DePaul University
School of Accountancy and MIS
ACC 543 - Online

Accountancy 543
Financial Accounting Theory & Practice II
School of Accountancy
Winter Quarter 2016
Skype Office Hours: by appointment
Skype contact: mary.p.mindak

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Prerequisite:
• Graduate standing and ACC 541
• A basic knowledge of discounted present value. (For a review of this subject, see chapter 6)

ACC 543 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 543 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.

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 543 are outlined on pages 5 and 6. 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 chapter homework assignments are due on a weekly basis. Your homework needs to be in your own words and work. The weekly chapter assignments are due by Saturday at 11:59pm each week before the weekly graded chapter quiz.

Professional Research: FASB Codification
2. Revenue Recognition Issues (IFRS 18-9) (a) through (e) (Page 1114) - Due February 10th.

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 Saturday, February 6th. This exam will count for 25% of the course grade. The final exam will be scheduled for Friday, March 19th. The final exam will be weighted at 40% of the course grade.

Grading
<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homepage</td>
<td>3%</td>
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<tr>
<td>Homework</td>
<td>7%</td>
</tr>
<tr>
<td>Quizzes</td>
<td>20%</td>
</tr>
<tr>
<td>FASB Codifications Assignment</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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<tr>
<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/dJM4WfTRl. 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 543 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>Jan. 4</td>
<td>15</td>
<td>EX 15-14, EX 15-17, EX 15-23, P 15-6, IFRS 15-8</td>
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<td>2</td>
<td>Jan. 11</td>
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<td>EX 16-5, EX 16-12, EX 16-23, P 16-7, IFRS 16-13</td>
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<td>3</td>
<td>Jan. 18</td>
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<td>4</td>
<td>Jan. 25</td>
<td>18</td>
<td>EX 18-9, EX 18-12, EX 18-20, P 18-14, IFRS 18-8</td>
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**MIDTERM EXAM DATE:** Saturday, February 6th

<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>5</td>
<td>Feb. 8</td>
<td>19</td>
<td>EX 19-4, EX 19-10, EX 19-25, P 19-6, IFRS 19-11</td>
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<tr>
<td>6</td>
<td>Feb. 15</td>
<td>20</td>
<td>EX 20-8, EX 20-18, EX 20-21, P20-6, IFRS 20-10</td>
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<td>7</td>
<td>Feb. 22</td>
<td>21</td>
<td>EX 21-11, EX 21-14, EX 21-16, P21-9, IFRS 21-11</td>
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<td>8</td>
<td>Mar. 1</td>
<td>22</td>
<td>EX 22-4, EX 22-7, EX 22-23, P22-1, IFRS 22-6</td>
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<tr>
<td>9</td>
<td>Mar. 8</td>
<td>23 &amp; 24</td>
<td>EX 23-6, EX 23-11, EX 23-15, P23-5, IFRS 23-6, EX 24-2, EX 24-3, P24-2, IFRS 24-9</td>
</tr>
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**FINAL EXAM DATE:** March 19
Module 1
Chapter 15: Stockholder’s Equity
   1. List and define the characteristics of the corporate form of an organization.
   2. Identify the key components of stockholder’s equity.
   3. Calculate values for the accounting and reporting of issuing common stockholder shares,
      preferred stockholder shares and treasury stock.
   5. Prepare and report stockholder’s equity presentation and analysis information.

Module 2
Chapter 16: Dilutive Securities and Earnings Per Share
   1. Calculate and report transactions for convertible securities and preferred securities.
   2. Calculate and report transactions for stock warrants, stock compensation plans and stock-
      appreciation rights plans.
   3. Compute earnings per share for simple and complex capital structures.

Module 3
Chapter 17: Investments
   1. Identify the categories and accounting treatment of debt and equity securities.
   2. Calculate reclassification adjustments and transfers between categories of debt and equity
      securities.
   3. Prepare the amortization of bond investments.
   4. Identify the differences between the equity and fair value method for equity securities.
   5. Provide accounting calculations for the fair value option and impairments of debt and equity
      securities.
   6. Identify the accounting methods relating to derivatives, fair value hedges, and cash flow hedges.

Module 4
Chapter 18: Revenue Recognition
   1. Identify the five steps in the revenue recognition process and revenue recognition issues.
   2. Identify contracts with customers, contract performance obligations, and transaction prices for
      the performance obligations.
   3. Identify long-term contract accounting for percentage-of-completion method, complete-
      contract method and contract losses.
   4. Apply revenue recognition methods to franchises and consignment sales.
   5. Illustrate revenue recognition presentation and disclosure items.

Module 5
Chapter 19: Accounting for Income Taxes
   1. Identify differences between pretax financial income and taxable income.
   2. Identify temporary and permanent differences and their impact on future amounts.
   3. Outline the deferred tax asset valuation allowance, various tax rates and tax rate changes on
      deferred income taxes, and presentation of deferred income taxes in financial statements.
   4. Calculate income tax expense, loss carrybacks and loss carryforwards.
   5. Indicate the basic principles of the asset-liability method.
Module 6
Chapter 20: Accounting for Pensions and Postretirement Benefits
1. Distinguish between accounting for the employer’s pension plan and accounting for the pension fund.
2. Identify types of pension plans and their characteristics and alternative measures for valuing the pension obligation.
3. Identify the components of pension expense, the amortization of prior service costs, requirements for reporting pension plans in financial statements.
4. Explain the accounting for unexpected gains and losses and the corridor approach to amortizing gains and losses.
5. Identify the differences between pensions and postretirement healthcare benefits.

Module 7
Chapter 21: Accounting for Leases
1. Identify the accounting criteria and procedures for capitalizing leases by the lessee.
2. Contrast the operating and capitalization methods of recording leases.
3. Identify the classifications of leases for the lessor, the lessor’s accounting for direct-financing leases, and special features of lease arrangements that cause unique accounting problems.
4. Illustrate the effect of residual values, guaranteed and unguaranteed, on lease accounting.
5. Describe the lessor’s accounting for sales-type leases.
6. List the disclosure requirements for leases.
7. Describe the lessee’s accounting for sale-leaseback transactions.

Module 8
Chapter 22: Accounting for Changes and Error Analysis
1. Identify the types of accounting changes.
2. Provide accounting for changes in accounting principles, retrospective accounting changes, impracticable changes, changes in estimates, and correction of errors.
3. Identify changes in a reporting entity.
4. Make the computations and prepare the entries necessary to record a change from or to the equity method of accounting.

Module 9
Chapter 23: Statement of Cash Flows
1. Identify the purpose, major classifications and preparation issues of the statement of cash flows.
2. Prepare a statement of cash flows.
3. Differentiate between net income and net cash flow from operating activities.
4. Contrast the direct and indirect methods of calculating net cash flows from operating activities.

Chapter 24: Full Disclosure in Financial Reporting
1. Review the full disclosure principle and describe implementation problems.
2. Explain the use of notes in financial statement preparation.
3. Discuss the disclosure requirements for related-party transactions, post balance-sheet events, and major business segments.
4. Describe the accounting problems associated with interim reporting.
5. Identify the major disclosures in the auditor’s report.
6. Understand management’s responsibilities for financials.
7. Identify issues related to financial forecasts and projections.
8. Describe the profession’s response to fraudulent financial reporting.