What is this class all about:
This course provides an overview of financial accounting information and the role of that information in the economy. To achieve this goal we both focus on recording business transactions and using and understanding financial statements. The goal of the class is to help you understand accounting as a system of representing business transactions 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, engage in real-world valuation and, ultimately, work through and solve more challenging problems and applications.

This class is extremely important for those interested in a thorough understanding of business, especially those not pursuing accounting-specific careers.

What to Expect:
This will be a challenging class that requires a commitment. It should also be very valuable to your academic and future careers. It is not challenging as it involves false rigor centered on the memorization of complex formulas or lists (that we could easily look up in the real world), but as it will present a useful exposure to how companies record and report financial information and how this can be useful to outsiders. The learning is what we do day-to-day, class-by-class; therefore, active learning before, during and after class is essential.
A Broader Background of the Course

This MBA course is designed to be different from a traditional undergraduate class in accounting. As a result, the focus is not simply on recording entries or accounting rules, which were covered in bootcamp and in the pre-class Canvas materials, but on seeing how these play out in the real world for real companies. That is, the class focuses on exposing perspectives that are necessary to ensure we can use financial information. As a result, the class will move quickly and missing or skipping the material will be costly.

In this course you will enhance your knowledge and understanding of financial reporting (the language of business) and how financial information helps leaders understand and manage their businesses. Through class discussion, informal study groups, and projects you will enhance your communication and collaboration skills. You will learn how high-quality, credible financial reporting enhances the ability of managers to lead their organizations effectively and with integrity. Finally, some of the cases and examples involve international companies and reporting practices, affording you a global perspective on financial reporting.

Course Summary:
The first portion of the course presents an overview of the accrual accounting model, how financial information is presented and the mechanics of keeping track of financial accounting information. Without a solid understanding of this material, the remainder of the course will be very difficult. I urge you to pay particular attention to what we are doing and why and to keep up with the course from the start.
The remainder of the course focuses on how corporate financial statements report specific economic events (e.g. revenue for a multi-element arrangement, such as hardware coupled with current and future software). By the end of the course you should feel comfortable reading the financial statements in published annual reports, and you should be able to come to a reasoned conclusion about a company’s financial health and be able to make general comparisons across firms and periods of time.

Classroom Experience:
As you will quickly see, the class is best when it is interactive. I hope you will come prepared and that you will ask questions when you don’t understand something and that you will bring up examples from your work when they are relevant. This greatly enriches the class discussion. The more you engage the more interesting class will be, the more you will get out of each class session, and the easier the course will be.
Structure, Materials and Logistics

Course Structure
- The class format involves coverage of the main areas and tools noted above.
- The course will be taught using a combination of examples, discussion questions, cases and homework problems. We cover new concepts using various firms’ historical and current financial data.
- A tentative schedule of class meetings is attached to the end of this document. This schedule may be revised and all updates will be posted on Canvas or discussed in class.

Materials
- **Required:** The “Canvas” website [http://canvas.utexas.edu/](http://canvas.utexas.edu/) for the course has **everything** you need for this course. Professors set up Canvas differently; my setup for this course ensures you can immediately and easily access everything, but requires that you are familiar with links, discussion boards and the meaning of chronological order.
  - **Class Pages:** Each class has its own page on Canvas. These are listed in chronological order. After clicking on the class’s link, you will see all files, readings, assignments, assignment submission links and instructions for the class. That is, all class material is accessed on the respective class page.
  - **Announcements:** Course related comments are posted on the Announcements page. This will include information about logistics or changes, but will not include content. You must ensure you receive these as emails or access them as they are posted.
  - **Discussion Board:** We will also have a Discussion Board on Canvas, with both required and additional material. I have initiated a few posts on the Discussion Board to guide questions, you must use the posts I have created, when relevant, and can create your own in other cases.
    - Importantly, to ensure the highest dissemination of information and to maintain a fair playing field, all class and assignment related questions **must** be asked on the Discussion Board.
- **Text:** There are files with “Pre-Class Notes” and post-class “Answers” posted with each class’s page. These are the same file with the exception that the Pre-Class notes do not have specific answers in them as we will work on or discuss these answers in class. These notes are aligned with the course schedule. You are to carefully read the pre-class notes before coming to class to understand the topic for that session, and during each class session we will work our way through the in-class notes together to help you apply the material you have learned. These notes are self-contained and include everything that we will cover in the class.
  - The class notes are very comprehensive, so there is no textbook assigned for this course. However, if you feel the need for a textbook to provide an alternative explanation of material we are covering, just about any recent introductory financial accounting textbook will serve this purpose. Two good ones are the recent editions of *Financial Accounting* by Dyckman, Magee, and Pfeiffer or *Financial Accounting* by Libby, Libby and Short. As long as it is reasonably recent, the specific edition is not essential.
- You will need a financial calculator. The HP 10B-II(+) made by Hewlett Packard and The Texas Instruments BAII Plus will both be fine for this course (any calculator that does time value of money calculations will work).

Prerequisites:
- Admission and good standing within the Texas Evening MBA Program.
Assignments and Grading Information (page 1 of 3)

Determination of Grades:
I will determine the final distribution of letter grades at the end of the semester. This means that numerical scores on specific assignments do not correspond to a particular letter grade prior to the end of the semester. Final grades are determined by summing up all pieces, then ranking all students and then following the class distribution. Some areas of the distribution may be very tight. This means that it is mathematically unavoidable that some students with similar grades do not get the exact same final letter grades. Ultimately, someone must fall at each “break point” that means that someone gets the lowest of one grade (for example, the lowest A-) and someone else, with similar grades, gets the highest of the next letter grade (for example, the highest B+). The class’s distribution dictates the percentage of each of the letter grades. That is, your classmates’ performance, more than I, determine your final letter grade. Students may not ask for exclusive extra credit or grade changes. This is unprofessional and requesting specific treatment violates our University’s academic goals and may result in an F in the class. Moreover, challenging the grades, points, allocation or policies after the semester has begun is unprofessional and may result in a final grade of a C or lower as it signifies a departure from the expectations of the class. Constructive comments are warmly welcomed as long as they are made before the first day of class.

My expectation is that the final grade distribution will result in a mean GPA of around [3.42 made up of 30% As, 25% A-s, 20% B+35% Bs, and 5% B- or lower], consistent with guidance provided by the MBA program office. However, please keep in mind that it is a target, not a rule, and the distribution within an individual section might deviate from this target (either up or down).

Course Requirements and Grading:
The grades in the course will be determined as a combination of assignments as follows:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Number</th>
<th>Points Each</th>
<th>Total Points</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homworks</td>
<td>7</td>
<td>20</td>
<td>140</td>
<td>17.5%</td>
</tr>
<tr>
<td>Midterm Exam</td>
<td>1</td>
<td>140</td>
<td>140</td>
<td>17.5%</td>
</tr>
<tr>
<td>FSA Project</td>
<td>1</td>
<td>104</td>
<td>104</td>
<td>13.0%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>1</td>
<td>400</td>
<td>400</td>
<td>50.0%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>1</td>
<td>16</td>
<td>16</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

800 100%

Description of Requirements:

Assignment
For each non-exam class session you will have assignment due before class. The assignments involve a series of questions from the pre-class notes for that session. Generally, they are the problems that use the Starbucks’ financial statements. Unless otherwise noted on Canvas, the assignment will be graded for completeness, and I expect that all students will receive full credit for the assignment in line with the expectations of general professionalism. To be clear, completeness is not simply putting some words or numbers on the page, but by providing a professional and complete answer to each and every question and part of each question. The assignments will be turned in on the Canvas on their respective links. Please upload one clear and organized file with your answers.

Final Project
You will get a chance to use your new financial reporting and analysis skills in completing a short financial statement analysis of a company of your choosing. Details on the report, including company choices and deadlines will be posted on Canvas.
Assignments and Grading Information (page 2 of 3)

Class Participation
This small portion of the grade represents your contributions to the professional learning environment inside the classroom. A student who asks good questions; proposes wrong, but relevant, answers; provides correct responses; or offers points related to the class discussion on a consistent basis, such as once a class, and refrains from missing class or disruptive behavior will score well on this component. In addition, good questions, answers or relevant points posted to the Discussion Board will be considered in this component of the grade, but the main emphasis is on classroom participation.

To be clear, this does not represent attendance (but students cannot do well here if they miss class); attendance is expected as a general criterion of professionalism and respect towards other students.

As your absence can detract from the learning experience of others, if you will miss part of or a whole class, please post to our Discussion Board before (or after) class when this occurs. The post can include an apology to your classmates, if sincere, and can include whatever information you believe is both personally and professionally prudent—you are not expected to share anything you are not comfortable with sharing with the class. As there are only seven total classes of instruction, a student who misses more than two total classes (which is less than 60% attendance) cannot pass the class without a direct and clear documentation of the circumstances that is provided to me before the final exam.

Finally, students should not engage in any unprofessional or disruptive behavior during the semester. Disruptive behavior includes arriving late, leaving or packing up early, using a cell phone in anyway, or leaving the classroom (without a medical/safety/family need) during class. This also include out-of-class activities, such as disruptive emails or disruptive Discussion Board posts; for example, complaining about grades, assignments or policies, constantly asking for information that is already provided in class, on Canvas or on this syllabus without a valid reason, and insulting or acting unprofessional towards other students or faculty. Disruptive behavior also includes asking for unfair opportunities or extra credit or any other violation of the academic policies and expectations of our University. I hope no one engages in any of these as this behavior represents a major lack of professionalism and respect for our University. A student should expect to receive no points for this component with one example of disruptive behavior and may not pass the class with more than one occurrence of disruptive behavior.

Exams
During the semester we will have a midterm exam and a final exam. These will be very different. First, the midterm will be open-books and hosted on Canvas. It will be shorter, only cover a portion of the material and serves to ensure everyone has mastered the basic material. As a result, it should be easier than the final exam and high grades display sufficient progress to date. The final exam will be in-class, closed notes, longer and designed to be more challenging. The final exam will be based on the actual financial statements of a real company. The statements will be provided to you for the exam. All notifications of exam conflicts must be received no less than one week after the start of the semester. No exceptions.
The final exam is primarily built around class discussions and assignments. This exam is not one for which you should try to cram. You prepare for the exam by doing the work day-to-day in this class and then by relaxing the night before the exam. Cramming is not useful in the real world and I aspire to create a class that helps move us away from this unhelpful practice.
Assignments and Grading Information (page 3 of 3)

Grading Disputes
My TA and I make every effort to grade all of your work fairly and accurately, but grading errors can occur. If you believe there’s an error, you may request a re-grading of the assignment. Be aware, however, that grading errors can occur in both directions - errors can make grades too high as well as too low. Therefore, if you request a re-grading, your entire assignment will be re-graded, and all grading errors will be corrected. By requesting a re-grade, you accept the possibility that your grade may go either up or down. To request a re-grade, you must submit a written request to me within 72 hours from the time in which the assignment’s grade was released to students (whether or not you were present in class on that day or checking email). The request must be accompanied by the original, if I do not retain it, and must state the area of dispute, your recommendation for change in grade, an explanation or justification for your recommendation and any limitations to this recommendation. The re-grade request must refer to and abide by the guidelines established here or it will not be considered.

Informal discussions about how a student can perform better are allowed, but a student should first be able to clearly articulate (in person or in writing) how their submission compared to the discussion from the class and any posted materials and also be able to discuss the expectations as noted in this syllabus. That is, you should lead this conversation by noting how the submission related to class or any posted materials, noting the mistakes and discussing how you intend to improve and then I can fill in as needed.
Advice for Success (page 1 of 2)

General Objectives:
The objective of this course is to help you to become comfortable reading the financial statements of any business, from a large publicly-traded company to a small privately-held company. We will achieve this in three steps. The first step is to understand the accounting concepts in general (early part of course) and as they apply to specific situations (later part of course). You will accomplish this step largely on your own by reading the pre-class notes and completing your assigned homework. The second step is to apply these accounting concepts to actual financial statements. This step can be a little tricky because there is some variation across companies and how and where they present the data you will need for any particular task. This step will be the focus of our in-class work, and you will only get the most out of it if you have done a good job of understanding the relevant accounting concepts before you come to class. The third step is practice. I can’t emphasize this enough. Learning accounting requires practice. The more you practice the more comfortable you will become with financial statements and the better you will do in the course. See my advice below for how to succeed in this course. Finally, study groups are great, use them. My only word of caution is that in the end you will take the exams by yourself, so make sure before each exam that you can succeed independent of the group.

Specific Advice

- Foundational Material
  - Topics 1-4 are the most important in the course and the foundation for all that follows. As a result, it is especially important that you follow the advice below for these four modules.

- Weekly
  - Before each class session you should study the pre-class notes for that session and complete the homework. The homework will be graded on a completion basis, so it is possible to just skim the material, guess at something for the homework and get full credit. This is a really bad idea. You should read through the notes carefully and thoughtfully, doing each of the example exercises and thinking about why the answer is the right answer. Then slowly do the homework and think about what you are doing.
  - The more prepared you are for each class session the more you will get out of that class session. If you come to class knowing where your weaknesses or questions are, there is a better chance they will be asked and answered in class.
  - Come to class and engage—don’t multi-task. Class time is an important time to fill in the gaps in your knowledge that you identified in your pre-class preparation. This is best done by paying attention and asking questions about whatever is not clear.
  - Review the notes after class. Sometimes when you watch me in class you think you understand something, but once out of class you can’t remember exactly what you thought you knew. A quick review the next day, using the annotated notes with solutions provided at Canvas, will help you to identify something you might not completely understand so that you can go back over the notes, or consult with a classmate, or post a question to our Discussion Board.
Advice for Success (page 2 of 2)

- Prior to Exams
  - Review the in-class notes one more time. By now you have been through these notes three previous times, so you should be quite sure of what you understand well and what you are not so sure about. For remaining questions, consult with a classmate or post a question to our Discussion Board.
  - Review prior exams. Spend fifteen or twenty minutes familiarizing yourself with the financial statements attached to the prior exam first, and then begin to attempt the problems. Give the problems a good try before looking at the solution, but do not spend too much time trying to figure out an answer that you are unsure of. If, after you look at the solution, you are still not sure why that is the correct answer, consult with a classmate or post a question to our Discussion Board.
  - Save one prior exam to take under test-like conditions. As you use the prior exams to study, it is easy to use the solution as a crutch and as a result overestimate what you understand. Taking one of the exams under test-like conditions and then grading it objectively will give you a better sense of what you understand and what you do not understand.
  - Study the financial statements for the quiz or exam. It is essential that you understand the financial statements and notes that will be the basis for your exam or quiz prior to coming to the exam. If there is something you don’t understand consult with a classmate or post a question to our Discussion Board.
  - Make up exam problems using the financial statements for the quiz or exam and solve them. This is a great way to both become familiar with the financial statements and anticipate what will be on the quiz or exam. This is also a great activity to do with a study group.
Preliminary Schedule:

This may change and Canvas, not this syllabus, will hold the official schedule.
Each class has its own page on Canvas. These are listed in chronological order. After clicking on the
class’s link, you will see all files, readings, assignments, assignment submission links and instructions
for the class. That is, all class material is accessed on the respective class page.

<table>
<thead>
<tr>
<th>Class #</th>
<th>Day</th>
<th>Month</th>
<th>Date</th>
<th>Topic</th>
<th>Assignment</th>
<th>Topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Wednesday</td>
<td>January</td>
<td>18</td>
<td>Introducing and Constructing Financial Statements</td>
<td>1</td>
<td>1,2</td>
</tr>
<tr>
<td>2</td>
<td>Monday</td>
<td>January</td>
<td>23</td>
<td>Transactions and Adjusting Accounts for Financial Statements</td>
<td>2</td>
<td>2,3</td>
</tr>
<tr>
<td>3</td>
<td>Monday</td>
<td>January</td>
<td>30</td>
<td>Reporting and Analyzing Cash Flows</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Tuesday</td>
<td>February</td>
<td>4</td>
<td>Midterm Exam</td>
<td>Midterm</td>
<td>1,2,3,4</td>
</tr>
<tr>
<td>5</td>
<td>Monday</td>
<td>February</td>
<td>6</td>
<td>...Revenues and Receivables</td>
<td>4</td>
<td>5,6</td>
</tr>
<tr>
<td>6</td>
<td>Monday</td>
<td>February</td>
<td>13</td>
<td>...Revenues, Receivables and Inventory</td>
<td>5</td>
<td>6,7</td>
</tr>
<tr>
<td>7</td>
<td>Monday</td>
<td>February</td>
<td>20</td>
<td>...Intercorporate Investments and Long Term Operating Assets</td>
<td>6</td>
<td>8,9</td>
</tr>
<tr>
<td>8</td>
<td>Monday</td>
<td>March</td>
<td>6</td>
<td>Final Exam</td>
<td>Final Exam</td>
<td>1-10</td>
</tr>
<tr>
<td>9</td>
<td>Saturday</td>
<td>March</td>
<td>11</td>
<td>Intro to Financial Statement Analysis</td>
<td>Project</td>
<td>1-10</td>
</tr>
</tbody>
</table>
Academic Integrity and Classroom Policies

Cheating involves copying work across groups, cheating on an exam or project, plagiarizing your assignments and other things as well. Don’t cheat as (1) it is wrong; (2) the costs far outweigh the benefits: you don’t want to get kicked out in a short-sighted attempt to make a B a B+; and (3) there is a very good chance that your cheating will be revealed and we will all be extremely disappointed.

Copyright and Intellectual Property

The course notes and other materials are the intellectual property of your professor and are given to you, for free, on an individual basis only. You may not, in anyway, share, distribute or post electronic, hardcopy or other versions of the class materials with other people or on websites or other avenues of social media without explicit permission from me. Posting or sharing materials, or even snippets of materials, will be considered a violation of our University’s Academic policies for all parties involved and may lead to a failing grade in this class. This includes all websites, apps and social media; the only exception is that you may post class-related material to our class’s Canvas Discussion Board during the semester.

Recording Class:

Recording all or any part of class without explicit written permission from me is strictly prohibited. Violations will constitute a violation of the academic integrity policies of our University and may lead to a failing grade in this class and legal prosecution. If you need to record the class, please email me to seek permission at least a week in advance and include details about the date, topics, individuals involved and a clear explanation of the reasons for this need.

Privacy in Canvas:

Information in Canvas is protected by your UTEID login. If applicable, please be aware that I will use a merged Canvas site for all sections, if there is more than one, of a course that I teach. This will allow students in other sections to see that you are enrolled in the course and send you email from within Canvas. However, they will not actually learn your email address and no other personal data will be revealed through Canvas. If you have any concerns, please contact the ITS Help Desk at 475-9400 for help removing your name from view of other students.
Important Notifications and our University’s Policies

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.

Campus Safety

Please note the following recommendations regarding emergency evacuation, provided by 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 the 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.
- Further information regarding emergency evacuation routes and emergency procedures can be found at: http://www.utexas.edu/emergency.
McCombs Classroom Professionalism Policy

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the Texas MBA experience hinges on this.

You should treat the Texas MBA classroom as you would a corporate boardroom.

Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects.

The Texas MBA classroom experience is enhanced when:

- **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.
- **Students display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.
- **Students are fully prepared for each class.** Much of the learning in the Texas MBA program takes place during classroom discussions. When students are not prepared, they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.
- **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.
- **Students do not confuse the classroom for the cafeteria.** The classroom (boardroom) is not the place to eat your breakfast tacos, wraps, sweet potato fries, or otherwise set up for a picnic. Please plan accordingly. Recognizing that back-to-back classes sometimes take place over the lunch hour, energy bars and similar snacks are permitted. Please be respectful of your fellow students and faculty in your choices.
- **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.
- **Students attend the class section to which they are registered.** Learning is enhanced when class sizes are optimized. Limits are set to ensure a quality experience. When section hopping takes place some classes become too large and it becomes difficult to contribute. When they are too small, the breadth of experience and opinion suffers.
- **Technology is used to enhance the class experience.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice. Those around them face additional distraction. Fellow students cannot benefit from the insights of the students who are not engaged. Faculty office hours are spent going over class material with students who chose not to pay attention, rather than truly adding value by helping students who want a better understanding of the material or want to explore the issues in more depth. Students with real needs may not be able to obtain adequate help if faculty time is spent repeating what was said in class. There are often cases where learning is enhanced by the use of technology in class. Faculty will let you know when it is appropriate.
- **Phones and wireless devices are turned off.** We’ve all heard the annoying ringing in the middle of a meeting. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

Remember, you are competing for the best faculty McCombs has to offer. Your professionalism and activity in class contributes to your success in attracting the best faculty to this program.

Honor Code Purpose

Academic honor, trust and integrity are fundamental to The University of Texas at Austin McCombs School of Business community. They contribute directly to the quality of your education and reach far beyond the campus to your overall standing within the business community. The University of Texas at Austin McCombs School of Business Honor System promotes academic honor, trust and integrity throughout the Graduate School of Business. The Honor System relies upon The University of Texas Student Standards of Conduct (Chapter 11 of the Institutional Rules on Student Service and Activities) for enforcement, but promotes ideals that are higher than merely enforceable standards. Every student is responsible for
understanding and abiding by the provisions of the Honor System and the University of Texas Student Standards of Conduct. The University expects all students to obey the law, show respect for other members of the university community, perform contractual obligations, maintain absolute integrity and the highest standard of individual honor in scholastic work, and observe the highest standards of conduct. Ignorance of the Honor System or The University of Texas Student Standards of Conduct is not an acceptable excuse for violations under any circumstances.

The effectiveness of the Honor System results solely from the wholehearted and uncompromising support of each member of the McCombs School of Business community. Each member must abide by the Honor System and must be intolerant of any violations. The system is only as effective as you make it.

**Faculty Involvement in the Honor System**

The University of Texas at Austin McCombs School of Business Faculty's commitment to the Honor System is critical to its success. It is imperative that faculty make their expectations clear to all students. They must also respond to accusations of cheating or other misconduct by students in a timely, discrete and fair manner. We urge faculty members to promote awareness of the importance of integrity through in-class discussions and assignments throughout the semester.

**Expectations Under the Honor System**

**Standards**

If a student is uncertain about the standards of conduct in a particular setting, he or she should ask the relevant faculty member for clarification to ensure his or her conduct falls within the expected scope of honor, trust and integrity as promoted by the Honor System. This applies to all tests, papers and group and individual work. Questions about appropriate behavior during the job search should be addressed to a professional member of the Career Management Office. Below are some of the specific examples of violations of the Honor System.

**Lying**

Lying is any deliberate attempt to deceive another by stating an untruth, or by any direct form of communication to include the telling of a partial truth. Lying includes the use or omission of any information with the intent to deceive or mislead. Examples of lying include, but are not limited to, providing a false excuse for why a test was missed or presenting false information to a recruiter.

**Stealing**

Stealing is wrongfully taking, obtaining, withholding, defacing or destroying any person's money, personal property, article or service, under any circumstances. Examples of stealing include, but are not limited to, removing course material from the library or hiding it from others, removing material from another person's mail folder, securing for one's self unattended items such as calculators, books, book bags or other personal property. Another form of stealing is the duplication of copyrighted material beyond the reasonable bounds of "fair use." Defacing (e.g., "marking up" or highlighting) library books is also considered stealing, because, through a willful act, the value of another's property is decreased. (See the appendix for a detailed explanation of "fair use.")

**Cheating**

Cheating is wrongfully and unfairly acting out of self-interest for personal gain by seeking or accepting an unauthorized advantage over one's peers. Examples include, but are not limited to, obtaining questions or answers to tests or quizzes, and getting assistance on case write-ups or other projects beyond what is authorized by the assigning instructor. It is also cheating to accept the benefit(s) of another person's theft(s) even if not actively sought. For instance, if one continues to be attentive to
an overhead conversation about a test or case write-up even if initial exposure to such information was accidental and beyond the control of the student in question, one is also cheating. If a student overhears a conversation or any information that any faculty member might reasonably wish to withhold from the student, the student should inform the faculty member(s) of the information and circumstance under which it was overheard.

**Actions Required for Responding to Suspected and Known Violations**

As stated, everyone must abide by the Honor System and be intolerant of violations. If you suspect a violation has occurred, you should first speak to the suspected violator in an attempt to determine if an infraction has taken place. If, after doing so, you still believe that a violation has occurred, you must tell the suspected violator that he or she must report himself or herself to the course professor or Associate Dean of the McCombs School of Business. If the individual fails to report himself or herself within 48 hours, it then becomes your obligation to report the infraction to the course professor or the Associate Dean of the McCombs School of Business. Remember that although you are not required by regulation to take any action, our Honor System is only as effective as you make it. If you remain silent when you suspect or know of a violation, you are approving of such dishonorable conduct as the community standard. You are thereby precipitating a repetition of such violations.

**The Honor Pledge**

The University of Texas at Austin McCombs School of Business requires each enrolled student to adopt the Honor System. The Honor Pledge best describes the conduct promoted by the Honor System. It is as follows:

"I affirm that I belong to the honorable community of The University of Texas at Austin Graduate School of Business. I will not lie, cheat or steal, nor will I tolerate those who do."

"I pledge my full support to the Honor System. I agree to be bound at all times by the Honor System and understand that any violation may result in my dismissal from the McCombs School of Business."

The following pages provide specific guidance about the Standard of Academic Integrity at the University of Texas at Austin. Please read it carefully and feel free to ask me any questions you might have.
Excerpts from the University of Texas at Austin Office of the Dean of Students website (http://deanofstudents.utexas.edu/sjs/acint_student.php)

**The Standard of Academic Integrity**

A fundamental principle for any educational institution, academic integrity is highly valued and seriously regarded at The University of Texas at Austin, as emphasized in the standards of conduct. More specifically, you and other students are expected to "maintain absolute integrity and a high standard of individual honor in scholastic work" undertaken at the University ([Sec. 11-801, Institutional Rules on Student Services and Activities](http://deanofstudents.utexas.edu/sjs/acint_student.php)). This is a very basic expectation that is further reinforced by the University's [Honor Code](http://deanofstudents.utexas.edu/sjs/acint_student.php). At a minimum, you should complete any assignments, exams, and other scholastic endeavors with the utmost honesty, which requires you to:

- acknowledge the contributions of other sources to your scholastic efforts;
- complete your assignments independently unless expressly authorized to seek or obtain assistance in preparing them;
- follow instructions for assignments and exams, and observe the standards of your academic discipline; and
- avoid engaging in any form of academic dishonesty on behalf of yourself or another student.

For the official policies on academic integrity and scholastic dishonesty, please refer to [Chapter 11](http://deanofstudents.utexas.edu/sjs/acint_student.php) of the *Institutional Rules on Student Services and Activities*.

**What is Scholastic Dishonesty?**

In promoting a high standard of academic integrity, the University broadly defines scholastic dishonesty—basically, all conduct that violates this standard, including *any act designed to give an unfair or undeserved academic advantage*, such as:

- Cheating
- Plagiarism
- Unauthorized Collaboration
- Collusion
- Falsifying Academic Records
- Misrepresenting Facts (e.g., providing false information to postpone an exam, obtain an extended deadline for an assignment, or even gain an unearned financial benefit)
- Any other acts (or attempted acts) that violate the basic standard of academic integrity (e.g., multiple submissions—submitting essentially the same written assignment for two courses without authorization to do so)

Several types of scholastic dishonesty—unauthorized collaboration, plagiarism, and multiple submissions—are discussed in more detail on this Web site to correct common misperceptions about these particular offenses and suggest ways to avoid committing them.

For the University's official definition of scholastic dishonesty, see [Section 11-802, Institutional Rules on Student Services and Activities](http://deanofstudents.utexas.edu/sjs/acint_student.php).

**Unauthorized Collaboration**

If you work with another person on an assignment for credit *without the instructor’s permission to do so*, you are engaging in unauthorized collaboration.

- This common form of academic dishonesty can occur with all types of scholastic work—papers, homework, tests (take-home or in-class), lab reports, computer programming projects, or any other assignments to be submitted for credit.
- For the University's official definitions of unauthorized collaboration and the related offense of collusion, see Sections 11-802(c)(6) & 11-802(e), *Institutional Rules on Student Services and Activities*.

Some students mistakenly assume that they can work together on an assignment as long as the instructor has not expressly prohibited collaborative efforts.
• Actually, students are expected to complete assignments independently unless the course instructor indicates otherwise. So working together on assignments is not permitted unless the instructor specifically approves of any such collaboration.

Unfortunately, students who engage in unauthorized collaboration tend to justify doing so through various rationalizations. For example, some argue that they contributed to the work, and others maintain that working together on an assignment "helped them learn better."

• The instructor—not the student—determines the purpose of a particular assignment and the acceptable method for completing it. Unless working together on an assignment has been specifically authorized, always assume it is not allowed.

• Many educators do value group assignments and other collaborative efforts, recognizing their potential for developing and enhancing specific learning skills. And course requirements in some classes do consist primarily of group assignments. But the expectation of individual work is the prevailing norm in many classes, consistent with the presumption of original work that remains a fundamental tenet of scholarship in the American educational system.

Some students incorrectly assume that the degree of any permissible collaboration is basically the same for all classes.

• The extent of any permissible collaboration can vary widely from one class to the next, even from one project to the next within the same class.

• Be sure to distinguish between collaboration that is authorized for a particular assignment and unauthorized collaboration that is undertaken for the sake of expediency or convenience to benefit you and/or another student. By failing to make this key distinction, you are much more likely to engage in unauthorized collaboration. To avoid any such outcome, always seek clarification from the instructor.

Unauthorized collaboration can also occur in conjunction with group projects.

• How so? If the degree or type of collaboration exceeds the parameters expressly approved by the instructor. An instructor may allow (or even expect) students to work together on one stage of a group project but require independent work on other phases. Any such distinctions should be strictly observed.

Providing another student unauthorized assistance on an assignment is also a violation, even without the prospect of benefiting yourself.

• If an instructor did not authorize students to work together on a particular assignment and you help a student complete that assignment, you are providing unauthorized assistance and, in effect, facilitating an act of academic dishonesty. Equally important, you can be held accountable for doing so.

• For similar reasons, you should not allow another student access to your drafted or completed assignments unless the instructor has permitted those materials to be shared in that manner.

Plagiarism

Plagiarism is another serious violation of academic integrity. In simplest terms, this occurs if you represent as your own work any material that was obtained from another source, regardless how or where you acquired it.

• Plagiarism can occur with all types of media—scholarly or non-academic, published or unpublished—written publications, Internet sources, oral presentations, illustrations, computer code, scientific data or analyses, music, art, and other forms of expression. (See Section 11-802(d) of the Institutional Rules on Student Services and Activities for the University's official definition of plagiarism.)

• Borrowed material from written works can include entire papers, one or more paragraphs, single phrases, or any other excerpts from a variety of sources such as books, journal articles, magazines, downloaded Internet documents, purchased papers from commercial writing services, papers obtained from other students (including homework assignments), etc.

• As a general rule, the use of any borrowed material results in plagiarism if the original source is not properly acknowledged. So you can be held accountable for plagiarizing material in either a final submission of an assignment or a draft that is being submitted to an instructor for review, comments, and/or approval.
Using *verbatim* material (e.g., exact words) without proper attribution (or credit) constitutes the most blatant form of plagiarism. However, other types of material can be plagiarized as well, such as ideas drawn from an original source or even its *structure* (e.g., sentence construction or line of argument).

- Improper or insufficient paraphrasing often accounts for this type of plagiarism. (See additional information on paraphrasing.)

**Plagiarism can be committed intentionally or unintentionally.**

- Strictly speaking, any use of material from another source without proper attribution constitutes plagiarism, regardless why that occurred, and any such conduct violates accepted standards of academic integrity.

- Some students deliberately plagiarize, often rationalizing this misconduct with a variety of excuses: falling behind and succumbing to the pressures of meeting deadlines; feeling overworked and wishing to reduce their workloads; compensating for actual (or perceived) academic or language deficiencies; and/or justifying plagiarism on other grounds.

- But some students commit plagiarism without intending to do so, often stumbling into negligent plagiarism as a result of sloppy notetaking, insufficient paraphrasing, and/or ineffective proofreading. Those problems, however, neither justify nor excuse this breach of academic standards. By misunderstanding the meaning of plagiarism and/or failing to cite sources accurately, you are much more likely to commit this violation. Avoiding that outcome requires, at a minimum, a clear understanding of plagiarism and the appropriate techniques for scholarly attribution. (See related information on paraphrasing; notetaking and proofreading; and acknowledging and citing sources.)

By merely changing a few words or rearranging several words or sentences, you are *not* paraphrasing. Making minor revisions to borrowed text amounts to plagiarism.

- Even if properly cited, a "paraphrase" that is too similar to the original source's wording and/or structure is, in fact, plagiarized. (See additional information on paraphrasing.)

Remember, your instructors should be able to clearly identify which materials (e.g., words and ideas) are your own and which originated with other sources.

- That cannot be accomplished without proper attribution. You must give credit where it is due, acknowledging the sources of any borrowed passages, ideas, or other types of materials, and enclosing any verbatim excerpts with quotation marks (using block indentation for longer passages).

**Plagiarism & Unauthorized Collaboration**

Plagiarism and unauthorized collaboration are often committed jointly.

By submitting *as your own work* any unattributed material that you obtained from other sources (including the contributions of another student who assisted you in preparing a homework assignment), you have committed plagiarism. And if the instructor did not authorize students to work together on the assignment, you have also engaged in unauthorized collaboration. Both violations contribute to the same fundamental deception—representing material obtained from another source as your own work.

Group efforts that extend beyond the limits approved by an instructor frequently involve plagiarism in addition to unauthorized collaboration. For example, an instructor may allow students to work together while researching a subject, but require each student to write a separate report. If the students collaborate while writing their reports and then submit the products of those joint efforts as individual works, they are guilty of unauthorized collaboration as well as plagiarism. In other words, the students collaborated on the written assignment without authorization to do so, and also failed to acknowledge the other students’ contributions to their own individual reports.

**Multiple Submissions**

Submitting the same paper (or other type of assignment) for two courses *without prior approval* represents another form of academic dishonesty.

You may not submit a substantially similar paper or project for credit in two (or more) courses unless expressly authorized to do so by your instructor(s). (See Section 11-802(b) of the Institutional Rules on Student Services and Activities for the University’s official definition of scholastic dishonesty.)
You may, however, re-work or supplement previous work on a topic with the instructor's approval.

**Some students mistakenly assume that they are entitled to submit the same paper (or other assignment) for two (or more) classes simply because they authored the original work.**

Unfortunately, students with this viewpoint tend to overlook the relevant ethical and academic issues, focusing instead on their own "authorship" of the original material and personal interest in receiving essentially double credit for a single effort.

Unauthorized multiple submissions are inherently deceptive. After all, an instructor reasonably assumes that any completed assignments being submitted for credit were actually prepared for that course. Mindful of that assumption, students who "recycle" their own papers from one course to another make an effort to convey that impression. For instance, a student may revise the original title page or imply through some other means that he or she wrote the paper for that particular course, sometimes to the extent of discussing a "proposed" paper topic with the instructor or presenting a "draft" of the paper before submitting the "recycled" work for credit.

The issue of plagiarism is also relevant. If, for example, you previously prepared a paper for one course and then submit it for credit in another course without citing the initial work, you are committing plagiarism—essentially "self-plagiarism"—the term used by some institutions. Recall the broad scope of plagiarism: all types of materials can be plagiarized, including unpublished works, even papers you previously wrote.

Another problem concerns the resulting "unfair academic advantage" that is specifically referenced in the University's definition of scholastic dishonesty. If you submit a paper for one course that you prepared and submitted for another class, you are simply better situated to devote more time and energy toward fulfilling other requirements for the subsequent course than would be available to classmates who are completing all course requirements during that semester. In effect, you would be gaining an unfair academic advantage, which constitutes academic dishonesty as it is defined on this campus.

Some students, of course, do recognize one or more of these ethical issues, but still refrain from citing their authorship of prior papers to avoid earning reduced (or zero) credit for the same works in other classes. That underlying motivation further illustrates the deceptive nature of unauthorized multiple submissions.

An additional issue concerns the problematic minimal efforts involved in "recycling" papers (or other prepared assignments). Exerting minimal effort basically undercuts the curricular objectives associated with a particular assignment and the course itself. Likewise, the practice of "recycling" papers subverts important learning goals for individual degree programs and higher education in general, such as the mastery of specific skills that students should acquire and develop in preparing written assignments. This demanding but necessary process is somewhat analogous to the required regimen of athletes, like the numerous laps and other repetitive training exercises that runners must successfully complete to prepare adequately for a marathon.