

MBA 702-01: Financial and Managerial Accounting
Fall Semester, 2016

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CATALOG DESCRIPTION: This course provides students with an introduction to financial and managerial accounting. Topics covered include financial statements, financial analysis of those statements, cost accounting, and accounting's role in managerial decision-making.

PREREQUISITES: None.

REQUIRED Materials (Please read CAREFULLY):

TEXT: Easton, Peter E., John J. Wild, Robert F. Halsey, Mary Lea McAnally. *Financial & Managerial Accounting for MBAs* (Fourth edition). Cambridge Business Publishers, 2013. **AN IMPORTANT NOTE ABOUT THE TEXT and OLDER EDITIONS:** Although new editions of textbooks are expensive, in this class it is advisable to purchase the new edition because older editions do not have the same problems /exercises as the current edition. You can use an older edition but you will be responsible for figuring out the proper homework and practice exercises because I can't provide that information. My advice is that you will get a much better return on your time by investing it in studying rather than trying to chase down differences in the older and current edition. **If you do choose to purchase an older or used version of the current edition, please note that you will most likely still need to purchase access to the online homework website separately that accompanies the textbook since most homework is assigned online. Bottom line: It is best to purchase the new edition that includes access to the online homework website.**

Harvard Case Studies: must be purchased separately online through the HBS website. I will provide a link where you can purchase these case studies when I ask you to do so. You are expected to be prepared to discuss them in class as assigned in the syllabus.

Please note: THIS IS A PROBLEM SOLVING COURSE! Homeworks and case studies are critical to advancing your knowledge. EXCELLENCE IN PROBLEM SOLVING IS EXPECTED throughout!

STUDENT LEARNING OUTCOMES: Upon successful completion of this course students will be able to:

1. Calculate key financial ratios taken from financial statements in order to assess

- the liquidity, profitability, and solvency of private sector corporations.
2. Interpret key financial ratios taken from financial statements in order to assess the liquidity, profitability, and solvency of private sector corporations.
 3. Explain key terms in accounting vocabulary.
 4. Interpret accounting information in the context of the regulatory structure in which accounting and auditing operate. This includes a basic understanding of the Financial Accounting Standards Board, the International Accounting Standards Board, the Securities and Exchange Commission, and the Sarbanes-Oxley Act of 2002.
 5. Explain verbally and in writing the key ways in which financial accounting information is useful in making investment and credit decisions.
 6. Explain verbally and in writing the basic aspects of accounting's role in corporate governance. These aspects include the provision of audits, the monitoring of performance, the budgetary planning process, and the structure of internal control systems.
 7. Solve basic problems in costing.

TEACHING METHODS AND ASSIGNMENTS FOR ACHIEVING STUDENT LEARNING OUTCOMES:

This course combines lectures with a variety of tasks that students must perform well. These tasks include computational, conceptual, and case-based homework assignments, discussion board participation in which students interact in a way which enables other students' learning, in-class dialogue, examinations, and readings about accounting's role in contemporary events. Assignments will be evaluated and/or graded by the instructor in a timely manner so that students have ongoing feedback about their performance and progress throughout the course.

EVALUATION AND GRADING:

The following criteria will apply to the grading of assignments.

Grade of A: Work that demonstrates not only a clear understanding of the material under study, but also a superior ability to utilize that material in the assignment. All criteria are met. The student's work goes beyond the task and contains additional, unexpected or outstanding features.

Grade of B: Work that demonstrates a good understanding of the material under study, and utilizes the material well in the assignment. The student meets the assignment criteria, with few errors or omissions.

Grade of C: Work that minimally demonstrates a basic or technical understanding of the material under study, and uses some relevant material in the assignment. Work may not address one or more criteria or may not accomplish what was asked.

Grade of F: Work that is incomplete, inappropriate and/or shows little or no comprehension of the material under study.

Students who pass this course will have demonstrated to the instructor that they are in a position to both (1) master subsequent coursework in accounting, finance, and other areas which depend upon a basic though solid mastery of skills and concepts which are central to accounting at an introductory level; and, (2) be capable of entering the managerial workforce armed with the skills and understandings of accounting that managerial labor markets would expect of an entry-level holder of a post-baccalaureate degree, diploma, or certificate in a business-related field. The instructor's satisfaction with these competencies will be measured through two in-class exams and a final exam as well as grading of the assignments indicated above. These exams and assignments will include quantitative measurement of student performance in computational, short-answer, and essay tasks. The type of task will be matched to the specifics of each learning objective. For example, financial ratios demand computational assessment, vocabulary mastery demands short-answer assessment, and institutional and conceptual issues lend themselves to essay-based assessment.

Grades will be assigned according to the following scale:

90-100% yields an A in the course;

80-89% yields a B in the course;

70-79% yields a C in the course; and,

69% or less yields an F in the course. (Note that no grades of D are given in graduate classes).

Plus or minus grades may be attached to letter grades as appropriate.

I may choose to curve the grades up depending on students' performance in the class. Under no circumstances can your grade be curved down however. For example, under this policy if your class average is 85%, I may curve it to an A- or A but it can never be curved down below B.

The final course grades will be based on class participation, homework, a set of 3 quizzes, a set of case studies, and a final exam.

Class Participation	10% of final Grade
Each Quiz	10% of final Grade
Homework	30% of final grade
Final exam	30% of final grade

Quizzes will be closed book, in class, and 30-45 minutes in duration.

ATTENDANCE POLICY: Participation in discussions and interaction with your professor is essential to learning so attendance is MANDATORY! In addition, what transpires in class is fair game for examination and other forms of assessment. No late work will be accepted, nor will faculty time be taken to review material which students miss because of class absences. Of course, legitimate reasons (e.g., medical concerns) for missing class will be taken into account.

FINAL EXAMINATION: The final examination will be given at the time assigned in the university calendar.

ADDITIONAL REQUIREMENTS: All assignments are due at the beginning of class on the date assigned. No extra credit assignments are available. Any extra effort will influence class participation grade positively however. In the event of inclement weather, we will follow the university's decision on whether or not class is to be cancelled. Information relevant to such decisions is available at www.uncg.edu. However, no student should attend class if inclement weather causes the student to believe that he or she would be taking on unjustified personal risk associated with travel. I will work with students who miss class for that reason; your judgment prevails over university decisions.

ACADEMIC INTEGRITY POLICY: Students are responsible for becoming familiar with the Academic Integrity Policy in all its aspects and for indicating their knowledge and acceptance of the Policy by signing the Academic Integrity pledge on all major work submitted for the course. Specific information on the Academic Integrity Policy may be found on the UNCG web site at [UNCG Academic Integrity Policy](#).

COURSE OUTLINE AND ASSIGNMENTS

A Suggestion: Treat textbook reading as a quick SURVEY rather than in depth reading. Return to in depth review when necessary to solve a problem or case study or if you are really interested in learning more about a topic. In my view, it is best for concentrated textbook reading to be guided by problem solving. This is because problem solving shows you what you really need to know.

CLASS MEETING	Lecture Topic	Case Study Discussion	Readings	Homework Due & Quiz Practice Problems
August 24	The Value of a Box of Chocolates (Modules 1 & 2: Business Activities and Financial Statements)	Chema-Lite (Balance Sheets and Income Statements)	Background Reading: pages 1-1 through 1-16, Appendix 1A: Accessing SEC Filings; Appendix 1B: Acctg Principles and Governance <u>Reading for next class:</u> Pages 2-1 through 2-20	Please try to read the case study Chema-Lite in advance of the first lecture if possible. It will make the class much more enjoyable and interesting for you!
August 31	To Account or not to Account! (Modules 2 & 3: Transactions and Accounting)		<u>Reading for next class:</u> Pages 2-19 through 2-33 Appendix 2A Pages 3-1 through 3-22 Begin reading case study: Recognizing Revenue for iPhone at Apple Inc.	(Will be announced via Canvas)
September 7	Gimme a T! (Module 3: T-Accounts & Financial Statements)		<u>Reading for next class:</u> Pages 5-1 to 5-19, 5-26 to 5-30 Prepare to discuss case study Recognizing Revenue for iPhone at Apple Inc. for next week.	(Will be announced via Canvas)

CLASS MEETING	Lecture Topic	Case Study Discussion	Reading	Homework Due & Quiz Practice Problems
September 14	Dude Where's My Profit? (Module 5: Operating Income & Conservatism Principle)	Revenue Recognition for iPhone at Apple Inc.	<u>Reading for next class:</u> Prepare to discuss case study for next week: Financial Reporting Strategy at Microsoft.	(Will be announced via Canvas)
September 21	<u>QUIZ 1 – (30-45 Minutes)</u> <u>(Modules 1-3)</u> (Module 5: Operating Income & Conservatism Principle)	Financial Reporting Strategy at Microsoft, Inc.	<u>Reading for next class:</u> Pages 6-1 through 6-37.	(Will be announced via Canvas)
September 28	Measuring Operating Assets (Module 6: Inventory, Receivables, Long Term Assets)		<u>Reading for next class:</u> Prepare to discuss case study for next week for next week: Earnings Management at Dragon Soup	(Will be announced via Canvas)

CLASS MEETING	Lecture Topic	Case Study	Reading	Homework Due & Quiz Practice Problems
October 5	Measuring Operating Assets	Earnings Management at Dragon Soup	<u>Reading for next class:</u> Module 8, pages 8-1 through 8-24 Prepare to discuss case study for next week: Jimmy Fu and Moog, Inc.	(Will be announced via Canvas)
October 12	Analyzing Shareholders' Equity (Module 8)	Jimmy Fu and Moog, Inc.	<u>Reading for next class:</u> Module 13, pages 13-1 through 13-16 Module 14, pages 14-1 through 14-13	(Will be announced via Canvas)
October 19	<u>QUIZ 2 – 30 Minutes (Modules 5, 6 & 8)</u> Mngrl. Acctg. - Cost Behavior/Estimation (Module 14)		<u>Reading for next class:</u> Module 13, pages 13-1 through 13-16 Module 14, pages 14-1 through 14-13	(Will be announced via Canvas)
October 26	Mngrl. Acctg. - Cost Behavior/Estimation (Module 14)		<u>Reading for next class:</u> Module 15, pages 15-1 through 15-18	(Will be announced via Canvas)

CLASS MEETING	Lecture Topic	Case Study	Reading	Homework Due & Quiz Practice Problems
November 2	Cost-Volume-Profit Analysis (Module 15)		<u>Reading for next class:</u> Module 17, pages 17-1 through 17-19	(Will be announced via Canvas)
November 9	Job Order Costing Systems (Module 17)		<u>Reading for next class:</u> Module 21, pages 21-1 through 21-19	(Will be announced via Canvas)
November 16	Budgeting (Module 21)		<u>Reading for next class:</u> Module 22, pages 22-1 through 22-19	(Will be announced via Canvas)
November 30	<u>QUIZ 3 – 30 Minutes (Modules 14, 15, 17, 21)</u> Budgeting (Cont'd) Standard Costs <u>(Time Permitting)</u> (Modules 22)		Prepare for Final Exam	(Will be announced via Canvas)