

University of Illinois at Chicago  
Accounting 316 – Fall 2006  
Course Memo and Syllabus

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### **About the Course**

Welcome to Accounting 316: Intermediate Financial Accounting II. The course continues with financial reporting and disclosure topics begun in Accounting 315. The primary text is *Intermediate Accounting: Financial Reporting and Analysis* by Norton, Diamond and Pagach. There is additional reading material that will be made available on Blackboard or handed out in class.

### How to Do Well in This Course

- ? *Study a Real Lot.* The College of Business Administration recommends students study at least 3 hours per week per credit hour. This means you need to spend a minimum of 9 hours per week outside of class on this course (every week, not just the week of an exam). While you may not have had to spend the CBA-recommended amount of time in previous courses, I guarantee you will need to do so in this course. The material we cover is more difficult than any accounting you have had to date, and probably harder than any accounting you will have in the future. You will need to read **ALL** of the assigned material (perhaps several times), be in class **EVERY** day (both physically and intellectually), and do **ALL** the assigned problems as well as additional problems in areas that give you trouble.
- ? *Do the Homework.* Although I do not expect you to be able to complete every homework problem perfectly prior to our discussion of the homework, I do expect you to make a serious attempt to solve every problem before class. (Don't come to class with a blank sheet of paper when we go over the homework.) Our discussion will benefit your understanding of the material only if you have attempted the homework problems ahead of time.
- ? *Keep Up.* Most of the material we cover in this course is not understandable until you understand fully the material from one or more earlier chapters. If you let yourself fall behind, you will not catch up.

### **Course Structure**

#### Daily Schedule

A daily course schedule follows this memo. We will spend varying numbers of days on each topic, depending on its length and complexity. For a typical topic, we will spend the first day or two discussing the assigned reading. The remaining time on each topic will be devoted to problem sets, cases or exercises using real financial statements. The schedule shows the days that will be devoted to each topic and indicates when I expect

we will begin the homework problems. These dates are all approximate and subject to change if we are proceeding faster or slower than anticipated.

It is your responsibility to prepare fully for every class session. It is imperative that you read the assigned material carefully as many times as necessary prior to the first class on that material and come to class with questions and comments about it. There is a list of assigned problems for each problem set after the daily schedule. For the days to be devoted to problem sets, it is imperative that you come to class having already made a substantial effort to solve all the homework problems or done any other preparation required of you. You will benefit from our discussions only if you have prepared to the best of your ability. History clearly indicates that students who do not do take homework seriously perform extremely poorly.

### Quizzes

There will be a number of short quizzes, which may or may not be announced ahead of time. The only way to prepare for the quizzes is to read the assignments and do the homework. The quizzes will give you early feedback on your understanding of the material, and alert you to problems you are having with it prior to exam time.

### Additional Problems

You should do additional problems to solidify your understanding of each chapter and to prepare for the exams. Focus on areas that gave you the most difficulty. When I post solutions to each chapter's problems on the course Blackboard site, I will post the entire chapter. This will enable you to check your work on any additional problems you do.

### Grading

Final grades will be based the following: Two midterm exams at 22.5% each, final exam 40%, quizzes 15% total. The final exam is comprehensive.

### Exam/Quiz Administration

Administrative procedures are slightly different for exams/announced quizzes and unannounced quizzes.

### *Exams/Announced Quizzes*

You must take the exams and announced quizzes at the assigned times unless there are extraordinary circumstances beyond your control that prohibit you from doing so and alternative arrangements are cleared with me in writing prior to the exam/quiz. In the event it was physically impossible for you to get pre-approval (e.g. you were abducted by aliens on the way to an exam), you must contact me as soon as practical after the exam or quiz. Failure to contact me at the earliest reasonable time after missing an exam or quiz will make you ineligible for a makeup, even if there was a legitimate reason for missing it in the first place. In addition, if the circumstances that kept you from the exam or quiz were not, in my judgment, extraordinary and beyond your control, you will not be allowed a makeup.

### *Unannounced Quizzes*

Makeups will not be given for any unannounced quizzes. Because you are expected to attend every class session, there is no reason to miss an unannounced quiz unless there were extraordinary circumstances beyond your control that prohibited you from attending class on the day of an unannounced quiz. However, you would obviously be unable to clear such a situation ahead of time, not knowing that there would be a quiz for which you had to arrange an alternative time. If upon learning of the quiz (presumably at the next class session when they are returned), you explain your absence to my satisfaction, you will not be penalized for missing the quiz. Your quiz grade will be based on the quizzes you did take. If you do not explain your absence to my satisfaction, you will receive a grade of zero for the missed quiz.

### *Conflicts Not Qualifying as Extraordinary or Beyond Your Control*

Conflicts during the regular class time that are due to employment obligations or obligations related to other courses (including group meetings) are *not* considered extraordinary or beyond your control. Full-time students should schedule work obligations around school obligations and obligations related to other courses should not be taken on during our class time.

However, conflicts with exams given *outside the regular class time* will be considered in the following circumstances:

- ? A work conflict, provided it is not reasonably possible to avoid the conflict and prior arrangements to take the exam earlier on the same day were made with me in writing.
- ? A conflict with a class that regularly meets during the time of the scheduled exam, provided that prior arrangements to take the exam earlier in the day were made with me in writing.

### *Exam 1 and Religious Observance*

Exam 1 is scheduled on Yom Kippur. If you observe this holiday, please contact me by the end of the second week of the semester to arrange an alternative exam time.

### **Honor Code and Decorum**

The College recently adopted an honor code, which relates to issues of academic integrity. You are subject to this honor code. An attachment to this memo contains the major provisions of the honor code itself, as well as how the honor code relates to this class specifically. Another attachment relates to expected decorum and behavior in the class. Please familiarize yourself with both of these documents and contact me if you have any questions about either.

### **Honors Credit**

Students taking the course for honors credit have additional course requirements. Contact me in the first week of classes if you plan to take the course for honors credit.

## **Miscellaneous Information**

### Office Hours

I will hold office hours on Wednesdays at 3:30-5:00 p.m. (Office hours will end at 4:30 p.m. on Wednesday, August 30.) By establishing specific office hours, I am not trying to limit my availability to these times. I am merely setting aside hours when you are certain to find me in my office. If you need to see me at another time, I am more than happy to meet with you. Please phone ahead for an appointment.

### Electronic Communication

My e-mail address is at the top of this memo. The course's Blackboard site can be accessed at "<http://blackboard.uic.edu>". This site contains administrative announcements, text updates, homework assignments, reading material, other course-related information, and links to other sites.

In the event I need to communicate with the entire class prior to the next class meeting, I will send a mass e-mail. You should check your e-mail regularly so as not to miss an important announcement.

Once again, welcome to Accounting 316, and good luck.

L.S.

Accounting 316 – Fall 2006: Daily Schedule

Topics	Dates	Preparation
Thinking Like an Accountant	Mon Aug 28	Read: “Thinking Like an Accountant” (Blackboard)
	Wed Aug 30	Prepare: Problems from “Thinking Like an Accountant”
Current Liabilities and Contingencies	Fri Sep 1	Read: NDP Chapter 12
	Mon Sep 4	<b>NO CLASS</b>
	Wed Sep 6	Prepare: Chapter 12 Problems and Sands Taylor and Wood Case (handed out in class)
Present Value	Fri Sep 8	Read: NDP Appendix A Read: “Present Value Concepts” (Blackboard)
	Mon Sep 11	Prepare: Problems from “Present Value Concepts”
Accounting for Long-term Liabilities	Wed Sep 13	Read: NDP Chapter 13
	Fri Sep 15	Prepare: Chapter 13 Problems
	Mon Sep 18	
	Wed Sep 20	
Accounting for Leases	Fri Sep 22	Read: NDP Chapter 14
	Mon Sep 25	
	Wed Sep 27	Prepare: Chapter 14 Problems – set 1
	Fri Sep 29	Prepare: Chapter 14 Problems – set 2
<b>EXAM #1</b>	<b>Mon Oct 2</b>	<b>Time and location TBA</b>
Investments	Wed Oct 4	Read: NDP Chapter 11
	Fri Oct 6	
	Mon Oct 9	Prepare: Chapter 11 Problems
	Wed Oct 11	
Pensions and Post-retirement Plans	Fri Oct 13	Read: “Accounting for Pensions and Other Post-employment Benefits” (Blackboard)
	Mon Oct 16	
	Wed Oct 18	Prepare: Problems from “Accounting for Pensions and Other Post-employment Benefits”
	Fri Oct 20	
	Mon Oct 23	
	Wed Oct 25	

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Accounting for Income Taxes	Fri Oct 27	Read: NDP Chapter 16
	Mon Oct 30	
	Wed Nov 1	Prepare: Chapter 16 Problems
	Fri Nov 3	Read: Accounting for Net Operating Loss Carryforwards (Blackboard)
	Mon Nov 6	Prepare: Problems from “Accounting for Net Operating Loss Carryforwards”
Stockholders’ Equity	Wed Nov 8	Read: NDP Chapter 17 Read: “Accounting for Employee Stock Options” (Blackboard) Read: NDP pp. 868-869
	Fri Nov 10	Prepare: Chapter 17 Problems and Problems from “Accounting for Employee Stock Options”
<b>EXAM #2</b>	<b>Mon Nov 13</b>	<b>Time and location TBA</b>
Dilutive Securities and Earnings per Share	Wed Nov 15	Read: NDP Chapter 18 (skip pp. 862-871)
	Fri Nov 17	Prepare: Chapter 18 Problems
	Mon Nov 20	
Revisiting the Cash Flow Statement	Wed Nov 22	Read: NDP Chapter 19 Read: NDP material in other chapters related to cash flow statement. Relevant passages begin at the following pages: 517, 561, 612, 658, 725, 780, 833, 881.
	<b>Fri Nov 24</b>	<b>NO CLASS</b>
	Mon Nov 27	Prepare: Chapter 19 Problems
	Wed Nov 29	
	Fri Dec 1	
	Mon Dec 4	
	Wed Dec 6	
<b>REVIEW</b>	Fri Dec 8	
<b>FINAL EXAM</b>		<b>Date, time and location TBA</b>

Be sure to check for text updates on Blackboard as you begin each chapter in Norton, Diamond and Pagach (NDP). Text updates are considered an integral part of the related chapter and are therefore required reading.

### Accounting 316 – Fall 2006: Assigned Problems

Topic	Assignment
Thinking Like an Accountant	? Problems provided at end of “Thinking Like an Accountant”
Current Liabilities and Contingencies	? NDP Ch. 12: Exercises 2, 5, 16, Cases 3, 6. ? Sands Taylor and Wood Case (handed out in class)
Present Value	? Problems provided at end of “Present Value Concepts”
Accounting for Long-term Liabilities	? NDP Ch. 13: Exercises 2-3, 8-12, 20, Problems 4, 10, Cases 4, 10
Accounting for Leases	? First set: NDP Ch. 14: Exercises 2-3, 5, 7, 10, Case 4 ? Second set: NDP Ch. 14: Exercises 11-13,16, Problem 3, Case 1
Investments	? NDP Ch. 11: Exercises 3-7, 19, Problems 4, 8
Pensions and Other Post-employment Benefits	? Problems provided at end of “Accounting for Pensions and Other Post-employment Benefits”
Accounting for Income Taxes	? NDP Ch. 16: Exercises 3-5, 8, 10, Problems 1, 5(Part 1 only), 6, 8, 16, Cases 4,6 ? Problems provided at end of “Accounting for Net Operating Loss Carryforwards
Stockholders’ Equity	? NDP Ch. 17: Exercises 4, 6, 8, Problems 3, 8, 13 ? Problems provided at end of “Accounting for Employee Stock Options”
Dilutive Securities and Earnings per Share	? NDP Ch. 18: Exercises 4-5, Problems 1, 3, Case 5
Revisiting the Cash Flow Statement	? NDP Ch. 19: Exercise 18, Problems 1-2, 10

Note: This list is subject to change. In particular, several more cases are likely to be added during the semester. Changes will be announced in class.

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HONOR CODE

As a student in the College of Business Administration, you are subject to the following Honor Code:

As an academic community the College of Business Administration at the University of Illinois at Chicago is committed to providing an environment in which teaching, learning, research, and scholarship can flourish and in which all endeavors are guided by academic and professional integrity. All members of the college community – students, faculty, staff, and administrators – share the responsibility of ensuring that high standards of integrity are upheld so that such an environment exists.

In pursuit of these high ideals and standards of academic life, as a student I hereby commit myself to respect and uphold the University of Illinois at Chicago (UIC) College of Business Administration Honor Code during my entire matriculation at UIC. I agree to maintain the highest moral and ethical standards in all academic and business endeavors and to conduct myself honorably as a responsible member of the college academic community. This includes the following:

- ? Not to seek unfair advantage over other students, including, but not limited to giving or receiving unauthorized aid during completion of academic requirements;
- ? To represent fact and self truthfully at all times;
- ? To respect the property and personal rights of all members of the academic community.

Honor Code implications for this class include, but are not limited to, the following:

- ? Exams and quizzes are closed book. You may not obtain any assistance during an exam or quiz from any person or material. You may not provide any assistance during an exam or quiz.
- ? In the unlikely event there are unusual circumstances beyond your control that make it impossible for you to take an exam or quiz at the regular time, you must submit a written request for alternative arrangements prior to the exam/quiz date. That request must be accurate and include all relevant facts.

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DECORUM

In order for the classroom to be a learning environment, the following conduct is expected of all students:

- ? Students are expected to arrive sufficiently before the beginning of class so they are ready to begin on time.
  - o In the rare case an emergency prevents a student from arriving on time, the student should quietly take the closest seat to the door and explain his/her lateness to the instructor after class. (Note: If lateness is not rare, it is presumed not to be due to an emergency.)
- ? Students should not schedule other classes, appointments, interviews, etc. so that they would have to leave during class and should only leave the room during class in the event of an emergency.
- ? Students should silence cellular phones and pagers before class begins.
- ? Students are expected to be prepared for class and participate in class discussions as appropriate.

**Anyone who repeatedly violates these guidelines will be deemed to have requested a withdrawal from the class.**