DePaul University
School of Accountancy and MIS
ACC 541 - Online

Accountancy 541-140
Theory & Practice I
School of Accountancy
Autumn Quarter 2015
Skype Office Hours: by appointment
Skype contact: mary.p.mindak

Mary Mindak
Assistant Professor
6021 DePaul Center
Office & Voice Mail: (312) 362-5601
E-mail: mmindak1@depaul.edu


Prerequisite:
• Graduate standing and ACC 500 (or equivalent)
• A basic knowledge of discounted present value. (For a review of this subject, see chapter 6)

ACC 541 in its online version is not a self-paced course. This course is being co-taught by John Ahern and Mary Mindak. The online videos were created by Professor Ahern. Professor Mindak will be running the course and be your point of contact for the entire quarter. Any questions should be sent to Professor Mindak.

ACC 541 requires a substantial time commitment each week throughout the quarter. Experience in the study of Accountancy has shown that to successfully master the course content, the student must read each chapter of the text a minimum of 4 times, and preferably even more often.

Technical Requirements
This course will be conducted entirely online. As a result, students must make certain that you have the necessary technical resources needed to access the course content and complete class activities. The following items are needed:
• Frequent access to a computer that connects to the Internet
• Working email account that you check regularly (and that is updated in Campus Connect)
• Access to a software suite such as Microsoft Office (Word, Excel, Power Point). If you do not have Microsoft Office, you can download a free, open source alternative such as Open Office (www.openoffice.org) that will give you the same basic functionality
• Conduct the System Check online at https://d2l.depaul.edu.

Online Course Community
Because this is an online course we will include activities which will help the class get to know one another as well as the instructor. Each student will be required to create a homepage as a means of introducing themselves to the instructor and fellow classmates. Include on the homepage pertinent information such as professional experience and undergraduate academic background. Personal information is welcome too, so, feel free to include on the homepage information regarding family/friends/pets etc., as well as a photo.

Five percent of the course grade will be assigned for preparation of the homepage.

Students are strongly encouraged to use the discussion board to post and request help from each other and the instructor. Students can expect that the instructor will respond to their inquiries within 24 hours during the week.
Course Objectives
The Learning Objectives of ACC 541 are outlined on pages 5 through 8. Examination questions will be based on the assigned objectives.

Assignments
Your success in this course requires your careful attention to, and use of, the course outline and assignment sheet that accompanies this syllabus. It is your guide through the material in your textbook. Systematic preparation for each class is an absolute must for success.

Exercises: The assigned exercises are applications of the concepts and techniques covered by the assigned learning objectives. These exercises indicate the basic knowledge you are expected to have in this course. Solutions are provided for you to check your answers.

Problems: Assigned problems must be prepared, but since they focus on the understanding of accounting concepts and on the interpretation and use of financial statements, you will not be expected to have mastered them at the same level as the exercises. However, it is expected that you will have made a serious attempt to solve them and that you are thoroughly familiar with the facts of the case.

All of the homework assignments (see pages 3 and 4) must be completed. Failure to complete the homework assignments will result in the loss of one letter grade. Homework from Chapters 1–9 should be turned in on the day of the mid-term exam. Homework from Chapters 10–14 should be turned in on the date of the final exam.

Professional Research: FASB Codification
1. Page 471 answer (a) through (d). Due September 29th.
2. Page 586 answer (a) through (e). Due October 20th.

To access the FASB Codification go to: http://aaahq.org/ascLogin.cfm
User Name: AAA51184
Password: My76QsT

Examinations and Quizzes
Following each module there will be a short quiz to be completed online. The quizzes will count for 20% of the course grade.

The midterm exam will be scheduled for October 10th. This exam will count for 25% of the course grade. The final exam will be scheduled for November 24th. The final exam will be weighted at 40% of the course grade.

Grading
<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Homepage</td>
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<tr>
<td>Quizzes</td>
<td>20</td>
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<tr>
<td>FASB Codifications Assignment</td>
<td>10</td>
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<tr>
<td>Mid Term Exam</td>
<td>25</td>
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<tr>
<td>Final Exam</td>
<td>40</td>
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<td>TOTAL</td>
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Remote Proctor Now Requirements
Please note that this course uses Software Secure’s Remote Proctor Now to ensure the integrity of the midterm and final exams. The midterm and final exams will not be available to students unless the Remote Proctor Now system is used. Remote Proctor Now works with a web-camera and microphone either built-in or attached to the computer. These devices identify the student and capture
video and audio throughout the exam and upload it to SSI’s secure servers. This video will be used for the purpose of establishing if any suspicious activity occurred during the test. There is a student demo available here: http://www.screencast.com/t/dJM4WfTRI. It is recommended that you view this video.

All exam videos can/will be reviewed by me. If cheating is confirmed, the student will be referred to the Policy on Academic Dishonesty in the Student Handbook.

You will take a very short practice exam in Week 3 of the course to make sure there are no connectivity or other problems in using Remote proctor.

You will need a camera on your computer. Please read the instructions in the folder “Proctoring.”

**Academic Integrity**

Work done for this course must adhere to the University Academic Integrity Policy, which you can review in the Student Handbook or by visiting Academic Integrity at DePaul University.

**Incompletes:** Incompletes are given only to individuals who cannot take the final examination at its regularly scheduled time due to an unforeseen difficulty such as an accident, illness, or death in the family. Incompletes are not given to individuals who fall behind in their assignments and class attendance due to work or other reasons. In the latter case, a withdrawal is the appropriate action.

**Other Policies:** Commerce students are expected to maintain the high ethical standards that are representative of the best in the profession they have chosen to enter. Assignments should be handed in on the due dates and examinations at the time and date indicated. In general, failure to turn in an assignment when due or take an examination when assigned will result in a score of zero. Cases of academic dishonesty are viewed as a serious violation of professional ethics and will result in a failing grade.

**ACC 541 COURSE OUTLINE:**

<table>
<thead>
<tr>
<th>Module</th>
<th>Date; Week Beginning</th>
<th>Chapters</th>
<th>Homework Assignments</th>
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<tbody>
<tr>
<td>1</td>
<td>Sept. 7</td>
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<td>International Financial Reporting Case, IFRS 1-6, Page 39</td>
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<td></td>
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<td>E2-9 &amp; CA2-8</td>
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<td>3</td>
<td>E3-15 &amp; P3-4</td>
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<td>5</td>
<td>E5-4 &amp; E5-17</td>
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<td>2</td>
<td>Sept. 14</td>
<td>6 (Course Prerequisite)</td>
<td>E6-3, E6-4, E6-14 &amp; P6-7</td>
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<td>E7-4, E7-6, E7-9, P7-6 &amp; P7-7</td>
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<td>IFRS 7-3</td>
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**ACC 541 COURSE OUTLINE (Continued):**

<table>
<thead>
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<th>Module</th>
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<th>Chapters</th>
<th>Homework Assignments</th>
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<tbody>
<tr>
<td>3</td>
<td>Sept. 21</td>
<td>8</td>
<td>E8-3, E8-6, E8-11, E8-14, E8-25, P 8-9 &amp; CA 8-5</td>
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**Week Beginning October 5, MIDTERM EXAM DATE: October 9**

<table>
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<th>Module</th>
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<td>Oct. 26</td>
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<td>9</td>
<td>Nov. 9</td>
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<td>E14-5, E14-8, E14-12, E14-15, E14-26, P14-6, IFRS 14-3</td>
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**WEEK BEGINNING NOVEMBER 16, FINAL EXAM DATE: November 24**
Module 1 (Comprehensive review of prerequisite material)
Chapter 1: Financial Accounting and Accounting Standards
1. Identify the major financial statements and other means of financial reporting.
2. Explain how accounting assists in the efficient use of scarce resources.
3. Identify the objectives of financial reporting.
4. Explain the need for accounting standards.
5. Identify the major policy-setting bodies and their role in the standard-setting process.
6. Explain the meaning of generally accepted accounting principles (GAAP) and the role of the Codification for GAAP.
7. Describe the impact of user groups on the rule-making process.
8. Describe some of the challenges facing accounting.

Chapter 2: Conceptual Framework Underlying Financial Accounting
1. Describe the usefulness of a conceptual framework.
2. Understand the objective of financial reporting.
3. Identify the qualitative characteristics of accounting information.
4. Define the basic elements of financial statements.
5. Describe the basic assumptions of accounting.
6. Explain the application of the basic principles of accounting.
7. Describe the impact that the cost constraint has on reporting accounting information.

Chapter 3: The Accounting Information System
1. Understand basic accounting terminology
2. Explain double-entry rules.
3. Identify steps in the accounting cycle.
4. Record transactions in journals, post to ledger accounts, and prepare a trial balance.
5. Explain the reasons for preparing adjusting entries and identify major types of adjusting entries.
6. Prepare financial statements from the adjusted trial balance.
7. Prepare closing entries.
8. Prepare financial statements for a merchandising company.

Chapter 4: Income Statement and Related Information
1. Understand the uses and limitations of an income statement.
2. Describe the content and format of the income statement
3. Prepare an income statement.
4. Explain how to report various income items.
5. Explain where to report earnings per share information.
6. Understand the reporting of accounting changes and errors.
7. Prepare a retaining earnings statement.
8. Explain how to report other comprehensive income.
Module 1 (Comprehensive review of prerequisite material) - Continued

Chapter 5: Balance Sheet and Statement of Cash Flows
1. Explain the uses and limitations of a balance sheet.
2. Identify the major classifications of the balance sheet.
3. Prepare a classified balance sheet using the report and account formats.
4. Indicate the purpose of the statement of cash flows.
5. Identify the content of the statement of cash flows.
6. Prepare a basic statement of cash flows.
7. Understand the usefulness of the statement of cash flows.
8. Determine which balance sheet information requires supplemental disclosure.
9. Describe the major disclosure techniques for the balance sheet.

Module 2

Chapter 6: Accounting and the Time Value of Money
1. Identify accounting topics where the time value of money is relevant.
2. Distinguish between simple and compound interest.
3. Use appropriate compound interest tables.
4. Identify variables fundamental to solving interest problems.
5. Solve future and present value of 1 problems.
7. Solve present value of ordinary and annuity due problems.
8. Solve present value problems related to deferred annuities and bonds.
9. Apply expected cash flows to present value measurement.

Chapter 7: Cash and Receivables
1. Identify items considered cash.
2. Indicate how to report cash and related items.
3. Define receivables and identify the different types of receivables.
4. Explain accounting issues related to recognition of accounts receivable.
5. Explain accounting issues related to valuation of accounts receivable.
7. Explain the fair value option.
8. Explain accounting issues related to disposition of accounts and notes receivable.
9. Describe how to report and analyze receivables.
10. Explain common techniques employed to control cash.

Module 3

Chapter 8: Valuation of Inventories: A Cost-Basis Approach
1. Identify major classifications of inventory.
2. Distinguish between perpetual and periodic inventory systems.
3. Determine the goods included in inventory and the effects of inventory errors on the financial statements.
4. Understand the items to include as inventory cost.
5. Describe and compare the cost flow assumptions used to account for inventories.
6. Explain the significance and use of a LIFO reserve.
7. Understand the effect of LIFO liquidations.
8. Explain the dollar-value LIFO method.
Chapter 8: Valuation of Inventories: A Cost-Basis Approach (Continued)
9. Explain the major advantages and disadvantages of LIFO.
10. Understand why companies select given inventory methods.

Module 4
Chapter 9: Inventories: Additional Valuation Issues
1. Describe and apply the lower-of-cost-or-market rule.
2. Explain when companies value inventories at net realizable value.
3. Explain when companies use the relative sales method to value inventories.
4. Discuss accounting issues related to purchase commitments.
5. Determine ending inventory by applying the gross profit method.
6. Determine ending inventory by applying the retail inventory method.
7. Explain how to report and analyze inventory.

Module 5
Chapter 10: Acquisition and Disposition of Property, Plant, and Equipment
1. Describe property, plant, and equipment.
2. Identify the costs to include in initial valuation of property, plant, and equipment.
3. Describe the accounting problems associated with self-constructed assets.
4. Describe the accounting problems associated with interest capitalization.
5. Understand accounting issues related to acquiring and valuing plant assets.
6. Describe the accounting treatment for costs subsequent to acquisition.
7. Describe the accounting treatment for the disposal of property, plant, and equipment.

Module 6
Chapter 11: Depreciation, Impairments, and Depletion
1. Explain the concept of depreciation.
2. Identify the factors involved in the depreciation process.
4. Explain special depreciation methods.
5. Explain the accounting issues related to asset impairment.
6. Explain the accounting procedures for depletion of natural resources.
7. Explain how to report and analyze property, plant, and equipment, and natural resources.

Module 7
Chapter 12 Intangible Assets
1. Describe the characteristics of intangible assets.
2. Identify the costs to include in the initial valuation of intangible assets.
3. Explain the procedure for amortizing intangible assets.
4. Describe the types of intangible assets.
5. Describe the accounting procedures for recording goodwill.
6. Explain the accounting issues related to intangible-asset impairments.
7. Identify the conceptual issues related to research and development costs.
8. Describe the accounting for research and development and similar costs.
9. Indicate the presentation of intangible assets and related items.
Module 8
Chapter 13 Current Liabilities and Contingencies
1. Describe the nature, type, and valuation of current liabilities.
2. Explain the classification issues of short-term and debt expected to be refinanced.
3. Identify types of employee-related liabilities.
4. Identify the criteria used to account for and disclose gain and loss contingencies.
5. Explain the accounting for different types of loss contingencies.
6. Indicate how to present and analyze liabilities and contingencies.

Module 9
Chapter 14 Long-Term Liabilities
1. Describe the formal procedures associated with issuing long-term debt.
2. Identify various types of bond issues.
3. Describe the accounting valuation for bonds at date of issuance.
4. Apply the methods of bond discount and premium amortization.
5. Describe the accounting for the extinguishment of debt.
6. Explain the accounting for long-term notes payable.
7. Describe the accounting for the fair value option.
8. Explain the reporting of off-balance sheet financing arrangements.
9. Indicate how to present and analyze long-term debt.
10. Describe the accounting for debt restructuring (Appendix 14A).