring to my attention other facts or circumstances that might affect the grade for an exam or the FSA project, you will have one week from the date the exam or FSA project is graded and/or returned to you to take such action and have the matter resolved. The one-week period will begin on the class day I pass back the exam whether you are present that day or not. Since the FSA Project will be graded after the last class day, the one-week period will begin on the day the grade is posted on Canvas.

Do not wait until the end of the semester, once you realize you may need additional points, to take this action. It will be too late.

**Calculators on Exams**
You may NOT use calculators that have text memory (e.g. programmable calculators) or cell-phones on exams. Examples of PROHIBITED CALCULATORS are the TI-83, 84, 86 and 89 that many of you have used since high school. You may use simple 4-function calculators or a financial calculator. Again, cell phones or tablets can NOT be used as calculators.

**E-mail and Canvas**
The use of e-mail and Canvas is required for this course and I will use the e-mail addresses that are supplied to me on Canvas. 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 announcement that I make (ex. corrections or clarification of items discussed in class, course schedule changes, etc.) will be sent to you via e-mail and/or posted to Canvas. It is possible that substantial content will be posted on Canvas. It is your responsibility to regularly check both your e-mail and the class web site on Canvas.
I am also happy to answer any questions you might have concerning the class material via e-mail.

**Class Protocol**
If for some reason you are running late, do not feel you should skip class. Please come in quietly and take a seat. If you must leave class early, please tell me before class starts. I would appreciate it greatly.
Due to a past incident of my lectures being recorded and then sold online (which is copyright infringement, not to mention just all-around slimy) the audio or video recording of my lectures is NOT allowed without my express consent. If you need to record a lecture you must ask me specifically before class.

**Office Hours:**
I have regularly scheduled office hours for consultation on matters pertaining to the course. Students are encouraged to take advantage of these hours to discuss their problems and to secure assistance where needed throughout the semester. An appointment for a telephone conference or Skype or office hours outside of the regularly scheduled times can be made.

**Scholastic Dishonesty**
Collaboration is strongly encouraged outside of class. Collaboration is not permitted on the exams or the FSA project, and violations will be considered to be violations of the Honor Code.

The McCombs School of Business and the department of accounting have no tolerance for acts of scholastic dishonesty and neither do I. 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 the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all 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, 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, using or having on your desk unauthorized material or aids to complete an exam (e.g., cheat sheets, solutions, graphing or programmable calculators, cell phones, etc.). Students are expected to adhere to a strict ethical standard in this course.

**IT’S NOT WORTH IT!** ALL acts of academic dishonesty receive significant penalties and are reported to Student Judicial Services and attach to your record.

You should refer to the Student Judicial Services website at [http://www.utexas.edu/depts/dos/sjs](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.

**Students with Disabilities**
Upon request, the University of Texas at Austin provides appropriate academic accommodations for qualified students with disabilities. Services for Students with Disabilities (SSD) is housed in the
Office of the Dean of Students, located on the fourth floor of the Student Services Building. Information on how to register, downloadable forms, including guidelines for documentation, accommodation request letters, and releases of information are available online at http://deanofstudents.utexas.edu/ssd/index.php. Please do not hesitate to contact SSD at (512) 471-6259, VP: (512) 232-2937 or via e-mail if you have any questions.

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 within a reasonable time after the absence. If more than two days lapse between an exam and your return, the missed exam may be dropped as a requirement for you.

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

Campus Safety
Please note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, http://www.utexas.edu/safety/:
- Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.
- Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.
- Students requiring assistance in evacuation should inform their instructor in writing during the first week of class.
- In the event of an evacuation, follow the instruction of faculty or class instructors.
- Do not re-enter a building unless given instructions by the following: Austin Fire Department, the University of Texas at Austin Police Department, or Fire Prevention Services office.
- Behavior Concerns Advice Line (BCAL): 512-232-5050
- Further information regarding emergency evacuation routes and emergency procedures can be found at: www.utexas.edu/emergency.