

MGMT 340-003/CRN 13403 M W 5:30-6:45 pm
Financial Accounting I
Fall 2014 as of July 30, 2014

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Office Hours: MW, 3:00-3:50 pm, Sat. 8:00-8:50 am and by appointment.
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Required Texts: Intermediate Accounting by Spiceland, Sepe, and Nelson, 7th edition.
An electronic copy of the book is available on MH Connect. Additionally, templates for the brief exercises and exercises are available there (optional).

Course Objectives:

This course builds on the elementary material covered in the introductory financial accounting class. In particular, in conjunction with MGMT 341, it is designed to enable you to understand the underlying concepts, principles and rules that guide the preparation of a complete set of financial statements for external users. The objectives of the course are as follows:

1. To be able to read critically and understand the information presented in the various financial statements and how this information is supplemented by the various notes to the annual report.
- 2a. To learn the existing US GAAP requirements in various areas listed in the syllabus. This includes the preparation of appropriate journal entries, financial statements and disclosures. It also includes communicating these requirements to others in writing.
- 2b. To connect various economic transactions to their affect upon the financial statements. In other words, how to prepare the journal entries required to record various transactions which affect the financial statements. This will provide a basic introduction to the significance of financial accounting in corporate decision-making.
3. To enhance awareness of the differences between US GAAP and IFRS.
4. To enhance awareness that accounting is constructed by various groups including the SEC, FASB and the IASB. The student will be introduced to some of the controversies in accounting standard-setting.

Note: The term “LMS” (learning management system) when used in this syllabus refers to UNM’s Bb Learn, available at learn.unm.edu

What you can expect:

This is a “nuts and bolts” course. Accounting classes require the development of particular skills. As in sports or music, much practice will be required for you to learn these skills thoroughly. **The more exercises and problems that you work, the more comfortable you will be with the material.** To succeed, you must carefully read each chapter (**often more than once**) and work (**at the bare minimum**) all assigned problems and exercises (**again more than once**). Also, there are several resources on the LMS as well as a link to resources provided by the publisher. Absorbing the material and working problems will require a significant time commitment from you, one that often exceeds 10 hours of work per week **outside of class time** in addition to studying for exams. The exercises and problems that have been assigned are the minimum work expected to successfully complete the course.

It is difficult to “cram” this material and not get confused on exams. I recommend that you work consistently on the material as it is assigned rather than waiting to do all the work around exam time. You should make every effort to have completed (or at least tried to complete) the assigned work for each class period. Classes will be a combination of lecture, discussion, problem solving of representative problem types and question and answers.

Because we lack the time to go over every assigned problem in class, I will place the answers to the homework material on the learning management system (LMS), currently Bb Learn. I do not recommend that you merely download these solutions. They are intended as a means for you to check your homework not as a substitute for “grunting” through the hard work of learning this material.

Course Grade:

Grades will be determined based on three midterm exams, in-class quizzes, and a comprehensive final (weighted as shown below). The dates of the exams and in-class quizzes are noted on the course outline. An exam grade of zero will be assigned to anyone who misses an exam without previously contacting me. In addition, there will be no make-ups for missed exams for which you have contacted me earlier with a valid, verifiable excuse for missing it. However, I will allow people to take the exam early when necessary (and within a reasonable time frame). In the case of a missed midterm with a valid and verifiable excuse, the weight will be reassigned to the final examination. If you find yourself in this situation, it is your responsibility to remind the instructor to so weight the final (email would be fine). Please note the expected date/time of the final on the schedule: it will occur in accordance with University scheduling and cannot be changed. Plan accordingly.

Weighting of the Grade:

| | |
|--|------------|
| Quizzes (6 @ 5 points each) | 30 |
| Writing assignments/exercises (WAE) (6 @ 5 points each) | 30 |
| Writing Assignment | 10 |
| 3 Exams at 100 each | 300 |
| Final | <u>115</u> |
| Total | 485 |

In-Class Quizzes: Because you will be permitted to drop your lowest in-class quiz score, no makeup quizzes will be provided. The quiz grades will be calculated using a straight scale.

Writing assignments/exercises (WAEs): The ability to solve problems and communicate clearly are important business skills. To provide you with practice in solving problems and writing about accounting, you will be given a brief problem including a writing component that will be available on the LMS. You will work the problem and answer the question posed and turn it in. You must do it in Excel—no handwritten answers. Neither late, nor electronic submissions will be accepted. Improving writing is a matter of practice. Consequently, our concern is that you complete these exercises and produce something a supervisor would find useful (even with some editing). If your submission is illegible, unintelligible, or factually incorrect, your supervisor would not give you credit, nor will we—no exceptions.

Challenges to the Grading: Must be made in writing within one week from when the exam or other item is returned in class. The one week begins to run from when the exam or other item is distributed to the class, even if you are absent. Please indicate in writing on the front page of your exam (or other item) what you are challenging, and for issues other than adding up points, why your response is correct and submit to your instructor. Because exams and other items are graded as a whole, the entire submission is subject to re-grade.

If you believe your final grade is in error, say so as soon as possible after the grade is posted. We want you to receive the correct grade and we strive to treat all equally and fairly! Waiting to raise a challenge well into the next semester impedes our ability to change an incorrect grade.

Please hang on to all your tests, quizzes, writing assignments/exercises; if there is a question later about a grade received, you will need them.

Writing assignment: Available in the **Assignments** tool of the LMS. See schedule at the end of this document for requirements. Your grade will be based on organization, completeness and accuracy of responses to issues, and writing quality. **NO** late papers will be accepted.

File Naming Convention: (Applies to IWA only). When you submit your international writing assignment, please use MS Word and observe the following naming convention for the file you submit: use the initials of your first and middle name and your last name, then add an underscore followed by iwa.doc For instance, if Ramon A. Martinez is ready to submit his international writing assignment, the file he will upload to the assignment submission area in the LMS would have the following name: ramartinez_iwa.docx. Failure to use the file naming convention costs 2 points.

Other Matters:

1. You may not change the status of the course to audit and incompletes will be assigned only if you have completed all the work and are unable to take the final and have a valid, verifiable excuse. All students must take 3 out of the 4 exams (including the final) to pass the class. Grades will be assigned at the completion of the course and will be consistent across sections with some reference to a normal distribution.

2. Only four function calculators may be used on exams. No cellphones, No PDAs, no programmable calculators.

3. If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate

arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodating activities with other offices on campus.

4. Anderson School of Management faculty, staff, and students commit to values of trust, honesty, and accountability. We will not tolerate academic dishonesty. Any violation of the Anderson Academic Honesty Code of Conduct or the Student Code of Conduct will be taken very seriously and appropriate sanctions will be applied. Violations include: plagiarism, exam misconduct, etc. Please refer to ASM Academic Honesty Code, <http://www.mgt.unm.edu/honesty>, the Catalog and the UNM Pathfinder for additional information , <http://pathfinder.unm.edu/common/policies/dishonesty-academic-matters.html>

Inclement Weather Policy: On days when weather is bad, please listen to local media or check the UNM homepage to see if UNM will be operating on a delayed schedule or will be closed. A delay means that classes scheduled before the late campus opening are CANCELLED (For example, if a two-hour delay is announced, then classes scheduled to start before 10:00 a.m. are cancelled. Classes that begin at or after 10:00 a.m. are on the regular schedule). A closure means that UNM will not be opened for the day, or will be closed before the end of the regular work day.

In the event of a delay or closure of UNM affecting our class on an exam day, the exam will be given during the next scheduled class meeting. In the event of such a delay or closure during final exam week, you will be notified through a LMS announcement on the class site and/or via e-mail to your UNM account of the rescheduling of the final exam. For more information about UNM's inclement weather policy, see <http://www.unm.edu/~ubppm/ubppmanual/3435.htm>

Class Schedule: On the following pages, you will find a listing of the class assignments for each class period. This schedule is tentative and subject to adjustments. As a separate handout, I have provided the learning objectives for each chapter we will cover this semester. These learning objectives are designated as information, knowledge and application objectives. Information objectives are those that I will talk about in class but will not test on exams. Knowledge and application objectives may be tested.

Please note that chapter 1 should be background material which you are familiar with from your introductory class. We will cover the accrual/cash, cash/accrual with problems, but you are welcome to work other problems to test your understanding of this background material.

MGMT 340 Fall 2014
Homework and Quiz Schedule (subject to change)

| Class Meetings | Chapter | Homework Exercises and Problems | In-class Quiz | Writing Assignment/ Exercise Due |
|----------------------------|--|--|--|---|
| <i>Aug. 18, 20, 25, 27</i> | CH 2 CH 1 | Read pp. 50-84 (exclude appendix) Brief exercises: 7, 8, 11, 12 Exercises: 2, 4, 6, 7, 8, 9, 10, 12, 14, 16, 17, 18 CPA review questions: 1, 3, 4, 5 Problems: 1 (part 1 only), 2 (part 2 only), 3, 7, 8, 10, 11 Read pp. 6-8, 12-19, 25-34 Brief Exercises: 1 Exercises: 1, 2 | <i>Aug. 25</i> (adjusting entries) <i>Aug. 27</i> (cash to accrual) | NA |
| <i>Aug. 27, Sept. 3, 8</i> | CH 4 | Read pp. 170-208 Brief Exercises: 4, 6, 7, 8, 11, 12 Exercises: 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 15 CPA and CMA review questions: 1, 3, 8 Problem: 3, 5, 6, 7, 9 | NA | <i>Sept. 8</i> |
| <i>Sept. 10</i> | EXAM 1 | Chapters 1 (cash/accrual; accrual/cash only) 2, 4 | | |
| <i>Sept. 15, 17</i> | CH 3 | Read pp. 112-140 (exclude appendix) Brief exercises: 6, 7, 10 Exercises: 1, 2, 3, 5, 7, 9, 10, 19, 20 CPA and CMA review questions: 1, 2, 5 Problems: 1, 2, 3, 4, 5, 6, 7 | <i>Sept. 22</i> | NA |
| <i>Sept. 22, 24, 29</i> | CH 5 | Read pp. 230-269 Brief exercises: 3, 4, 5, 7, 8, 9 Exercises: 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15 CPA and CMA review questions: CPA 1, 2, 3, 5 Problems: 2, 3, 5, 6, 8, 9 Case: 3 | <i>Oct. 1</i> | <i>Oct. 1</i> |
| <i>Oct. 1, 6</i> | CH 7 | Read pp. 358-374, 379-392 (omit discounting of notes receivable) Brief Exercises: 2, 3, 6, 8, 9, 10, 11 Exercises: 1, 11, 12, 13, 17, 18, 19 CPA questions: 3, 4, 5, 7 CMA questions: 1, 2, 3 Problems: 2, 3, 4, 7, 8 | NA | <i>R-Oct. 6</i> |
| <i>Oct. 8</i> | EXAM 2 | Chapters 3, 5, 7 | | |
| <i>Oct. 13, 15</i> | CH 8 | Read pp. 420-451 Brief exercises: 1, 3, 6, 7, 8, 9, 10 CPA questions: 1, 3, 4, 5, 7 Exercises: 1, 2, 6, 7, 8, 13, 14, 15, 17, 19, 22, 23 Problems: 2, 5 (not part 5), 6, 9, 10, 13, 14, 15 | <i>Oct. 20</i> | NA |

| Class Meetings | Chapter | Homework Exercises and Problems (subject to change) | In-class Quiz | Writing Assignment/ Exercise Due |
|-------------------------------|---------|--|----------------|----------------------------------|
| <i>Oct. 20, 22, 27</i> | CH 10 | Read pp. 528-564 (exclude appendix) Brief exercises: 1, 2, 3, 4, 6, 11, 12, 14 Exercises: 1, 2, 3, 6, 8, 15, 16, 17, 18, 19, 23, 24, 25 CPA 2, 4, 6 Problem: 3, 5, 6, 7, 9 | <i>Oct. 29</i> | NA |
| <i>Oct. 29, Nov. 3, 5, 10</i> | CH 12 | Read pp. 651-694 Brief exercises: 2, 3, 4, 6, 7, 9, 10, 12 Exercises: 2, 4, 5, 7, 8, 9, 11, 12, 13, 14, 15, 18, 19, 23 CPA questions: 1, 3, 5, 7 Problem: 5, 6, 7, 12, 13 | NA | <i>Nov. 5</i> |
| <i>Nov. 12</i> | EXAM 3 | Chapters 8, 10, 12 | | |
| <i>Nov. 17, 19, 24</i> | CH 9 | Read pp. 474-486, 497-506 Brief exercises: 1, 2, 3, 4, 5 Exercises: 1, 2, 3, 4, 5, 8, 9, 11 CPA questions: 1, 2 Problems: 1, 2, 3 | <i>Nov. 19</i> | NA |
| <i>Nov. 24</i> | | Paper Due and Class Discussion of Findings You need to complete a 2-page double-spaced memo and submit through the Assignments tool in the LMS using the file naming convention discussed above. Review the following article available on the LMS: Potential Adoption of the IFRS by the United States: A Critical View in Accounting Horizons, vol. 27, no. 2 (2013) and a recent SEC report concerning IFRS adoption. Your memo should provide three examples of differences in accounting methods between U.S. GAAP and IFRS including a description of these differences. The methods described must be related to topics studied in MGMT 340. You should then discuss whether you think that U.S. should fully adopt IFRS and why or why not. Use your own words because plagiarism is unacceptable and will result in a score of 0/10! | NA | NA |
| <i>Nov. 24, Dec. 1</i> | CH 11 | Read pp. 588-598, 600-626 Brief Exercises: 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14 Exercises: 1 (not SYD), 2 (not SYD), 3, (not SYD), 6, 11, 14, 16, 18, 19, 20, 21, 22, 25, 26, 27, CPA questions: 1, 2, 4 Problems: 11, 12 | | <i>Dec. 1</i> |
| <i>Dec. 3</i> | | Open Lab—Bring Your Questions | | |
| <i>Dec. 10</i> | FINAL | Chapters 1-5, 7-12 (Closed Book) W; 5:30-7:30 pm (tent.) | | |