



**UNIVERSITY OF ILLINOIS AT CHICAGO**  
**College of Business Administration**  
**ACTG 503: Financial Accounting II**  
**Spring 2009**

**Instructor:** Shailendra (Shail) Pandit, Ph.D.  
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**Course Number (CRN):** ACTG 503 (17797)

**Times and Locations:** Tuesday 6:00 – 9:00 p.m., Burnham Hall B10

### **Course Description and Objectives**

This course covers accounting theory and practice related to Liability, Equity, and Statement of Cash Flows and various other topics and their impact on the financial statements.

The primary focus of this course is to advance your understanding of corporate financial reporting. We will draw on real business problems as well as economics and finance to understand what is contained in financial reports, why the information is presented in a particular way, and how to develop and interpret financial reports.

The content of this course includes fundamental financial accounting concepts and methods. The primary objectives of this course are to gain: (1) knowledge of the functions, practices, limitations, and challenges of financial reporting, and (2) a foundation for further learning in accounting and business.

### **Required Text**

**Intermediate Accounting** by Spiceland, Sepe, Nelson and Tomassini (SSNT), 5<sup>th</sup> Ed, McGraw-Hill Irwin (ISBN 978-0-07-352687-4)

In addition, there will be cases, problem sets, lecture notes and articles available online.

### **Course Requirements**

#### ***Preparation for Class***

You should complete the assigned readings including lecture notes, cases and problems before coming to class. Be prepared to address questions on the assigned readings or cases. Accounting courses take determination and perseverance. It is estimated that to perform at an average level in this class will require a minimum of 8-10 hours per week outside the classroom.

#### ***Graded Homework***

There are eleven (11) homework assignments listed in the class schedule at the end of this document. You need to submit at least nine (9) assignments. You are encouraged to try all homework assignments as they are good practice for the exams.

A hard (paper) copy of each assignment is to be turned in at the start of class on the due date. Your work and answers should be readily legible, and you should provide any relevant supporting work, clearly indicating your final solution. Problem sets assigned as homework can be discussed, but solutions submitted by each student should be his or her own individual work. For example, another student's solution should not be recopied and submitted. Consultation with solutions manuals or other resources including notes/answers from previous registrants in this course is strictly prohibited and will be treated as an Honor Code violation.

### ***Practice Problems***

The class schedule at the end of this document indicates selected practice problems from each chapter. I encourage students to solve more problems at the end of each chapter, beyond the indicated practice problems.

### ***Exams***

There is one in-class mid-term exam and one final exam that will be administered on the dates indicated on the schedule. No make-up exams will be given. If there are extraordinary circumstances beyond your control that prevent you from taking an exam you must notify me by phone or email no later than the day of the exam. To miss an exam without penalty, you must meet the following conditions:

1. You must have an acceptable and verifiable reason. Acceptable reasons for missing an exam include serious illness requiring medical attention or a death in the immediate family.
2. Valid and acceptable documentation supporting the reason should be provided, preferably before the scheduled exam.

If you are excused from an exam the weight on your other exam will be increased accordingly. An unauthorized absence from an exam will result in a grade of zero.

### **Course Questions**

Questions pertaining to the course should be posted on our Blackboard discussion forum. Posting questions here allows everyone to benefit from the answer. Do not hesitate to answer questions posed by your peers if you know the answers. This expedites the process. Please bear in mind that whatever is posted in this forum can be seen by everyone in the course. Questions of a personal nature should be emailed to me.

### **Grading**

The course grade will be determined based on the following scheme:

| <b>Course Element</b>                    | <b>% of Course Grade</b> |
|--|--------------------------|
| 1st Mid-term Exam                        | 30%                      |
| 2nd Mid-term Exam                        | 30%                      |
| Final Exam                               | 20%                      |
| Homework Problem Sets (best 9 out of 11) | 20%                      |
| <b>Total</b>                             | <b>100%</b>              |

The final course grade is calculated on a relative basis, i.e., final grade is based “on a curve.”

### **Grading disputes**

To request a re-grade on an assignment or exam, please submit the original assignment or exam (with no modifications) and a written description of your disagreement with the grading. All grading disputes must be appealed in writing within one calendar week following the return of the assignment or exam. I reserve the right to review the entire assignment or exam.

### **Communication and Electronic Resources**

In the event I need to communicate with the entire class prior to a class meeting, I will post an announcement on Blackboard and/or send an email using your UIC email address. Please check the course page on Blackboard and your email at least once a day for announcements. You should also access the course website regularly to check for syllabus updates, assignments and other course materials.

The FASB website contains the accounting pronouncements that form the basis for much of the course materials as well as up to date guidance currently under development or review. You may find it useful to access this website on a regular basis: [www.fasb.org](http://www.fasb.org).

You will need to look up financial statements for the cases assigned throughout the course. Financial statements of publicly held corporations can be accessed through the SEC EDGAR database at: <http://www.sec.gov/edgar/searchedgar/webusers.htm>.

### **Honor Code**

This course and its associated coursework are being administered under the University of Illinois at Chicago Guidelines Regarding Academic Integrity available at the following link: <http://www.uic.edu/ucatalog/GR.shtml#qa>.

All students are expected to respect and uphold these guidelines. Violations of the guidelines are just causes for discipline under the University of Illinois at Chicago Student Disciplinary Procedure, and all allegations of violations shall be handled pursuant to that Procedure.

### **Classroom Etiquette**

Please make every possible effort to get to class on time. Late arrivals are disruptive and show disrespect to those who are on time. If you are unavoidably detained, please be as quiet as possible and do not walk across the front of the classroom. Once class has started, you are expected to remain in the classroom until the end of our meeting time. Leaving and re-entering the room should be strictly limited to emergencies. Please do not conduct side conversations during class time. Cell phones, pagers, PDAs and laptops should be turned off and stowed during class.

### **Class Schedule**

What follows is a tentative class calendar. I call it tentative as I reserve the right to change topics we cover and/or course materials including graded assignments based on how efficiently we are progressing.

## CLASS SCHEDULE

The class schedule below is tentative and subject to change as we progress through the course. Please pay attention to announcements in class and on course website.

| <b>Date</b> | <b>Topic</b>   | <b>Practice Problems</b>   | <b>Graded Homework (Due at Start of Class)</b>   |
|-------------|--|--|--|
| 13-Jan      | Course Introduction<br>Chapter 1: Environment and Theoretical Structure of Accounting<br>Chapter 2: Review of Accounting Process | E1-10, C1-15, E2-5, E2-7, E2-9, E2-18, P2-2, P2-7  |  |
| 20-Jan      | Chapter 14: Bonds and Long-Term Notes  | E14-10, E14-15, E14-21, E14-29, P14-2, P14-9, C14-3 (pt 1), C14-6, C14-8                             | E1-11, E2-19, E2-20, P2-9, P2-11,                |
| 27-Jan      | Chapter 18: Stockholders' Equity   | E18-1, E 18-3, E18-5, E18-11, E18-16, E18-19, P18-6, P18-10, C18-5                                   | E14-11, E14-16, E14-17, E14-24, P14-11, C14-5    |
| 03-Feb      | Chapter 19: Share-Based Compensation and Earnings per share  | E19-1, E19-3, E19-5, E19-7, E19-10, E19-12, E19-22, P19-1, P19-4, P19-6, P19-8, P19-12, C19-3, C19-5 | E18-4, E18-8, E18-14, P18-1, P18-2, P18-5, C12-8 |
| 10-Feb      | Mid-Term Exam 1  |  | E19-8, E19-11, E19-13, E19-19, P19-13            |
| 17-Feb      | Chapter 12: Investments  | E4-1, E12-6, E12-13, P12-1, P12-2, P12-7, P12-12, P12-15   |  |
| 24-Feb      | Chapter 5: Income Measurement and Profitability Analysis   | E5-3, E5-4, E5-11, E5-17, E5-22, P5-4, P5-11   | E12-9, E12-15, E12-17, P12-5, P12-8              |
| 03-Mar      | Chapter 16: Accounting for Income Taxes  | E16-2, E16-3, E16-6, E16-14, E16-17, P16-4, P16-7, P16-11  | E5-3, E5-10, P5-7, P5-9, C5-10                   |
| 10-Mar      | Chapter 17: Pension and Other Postretirement Benefit Plans   | E17-4, E17-5, E17-10, E17-15, E17-17, P17-3  | P16-1, P16-5, P16-6, P16-10, C16-5               |
| 17-Mar      | Catch-up and/or review of for Mid-Term Exam 2  |  | E17-9, E17-11, E17-15, P17-11, C17-1             |
| 31-Mar      | Mid-Term Exam 2  |  |  |

| Date   | Topic   | Practice Problems   | Graded Homework<br>(Due at Start of Class)               |
|--------|---|---|--|
| 07-Apr | Chapter 15: Leases  | E15-1, E15-7, E15-15,<br>E15-18, P15-4, P15-8,<br>P15-9, P15-16,<br>P15-19, C15-1, C15-5,<br>C15-6, C15-9 |  |
| 14-Apr | Chapter 4: Income Statement and Statement of Cash Flows<br>Chapter 21: Statement of Cash Flow Revisited | E4-19, P4-9, E21-20,<br>E21-21, P21-2, P21-6,<br>P21-14   | E15-2, E15-11, P15-2,<br>P15-10, P15-11                  |
| 21-Apr | Chapter 20: Accounting Changes and Error Corrections  | E20-4, E20-8, E20-9,<br>E20-16, E20-19, P20-4,<br>P20-8, P20-13, C20-7                                    | P21-5, P21-10, C21-4                                     |
| 28-Apr | Catch-up and/or review for the Final  |   | E20-3, E20-5, E20-10,<br>E20-12, E20-17, P20-5,<br>C20-6 |
| 05-May | Final Exam  |   |  |