

**SYLLABUS****Accounting 301 (27) – Principles of Accounting II**

Spring Semester (Jan 12 – May 4, 2009) Mondays, 6:00 PM – 8:45 PM

Hipp Hall, Room 102, Furman University Campus

**Course Description**

This course will introduce students to financial analysis and managerial accounting.

The course is intended for students who have successfully completed Principles I.

An objective of the course is for the student to learn, understand, and analyze how an accountant's decisions impact the goals and success of an organization.

The course adopts a decision-maker perspective of managerial accounting by emphasizing the relation between accounting data and the underlying economic events that generated them.

Current trends, the regulatory environment, and controllership responsibilities are discussed.

Ethical issues and leadership principles are presented and analyzed.

By successfully completing this course, students will:

- Understand and remember key accounting concepts, terms, and relationships
- Know how to use the course content to research, analyze, and communicate solutions to business problems
- Be able to relate these topics to current events and their experiences
- Understand the personal, professional, legal, social, and ethical implications studied
- Care about the accounting profession and understand the importance of significant learning
- Know how to continue learning about accounting using the tools and techniques acquired

**Required**

*Accounting*, 7<sup>th</sup> edition, Horngren, Harrison. Prentice Hall, Chapters 13-25 (or the hardback edition containing chapters 1-23 is recommended for students taking Acc26 and Acc301 – ISBN 0-13-243960-3)

*Effective Writing, A Handbook for Accountants*, Claire May and Gordon May, Pearson-PrenticeHall, ISBN 0-13-602908-6

*The Goal*, Eliyahu M. Goldratt, North River Press

*Wall Street Journal* subscription paper and online (special student rate on this web site:

<http://subscribe.wsj.com/semester>)

Student membership in the AICPA or IMA

(<http://www.aicpa.org/About+the+AICPA/Membership+Information/Membership+Dues.htm>

\$35/year - <https://www.aicpa.org/AICPAReg/RegistrationStart.aspx>

Dues for each fiscal year include a subscription to the Journal of Accountancy (\$69 value) and The CPA Letter (\$40 value)

**Optional Text (strongly recommended)**

*Accounting 7<sup>th</sup> edition Study Guide*, Brubeck, McGovern, Prentice Hall

Students should have already have purchased their textbooks before class. The Furman Bookstore located in the Furman University Center will be open 9:00 am-6:30 pm, M-Th, during the first week of classes and 11:00 am-3:00 pm on Saturdays. The Bookstore takes cash, check, or MasterCard/Visa.

**Course Content and Objectives**

Identify the characteristics of a corporation  
 Record the issuance of **stock**  
 Prepare the stockholders' equity section of a corporation balance sheet  
 Account for cash dividends  
 Use different stock values in decision making  
 Evaluate return on assets and return on stockholders' equity  
 Account for the income tax of a corporation  
 Account for stock **dividends**  
 Distinguish stock splits from stock dividends  
 Account for treasury stock  
 Report restrictions on retained earnings  
 Analyze a corporate **income statement**  
 Account for **bonds** payable  
 Measure interest expense by the straight line amortization method  
 Account for retirement and conversion of bonds payable  
 Report liabilities on the **balance sheet**  
 Show the advantages and disadvantages of borrowing  
 Perform a horizontal **analysis of financial statements**  
 Perform a vertical analysis of financial statements  
 Prepare and use common-size financial statements  
 Compute the standard **financial ratios**  
 Distinguish **management accounting** from financial accounting  
 Identify trends in the business environment and the role of management accountability  
 Classify costs and prepare an income statement for a service company  
 Classify costs and prepare an income statement for a merchandising company  
 Classify costs and prepare an income statement for a manufacturing company  
 Use reasonable standards to make ethical judgments  
 Distinguish between **job costing** and process costing  
 Record materials and labor in a job order costing system  
 Record overhead in a job order costing system

Record completion and sales of finished goods and the adjustment for under-or overallocated overhead  
 Calculate unit costs for a service company  
 Distinguish between **process costing** and job order costing  
 Compute equivalent units  
 Use process costing to assign costs to units completed and to units in ending work in process inventory  
 Use the weighted-average method to assign costs to units completed and to units in ending work in process inventory in a second department  
 Identify how changes in volume affect costs  
 Use **CVP** analysis to compute breakeven points  
 Use CVP analysis for profit planning, and graph the CVP relations  
 Use CVP methods to perform sensitivity analyses  
 Compute the breakeven point for multiple product lines or services  
 Learn how to use a **budget**  
 Prepare an operating budget  
 Prepare a financial budget  
 Use sensitivity analysis in budgeting  
 Prepare performance reports for responsibility centers  
 Prepare a **flexible budget** for the income statement  
 Prepare an income statement performance report  
 Identify the benefits of **standard costs** and learn how to set standards  
 Compute standard cost variances for direct materials and direct labor  
 Analyze manufacturing overhead in a standard cost system  
 Record transactions at standard cost and prepare a standard cost income statement  
 Develop **activity-based costs** (ABC)  
 Use activity-based management (ABM) to achieve target costs  
 Describe a just-in-time (JIT) production system, and record its transactions  
 Use the four types of quality costs to make **decisions**

### Course Format

Role of Textbook, Lectures, Class Notes, Supplemental Readings and PowerPoint Slides:

The **textbook** covers the basic material in the course, including transaction analysis, financial disclosure and interpretation. Some of the textbook material is sufficiently straight-forward and it is expected that you will learn it solely from reading the textbook. You may also be asked to report on additional assigned readings.

The **lectures** will cover only the more important and difficult material in the textbook as well as some additional material not covered in the textbook. The lectures will be based on the assumption that you have read the material in the textbook and any additional class notes, *prior to class*. You are expected to be able to discuss in class what you have learned as well as work the problems.

Classroom **exercises** will cover the concepts you are expected to learn. You will write **one-minute reflection papers** during each class on the topics covered.

**Crosswords** and other learning tools are provided to help you learn the vocabulary of this language. Completed Crosswords for each chapter will be **submitted prior to the start of that class**.

Students will use **clickers** to answer questions during each class to gauge your understanding. The clicker responses will count towards your class participation grade. By the time you are tested on the actual exams you will have worked the problems you are required to know several times. You should note the topics that require further study as the clicker questions are not available for students to take home.

You will be expected to read and report on the book "**The Goal**." You will write a ten-page paper in proper form on your analysis of this book. Dr. Oaks' grading standards will be used.

You will be expected to research several current topics to be assigned and write a **paper** on each. You will also present your findings to the class using a variety of **presentation** methods of your choosing including PowerPoint.

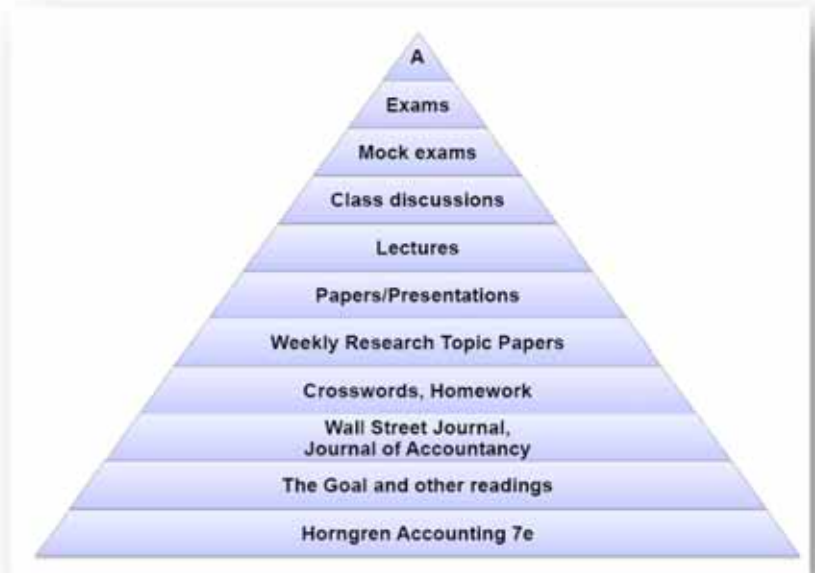
**Current topics** from your **WSJ** and **Journal of Accountancy** subscriptions will be discussed in each class. You will be expected to bring your findings to class and present them. You will be emailed selected readings and questions to answer. You will turn these in at the beginning of each class.

You will be emailed files of the lecture **PowerPoints** and the homework **solutions** after each class.

Your grade is dependent on you having read the assigned material and worked the assigned problems.

Accounting is learned by **doing**, not by only reading or listening. You must work the assigned homework problems to learn. All homework must be completed using Excel including formulas.

**Late assignments** will be awarded a zero grade. As in business, missed deadlines are not acceptable in this course. Turn your work in prior to the deadline if you are unable to attend class.



**Computer Requirements**

In order to successfully complete this course, students must be proficient using Microsoft Office - Word, Excel, and PowerPoint. You are required to solve your homework problems using Excel's formulas.

This course requires using an email account capable of sending and receiving large files.

Below are a few guidelines that you should keep in mind when sending email:

- Always complete the subject line with your name and the subject.
- Use standard fonts. No backgrounds.
- Attached files should be identified by your name and subject as the file name.
- I will send you a response to all e-mails within 48 hours.

**Class Attendance**

**Regular attendance and class participation are expected.** Because the course covers a great deal of material, attending every class session is very important for performing well. Students who know they will have conflicts due to business trips, etc., must notify the instructor prior to their absence.

**Discussions** of the course material are an important part of the learning process in this course. **Students are expected to make a meaningful contribution to the class**, whether by asking questions, responding to questions, working exercises or contributing in other ways to class discussion. If you don't understand, it is your responsibility to speak up.

If circumstances prevent your attendance at a particular class meeting, you are responsible for contacting one of your classmates to obtain any handouts distributed or assignments made.

**Success in the course**

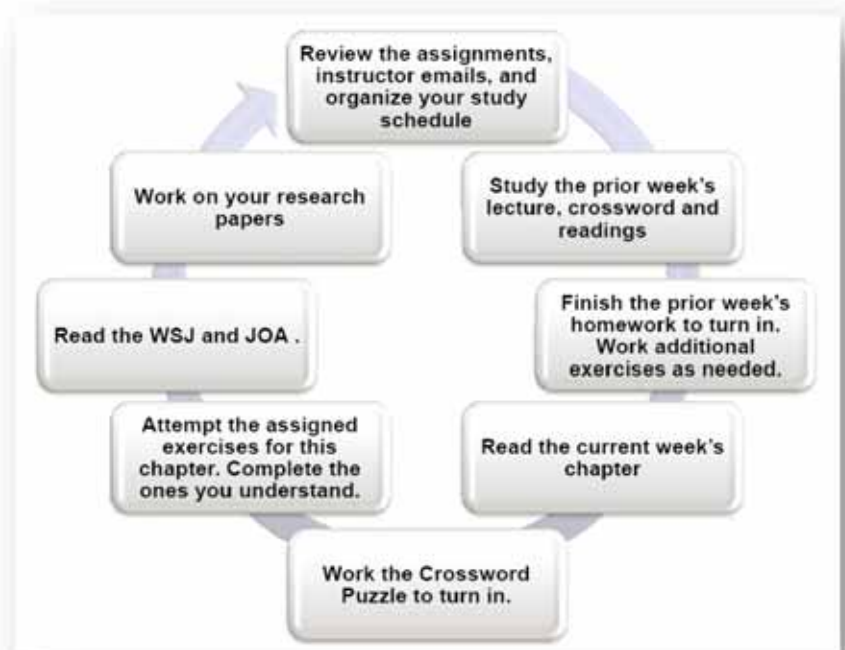
The learning methods used in this course have been **designed for your success**. Should you discover that modifications to accommodate your personal learning style need to be made, it is your responsibility to discuss this with the instructor.

To facilitate your learning process, assigned readings and homework problems should be completed before each class. Success in this course will come by **learning the vocabulary** and **solving the problems**. It is not possible to master basic accounting without learning the language and actually working the exercises.

Both **attendance** and class **participation** are strongly recommended, as they are essential to a successful learning process.

Your final grade in the course is completely dependent upon the **effort** you put into this course.

Very few students are successful when they do not attend class regularly and **stay current** with the assignments. You should not rely on the examples and illustrations for total understanding of the material.



Exam and final grades are not curved, but class participation and effort put into the course are considered in determining your final grade.

There are ample opportunities to **improve your grade** by completing bonus questions and assignments.

### Classroom Environment

I expect that students will be **prepared** for class. I suggest the following routine:

- Before class, **read the assigned chapter** in the textbook. **Review the vocabulary** and become familiar with terms that are new to you. **Complete the crossword to turn in.** Try the assigned **problems** to test your understanding of the material. You are advised not to read the solutions until after you have made a genuine attempt to solve the problems. You are also advised not to simply memorize the solutions. Exam questions related to the same basic material might require alternative solution techniques. Use the web and CD learning tools for more explanation and practice opportunities.
- Read the assigned material (both textbook and supplemental material). The lecture notes and supplemental material often contain problems or examples which will be discussed in class and summarize the material in a way different from that provided in the textbook. **Try to answer the questions prior to coming to class.**
- The suggested problems on the assignment sheet may be discussed in class during the indicated class session (time permitting). Therefore, you should be familiar with these problems prior to coming to class.
- After class, complete the suggested problems which you were unable to complete prior to class, and identify gaps in your understanding. If necessary, you should attempt additional questions and problems. I encourage you to work in groups. However, **homework must be completed and submitted individually.** Further, the exams are an individual effort so only study in a group if this improves your *individual* understanding of the material.

It is expected that you will treat this course as a professional engagement.

- Be on time and remain throughout the class meeting.
- Cell phones must be turned off during class.
- Display courteous behavior.
- Follow the Furman Code of Academic Integrity. On behalf of the majority of the students who make an honest effort in this class, I will take action against anyone suspected of breaching this Code.

### Time Requirements

Each student should **expect to spend a minimum of two (2) hours of outside preparation for every classroom hour.** This means you should expect to spend a minimum of 6-7 hours per week outside of class in preparation. This includes preparing for class, reading the text, doing homework, completing assignments, and reviewing for exams or quizzes. Anything less, you will be depriving yourself from earning your best grade.

If your grade falls below what is acceptable to you or you don't think you are learning satisfactorily, take immediate action. Do not wait until the last few weeks of the semester to seek help. Discuss the situation with the instructor. Consider the following, not necessarily in this order:

- (1) Are you working more hours and studying less? Can you correct that situation?
- (2) Form a study group. Teaching a team member is a proven way to learn.
- (3) Work extra problems and contact me if you need the solutions.
- (4) Make use of the publisher's interactive learning website.
- (5) Contact the Undergraduate Evening Studies office for information on tutors and learning assistance.
- (6) And finally the most important, discuss your progress with the instructor on a regular basis.

**Vehicle Registration Form**

All UES students must display a Furman University parking decal on their vehicle. Parking registration forms are available online at (<http://www.furman.edu/conted/Forms.html>) or in the UES office.

**Students with Disabilities**

Students requesting accommodations for a learning disability must first make application the Office of Disability Services and the director, Gina Parris. Information regarding that process can be found on their website located at: (<http://www.furman.edu/disability/index.htm>), or you can contact the UES office.

**Academic Integrity Policy**

Academic dishonesty in any form is a fundamental offense against the entire academic community and is always a threat to the standards of the University and to the standing of every student. In taking tests, examinations, doing homework, and writing papers, students are expected to perform with honor.

One of the most common forms of academic dishonesty is plagiarism. Plagiarism is the use of another's words or ideas as if they were one's own. To avoid plagiarism, students should acknowledge their sources, using whatever documentation is appropriate to the discipline in which their work is being done.

Any student suspected of violating Furman's Academic Integrity Policy: (<http://www.furman.edu/integrity/PoliciesonAcademicIntegrity.htm>) may be subject to adjudication.

Resources on this issue are located on the UES website.

**Access to Records (FERPA)**

The Family Education Rights and Privacy Act, commonly referred to as the Buckley Amendment, provides for students' access to their educational records. Students wishing to inspect their records may do so by going to the appropriate office and presenting their identification credentials. Furman complies with all federal and state statutes regarding confidentiality of student records. Students are guaranteed opportunities to challenge the accuracy of files or records. Requests for hearings are made to the vice president for Student Services.

<http://www.ed.gov/policy/gen/guid/fpco/ferpa/index.html>

**UES Office Hours**

The Continuing Education office hours are 8:30 am – 7:00 pm Monday through Thursday and 8:30 am – 5:00 pm on Fridays.

**Final Examinations**

Furman requires final examinations to be given for every course.

**Make-Up Exams**

Students will coordinate make-up exams with the instructor. Only exams missed due to absences arranged with the instructor prior to the original exam date may be made up.

**Grading**

The course grade will consist of the following items:

Exam 1 – 20%

Exam 2 – 20%

Final Exam 3, cumulative – 20%

Quick topics, homework, class participation, clicker questions, reflection papers – 25%

Projects/Presentations – 15%

The following grade scale is used:

A = 90 - 100

B = 80 - 89

C = 70 - 79

D = 60 - 69

F = 0 - 59



If you have any questions about your grades in this course contact your instructor. I will keep you informed of your progress throughout the term.

**Instructor**

**Bill Ellis**, MPAcc, CPA

Telephone Number: 864-288-1088, Mobile: 864-908-4743

Fax Number 864-286-9711

Email Address: [bill.ellis@furman.edu](mailto:bill.ellis@furman.edu)

**Suggested Research Paper Topics**

5S  
 Accountants and corporate leadership  
 Accounting whistle blowers  
 Audit standards and auditor independence  
 Balanced scorecards and EVA  
 Benchmarking  
 Budgeting, risk analysis and software (Crystal Ball, @Risk)  
 Business performance measures  
 CFO/controller's job descriptions  
 Company visions, mission statements and codes of ethics  
 Continuous improvement  
 COSO  
 Dashboards  
 Deming  
 Fair value accounting  
 Forensic Accounting  
 Global change management  
 Green (the new red, white and blue)  
 History of managerial accounting  
 Impact of Section 404 internal control requirements on corporations  
 Internal audit  
 AIS, IT, ERP and managing a corporation with SAP or PeopleSoft

JIT  
 Kaizan  
 Kanban  
 Lean accounting, applying lean concepts to the corporation  
 Off balance sheet entities, Enron and the sub-prime meltdown  
 PCAOB  
 Performance measurement - SPMS  
 Re-engineering  
 Review of recent accounting scandals  
 Sarbanes Oxley's history and impact  
 Six Sigma  
 Supply chain management  
 The impact of Convergence on US firms  
 The role of government and regulatory agencies  
 The Toyota way  
 Throughput accounting  
 TQM  
 Value Stream Analysis  
 Why teams fail  
 XBRL  
*Any other topic of your choosing with the instructor's approval.*

You will be assigned several topics to report on to the class during the term. Present your argument and support it with your research. Grading will be based on the thoroughness of your research and the quality of your writing. Your ideas, opinions and critique of what you've read are important. The ability to effectively communicate your ideas is a skill required in business and in particular the accounting profession. It is a skill learned by doing. You might want to use PowerPoint to backup your presentation. Do not read your PPT slides, but use them wisely.

Use MLA (Modern Language Association) style.

Late papers will not be accepted.

Grading Standards published by Dr. Oaks will be used in this class.

**We will view *Enron: The Smartest Guys in the Room*** a 2005 documentary film based on the best-selling 2003 book of the same name by Fortune reporters Bethany McLean and Peter Elkind, a study of one of the largest business scandals in American history.

The film examines the collapse of the Enron Corporation, which resulted in criminal trials for several of the company's top executives; it also shows the involvement of the Enron traders in the California electricity crisis.

Interviews are conducted with former executives, stock analysts, reporters and the former Governor of California Gray Davis.

The film was nominated for Best Documentary Feature at the 78th Academy Awards.

<http://www.pbs.org/independentlens/enron/>

** Rated R For language and some nudity**

Because of the film's *R-rating* some students might prefer to read the book instead of viewing and discussing the film with the class. Should you choose the option of reading the book you may instead substitute a five-page paper analyzing the topic. The paper is due prior to the beginning of the third class. See the instructor for more information.

The film will be shown during the first class meeting.



Schedule of Class Meetings and Assignments

Date	Chapter	Topic	Class Preparation and Homework Assignments
12-Jan No class next week MLK Day	Enron & Ethics	View the film <b>Enron</b> Class discussion & reflections	Look up AICPA Code of Conduct and be prepared to discuss at the next class. Begin reading "The Goal."
26-Jan	Chapter 13	<b>Corporations: Paid-In Capital and the Balance Sheet</b> <b>Accounting for Stocks</b>  Research topic presentations	Vocabulary Quick Check 1-10 S13- 8, 9, E13- 14, 17, 21, 23, 24, 25, 26 (Discuss in class) P13-32A1 (Turn in) Turn in Chapter 13 Crossword
2-Feb	Chapter 14	<b>Corporations: Retained Earnings and the Income Statement</b> <b>Accounting for Stocks</b>  Research topic presentations	Vocabulary Quick Check 1-10 S14 -3, E14- 13, 15, 17, 19,20, 21, 22, 24 (Discuss in class) P14-30A (Turn in) Turn in Chapter 14 Crossword
9-Feb	Chapter 15 Appendix 15A  (skip chapter 16)	<b>Long Term Liabilities</b> <b>Accounting for Bonds</b> <b>Time Value of Money, Present Value, Effective-Interest Amortization</b>  Research topic presentations	Complete Reading "The Goal." Discuss in class. Select project topic. Vocabulary Quick Check 1-10 E15-17, 18, 21, 24, 25, P15A-2, 5 (Discuss in class) P15-32A (Turn in) Comprehensive Problem for Chapters 13-15, p. 781 (Turn in) Turn in Chapter 15 Crossword
16-Feb	Chapter 17	<b>Financial Statement Analysis</b>  Research topic presentations	Vocabulary Quick Check 1-10 E17- 13, 14, 15, 16, 17, 18, 19, 20, (Discuss in class) Turn in Chapter 17 Crossword
23-Feb	Exam 1 Ch 13-17		Objective questions, MC, T/F and problems
2-Mar Last day to withdraw No class next week	Chapter 18	<b>Introduction to Management Accounting</b>  Research topic presentations	<b>"The Goal" papers due.</b> Vocabulary Quick Check 1-10 E18- 16, 18, 22, P18- 32B (Discuss in class) Turn in Chapter 18 Crossword
16-Mar	Chapter 19  (skip chapter 20)	<b>Job Order Costing</b>  Research topic presentations	Vocabulary Quick Check 1-10 S19- 1, 3, 5, E19- 19, 22, P19- 34B (Discuss in class) Turn in Chapter 19 Crossword
23-Mar	Chapter 21 Appendix 21A	<b>Cost-Volume-Profit Analysis</b> <b>Variable Costing and Absorption Costing</b>  Research topic presentations	Presentations Quick Check 1-10 E21- 14, 15, 16, 17, 18, 21, 22, 23, 24 (Discuss in class) P21-34B, P21A-40 (Turn in) Turn in Chapter 21 Crossword
30-Mar	Chapter 22 Appendix 22A	<b>The Master Budget and Responsibility Accounting</b>  Research topic presentations	Presentations Vocabulary Quick Check 1-10 S22- 8, 9, E22- 14, 17, 20, 21, P22- 28B Turn in Chapter 22 Crossword
6-Apr	Exam 2: Ch 18-22		Objective questions, MC, T/F and problems
20-Apr	Chapter 23	<b>Flexible Budgets and Standard Costs</b>  Research topic presentations	Vocabulary Quick Check 1-10 E23- 15, 17, 20, 21, 23 (Discuss in class) P23-29A (Turn in) Turn in Chapter 23 Crossword
27-Apr	Chapter 24	<b>Activity-Based Costing and Other Management Tools</b>  Research topic presentations	Presentations Vocabulary Quick Check 1-10 E24- 13, 15, 16, 17, 20, 22 (Discuss in class)

			P24-25A (Turn in) Turn in Chapter 24 Crossword
27-Apr	Chapter 25	<b>Special Decisions and Capital Budgeting</b> Research topic presentations	Vocabulary Quick Check 1-10 Turn in Chapter 25 Crossword
4-May	Final Exam	Cumulative	MC, T/F and comprehensive problems

These assignments and course requirements may be modified during the term. Any changes will be announced in class.

COURSE: ACC 301

SEMESTER: Spring 2009

I, \_\_\_\_\_, have received and read a copy of  
(Print your name)

the syllabus for Acc 301, Principles of Accounting II. This syllabus includes the course description, required text(s), learning outcomes, grading and grading scale, schedule of class meetings and assignments. I understand what is expected in this course.

I will email the instructor at [bill.ellis@furman.edu](mailto:bill.ellis@furman.edu) to verify the email address at which I want to receive class information and assignments no later than the end of the next business day following the first class.

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Student Initials

Date

Quick Topic Selections

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Email

Telephone number for messages (Optional)