

**ACCOUNTING 351
INTERMEDIATE ACCOUNTING II
FALL 2009**

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<u>OFFICE HOURS</u>	MW 1700-1830	<u>CLASS WEBSITE</u>	http://www.csun.edu/acct350
<u>REQUIRED</u>	<i>Intermediate Accounting</i> (5 th Edition) Spiceland, Sepe, Nelson, and Tomassini		

Notes [Available on the class website]

COURSE OBJECTIVE

ACCT 351 is the second course in the Intermediate Accounting sequence. The following topics are studied: The conceptual framework; revenue recognition; inventory; issues related to alternative asset valuation methods; current and non-current assets; impairment; investments; and earnings management.

LEARNING GOALS

This course shall contribute to achieving the following learning goals:

- Provide an in-depth understanding of the technical rules governing financial reporting and the rationale behind them.
- Provide an opportunity to research, engage in critical thinking, and develop analytical skills.
- Practice communication skills in conjunction with ACCT 351COM.

To achieve these learning goals, the format consists of class discussion (including problem solving) and lectures. The assigned readings and cases form the basis for discussion; consequently you must complete all readings before the corresponding class period.

ENROLLMENT IN 400-LEVEL COURSES

Students may not enroll in 400-level courses without first satisfactorily completing both BUS 302 and BUS 302L and passing the Upper-Division Writing Proficiency Exam.

REQUIREMENTS TO CONTINUE IN THE ACCOUNTING PROGRAM

- Students must earn a grade of "C" or higher in each business and accounting course in order to graduate with a BS degree in Accountancy.
- Students who earn less than a "C" are permitted to repeat that course only once and only if/when a seat becomes available.
- No more than three upper-division business and/or accounting courses are permitted to be repeated.

Failure to comply with each of these requirements will result in the student being dropped from the accounting program and switched to another major.

REPEATING ACCT 351

There is no guarantee that a student will be permitted to repeat a class in the semester desired. Students taking ACCT 351 for the first time have priority over students repeating. Only if a seat is available, students will be permitted to repeat ACCT 351 during the following semester. Failure to obtain at least a "C" the second time will result in the student not being allowed to continue majoring in accounting. No student shall be permitted to repeat ACCT 351 who does not have a total and CSUN GPA of 3.0 or higher without approval of the Admissions Committee. **Students must repeat accounting courses with a different professor unless only one section of the course is offered.**

SUGGESTIONS FOR SATISFACTORY PERFORMANCE

Accounting 351 is a rigorous and time-consuming course. It requires in-depth study and analysis and should not be undertaken casually. Several steps may be taken to avoid the "I understand the material, but I just can't do it on the exam" syndrome:

Do not take this course in conjunction with a full class load, full-time work, and extensive personal outside commitments. Accounting 351 requires a minimum of 15 hours per week of study/work time. This is in addition to the 2.5 hours of scheduled class meetings. Avoid too many similarly demanding courses. Stay up to date for all assignments. Complete assignments with the goal of increasing your speed. Success on exams is heavily dependent upon speed.

HOW TO PREPARE FOR CLASS

- Listen to the narrated slides at www.mhhe.com/spiceland5e for each chapter prior to the class lecture.
- Read the chapter at least once prior to the class lecture on that material.
- Review the notes that you think will be covered in class that day.
- Try to complete some of the assigned problems prior to the class lecture on that material.
- Be prepared to ask and answer questions about the material to be covered during the class lecture.
- Be prepared for a quiz at the end of class on material covered in that lecture and/or the previous lecture.

GRADING

Final letter grades for this course will be assigned using a curve and plus/minus grading. Class attendance is recorded. A permanent seating chart will be created in the second class meeting. Points will be deducted for unexcused absences, talking to your neighbor during the class lecture, cell phones going off, and/or arriving to class late.

<u>Exams</u>	Points
3 Exams: (2 midterm exams @ 100 points each and final exam @ 150 points) Exams consist of problems, essays, and multiple choice questions. You may use one (1) original handwritten page (single sided) of notes while taking each exam. The final exam will also contain one or two multiple choice questions from each of the two midterm exams.	350
<u>Participation and Unannounced Quizzes</u>	
You are expected to be active in class, ask "quality" questions, and respond to questions from your classmates and the professor. Arriving to class unprepared will result in lost points. Periodically, unannounced quizzes worth 5 points each will be given in class to ensure that you are keeping current. Failure to adhere to the rules of class decorum will result in the loss of participation points (see page 4 of this syllabus).	40
<u>Communication Assignments - Joint Assignments with Accounting 351COM</u>	
Research Questions	10
Three Individual Case Assignments (25 points each)	75
Group Report	25
Total	500

ASSIGNMENTS

Cases and Group Report

The cases and report are joint assignments with ACCT 351COM (they will be graded in ACCT 351 for technical content and in ACCT 351COM for communication). A separate copy must be submitted each to your ACCT 351 and 351COM professors. The purpose of these assignments is to provide you with training and practice in the following skills: Research of accounting issues; analysis of unstructured problems (multiple "correct" answers might be possible – alternatives must be identified and you must be able to justify your answer); and communication of accounting information in a professional manner. The cases will be graded according to the standards shown in the "Grading Rubric" located online at the Assignments/Solutions page of the class website to permit you to become more familiar with the expectations.

- Case 1 – Due October 14
- Case 2 – Due October 28
- Case 3 – Due November 9
- Group Report – Due December 2

Be aware that although your grade in ACCT 351 is primarily concerned with the technical adequacy of your document, it must be written in an appropriate manner to be acceptable. Conversely, no matter how brilliant your writing skills, if the technical content is wrong, your grade in ACCT 351COM might be lowered. Make sure to review the Grading Rubric for ACCT 351. Detailed instructions on how to research and communicate the results of your research will be provided in your ACCT 351COM class.

If you are repeating ACCT 351 but not ACCT 351COM, you will be grouped with other repeating students for the purpose of completing the group report. See me during the semester for instructions.

As explained on the previous page, you must submit a copy of your paper to both your ACCT 351 and ACCT 351COM professors. Each submission requires the following:

- Enter the accounting/communication code (listed below) on all submissions. **Failure to do so will result in a loss of two (2) points.**
- Attach the Grading Rubric to the **FRONT** of both copies of the cases (not the research questions or group report). **Failure to do so will result in a loss of two (2) points.**
- Select and copy excerpts from the accounting standards and literature that support your analysis/conclusion. Attach the excerpts to the **BACK** of both copies of your submission. **Failure to do so will result in a loss of two (2) points.**
- Attach a case brief to each of the three cases (as described in ACCT 351COM). **Failure to do so will result in a loss of five (5) points.**

	351COM M/W 2:00 p.m.	351COM M/W 3:30 p.m.	351COM T/TH 5:00 p.m.	351COM TH 7:00 p.m.
ACCT 351 – Monday/Wednesday, 2:00 p.m.	--	3B	3C	3D
ACCT 351 – Monday/Wednesday, 3:30 p.m.	4A	--	4C	4D

Individual student questions about the research questions, cases, and group report should not be addressed to me. Such questions must be posted on the WebCT general discussion page. If the ACCT 351 professors believe it is an acceptable question to ask, all students will have access to the posted answer.

Research Questions

Research the assigned questions. A separate copy must be submitted each to your ACCT 351 and ACCT 351COM professors. The Grading Rubric is not required to be attached to the research questions. (Due: September 23)

Completing All Assignments

To help you better learn the material, you should complete all recommended exercises, problems, and cases from the appropriate chapters in the textbook. Their purpose is to provide you with the practice necessary to master essential technical accounting skills. They will not be graded. Do not expect to receive a passing grade if you have not completed the recommended assignments. Accounting is a subject that requires practice. The assigned problems are the minimum amount of practice required if you expect to receive an average grade. Solutions to these exercises and problems are available online. Remember, the more you practice, the more you will improve your technical skills and speed. Practice quizzes and answers are also available online for your use.

ERNST & YOUNG CENTER FOR CAREERS AND REGISTERING WITH MY CAREER CENTER

The *Ernst & Young Center for Careers* is located in Juniper Hall 2224 and provides unique career-planning services and opportunities for accounting and information systems majors. You are encouraged to visit the location for the purpose of obtaining more information and familiarizing yourself with where your on-campus interviews will take place. Or visit the website by linking to it through <http://www.csun.edu/acct>. Register with *My Career Center* online at <https://www.csun.edu/career/students/login.php> and upload a resume and cover letter.

TUTORING

Tutoring is available from Beta Alpha Psi (BAY). Days, times and locations will be announced.

POLICY ON MISSED EXAMS

No make-up exams are given. If you miss a midterm exam due to unavoidable circumstances, your other exams will be weighted, provided:

- The reasons for missing the exam are acceptable to me.
- I was notified prior to the date of the exam.
- If I was not notified prior to the exam date, written documentation must be submitted to clearly establish that the circumstances were unavoidable and could not have been anticipated.

If you miss the final exam due to unavoidable circumstances that could not have been anticipated (see the requirements above), you may request by e-mail the assignment of an incomplete within 24 hours after the exam. If you miss more than one exam, a grade of zero will be assigned to all missed exams regardless of the reasons unless you have obtained a medical withdrawal. An incomplete assigned for missing the final exam might prevent you from continuing to ACCT 352 in the next semester if the final exam cannot be taken by the start of the new semester (due to either your unavailability or mine).

RULES OF CLASS DECORUM

- You should come to class prepared.
- Missing class, arriving late to class (after the class lecture begins), and **talking to your neighbor during the class lecture** will result in the loss of participation points.
- Cell phones must be turned off while in class. Failure to do so will result in the loss of participation points.

WITHDRAWAL FROM CLASS

The last day to withdraw from this course without any approval is Friday, September 11 (end of the third week). To withdraw during the fourth week of instruction, students must have a **serious and compelling** reason that is approved by the instructor and department chair of the course. Requests for withdrawal after the fourth week are rarely approved and only in cases where the student can provide written proof of extraordinary circumstances that have arisen from events beyond his or her control. Furthermore, there must be no viable alternative to the requested withdrawal, such as repeating the course in the following term. The following situations ARE NOT considered extraordinary circumstances and WILL NOT be approved to justify a withdrawal after the end of the fourth week of instruction:

1. failing the class or receiving less-than-desired grade;
2. waiting for the instructor to give a permission number;
3. failing to take action to add or drop a class, assuming incorrectly that the instructor will do it for the student;
4. failing to make payment of registration and/or waiting for financial aid;
5. the need to work because of financial considerations or opportunities;
6. encountering a situation that should have been anticipated, such as the need to have transportation, the need to pay for ordinary living expenses, the need for child care;
7. aspirations of either the student or his/her family in regard to GPA, the dean's list, graduate school, scholarships, etc.;
8. dissatisfaction with course material, instructor, instructional method, or class intensity;
9. lack of motivation, change in academic interests, or change of major;
10. participation in extracurricular activities; or
11. academic overload and inability to keep up in all classes.

The following situations are typically the only ones that would meet the standard of extraordinary circumstances for which there is no viable alternative and would justify a withdrawal after the fourth week of instruction:

1. medical documentation that the academic schedule is detrimental to the student's physical or mental health
2. activation for compulsory military duty
3. relocation out of the immediate area

POLICY ON ACADEMIC DISHONESTY

Academic dishonesty, which includes cheating, fabrication, facilitation of academic dishonesty, and plagiarism, is a serious academic offense. Please carefully review the current schedule of classes regarding definitions and penalties. **A grade of "F" shall be assigned to any student who engages in academic dishonesty in this class, and formal disciplinary action shall be taken.**

THIS SYLLABUS CONSTITUTES A CONTRACT BETWEEN THE STUDENT, PROFESSOR, AND THE DEPARTMENT. THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT, INCLUDING THE REQUIREMENTS TO CONTINUE IN THE ACCOUNTING PROGRAM, ARE DEEMED TO BE ACCEPTED BY EACH STUDENT WHO REMAINS IN THIS COURSE AFTER SEPTEMBER 11, 2009.

Class Schedule

	Topic (Chapter)	Assignments	Comments
8/24	Introduction to ACCT 351		
8/26	Conceptual Framework (CH 1)		
8/31	Revenue Recognition (CH 5)		
9/2	Revenue Recognition (CH 5)		
9/7	Labor Day – No Class		
9/9	Revenue Recognition (CH 5)		
9/14	Revenue Recognition (CH 5)		
9/16	Cash and Receivables (CH 7)		
9/21	Cash and Receivables (CH 7)		
9/23	Cash and Receivables (CH 7)	Due: Research Questions – Begin Case 1	
9/28	Inventory (CH 8)		
9/30	Inventory (CH 8)		
10/5	Inventory (CH 8 and CH 9)		
10/7	Exam I (Chapters 1, 5, 7)		
10/12	Inventory (CH 9)		
10/14	Inventory (CH 9)	Due: Case 1 Begin Case 2	
10/19	Operational Assets – Acquisition and Disposition (CH 10)		
10/21	Operational Assets – Acquisition and Disposition (CH 10)		
10/26	Operational Assets – Acquisition and Disposition (CH 10)		
10/28	Operational Assets – Acquisition and Disposition (CH 10)	Due: Case 2 – Begin Case 3	
11/2	Operational Assets – Utilization and Impairment (CH 11)		

11/4	Exam II (Chapters 8, 9, 10)		
11/9	Operational Assets – Utilization and Impairment (CH 11)		
11/11	Veteran's Day – No Class		
11/16	Operational Assets – Utilization and Impairment (CH 11)		
11/18	Operational Assets – Utilization and Impairment (CH 11)	Due: Case 3 – Begin Group Report	
11/23	Investments (CH 12)		
11/25	Investments (CH 12)		
11/30	Investments (CH 12)		
12/2	Investments (CH 12)	Due: Group Report	
12/7	Earnings Management and Fair Value (FAS 157)		
12/9	Earnings Management and Fair Value (FAS 157)		
12/14	Final Exam	2:00 Class – Time: 3:00-5:00	
12/16	(Chapters 11, 12, earnings management, and selected problems from midterm exams)	3:30 Class – Time: 3:00-5:00	

HOW TO STUDY ACCOUNTING

The following recommendations will help you achieve the maximum results for your study efforts. Although there is no substitute for **HARD WORK** and a **DESIRE TO LEARN**, use your study time and classroom time more efficiently.

READING THE TEXTBOOK

1. Studying accounting is not like reading a novel or studying history or sociology.
 - a. Each assignment in accounting **builds** on previous assignments. If you do half-hearted work in early chapters, you may be confused or lost by the time you reach later chapters.
 - b. Accounting books are condensed. Almost every sentence is important. Scan reading just does not work!
2. Read to understand "**why**".
 - a. This is a technical subject, it is logical, and it requires reasoning. Strive to be able to say, "I understand why that is done." If you can understand "why" in accounting, there is very little to memorize – this is critical because this subject cannot be memorized if you plan to apply it to complex and unstructured accounting problems.
 - b. **Try to explain every new topic in your own words.** Putting the new ideas into your own words is better than reciting the words of the text a hundred times.
3. Work problems to understand "**how**".
 - a. Even though you understand "why it is done" in accounting, you must be able to do it yourself
 - b. To be sure that you understand "how" as well as "why", work the examples that are used with the reading material. Don't copy the book. Try your own skill and then check your answers.
4. Remember "**why**" and "**how**".
 - a. Go back to previous chapters and notes to **refresh your memory**. Rework problems that were difficult for you. Try to work extra problems that are similar to the assigned homework.
 - b. Never wait until examination time to review your accounting. The **review-as-you-go** approach produces better results, doesn't take as long, and saves all that last minute worry and time sacrificed at the expense of your other classes. The **forgetting curve** is the mirror image of the learning curve. You forget as fast as you learn. It is a scientific fact that information that has been forgotten requires that it be relearned (not merely reviewed), requiring the same amount of time it took to learn it originally.
5. If there is something you don't understand, prepare specific questions to ask your instructor. Some students keep a notebook of points with which they have questions. **PIN-POINT THE ITEMS THAT YOU DO NOT UNDERSTAND.** Don't make vague comments to your instructor such as "I don't understand any of this material." Such statements are a strong indication to the instructor that you have made no attempt to try to understand, and will receive very little sympathy or help.

WORKING HOMEWORK PROBLEMS

1. **(RTP) Read the problem!** Read the instructions and scan the problem to see what is ahead.
2. Work the problems without "**page flipping**" back to the chapter and/or notes.
 - a. When in doubt, look back at the chapter and/or notes – but NOT until you have tried to do the problem on your own. This indicates that you do not understand the chapter material. You are not prepared for an examination.
 - b. The "page-flipping" method is guaranteed to waste a maximum amount of your time and to produce a minimum of results.
3. **Keep up with the class!** IT IS EASIER TO KEEP UP THAN TO CATCH UP!!
 - a. Check your solution against the solution presented in class (or online).

- b. Be sure that you understand the correct solution.
4. Note the part of the problem with which you have difficulty and ask questions during or after class.

MAKING THE BEST USE OF CLASS TIME

1. Classes are never interesting unless you **take part**.
2. Always be **prepared** before you go to class.
3. **Don't be afraid to ask questions.** If you have a question, at least ten other students probably have the same question but are afraid to ask because it might sound like a dumb question.
4. Students who make **failing grades** also fail to attend classes, fail to pay attention during class, fail to do their homework, and fail to ask the instructor for help until it is too late. And when they do ask, it isn't for help. They go to the instructor to offer excuses for poor performance. Remember, when you start your professional career after graduation, **excuses won't explain away poor performance; nor will excuses earn you a passing grade in this course.**

PREPARING FOR EXAMS

1. Be **specific** in your study; concentrate on the things which seem to be most important. Note items that the instructor emphasizes in class and homework problems that are assigned.
2. Every exam has an element of speed. Have the "how" and "why" at your finger tips (but not written on your finger tips). If you are slow, you probably need to study and practice more.
3. The questions that appear on exams approach the material from a slightly different direction to test your ability to **reason** and **understand** rather than your ability to memorize.
4. Don't stop with just "getting the idea". It is often a great shock to students who thought they understood the material but did poorly on the exam. "Why?" they ask. The answer is simple. Of course it is important to "understand" the material. But unless you can "apply" what you have learned, the results you get on an exam will be very disappointing. How do you know if you can "apply" what you've learned? The best indicator is being able to work all of the homework problems correctly during your review without looking at the solutions – and to do so with speed. **Build speed** with homework problems. If you can't finish the exam, it won't matter how much you know or can apply.
5. **Again, (RTP) read the problem!** When taking exams, many points are lost and questions missed because the student does not READ THE PROBLEM, especially with multiple choice questions. Read what the question is really asking, not what you think or want it to ask. **Avoid careless errors.** On each exam, assume that you have made several careless errors and allow enough time at the end of the exam to look for them.
6. An excellent strategy to use when taking an exam is to quickly look through the entire exam and answer all of the questions that are easy for you. Those are "sure" points and help to relieve the pressure when you go back to work on the more difficult and time-consuming problems. Don't waste excessive time on just one problem – move on and come back to it later. Some problems are like quicksand – don't stay in it long enough to get stuck and sink.
7. For a long exam question with a lot of facts and information, the best approach is to first go to the end of the question and read **what is being asked**. With this approach, you only need to read the problem once. The advantage is that if you know what is being asked, you can begin to answer the question during the first reading. This also helps you to avoid wasting time on irrelevant facts not required to answer the question. You will be surprised at how much valuable time you will save by not reading the same problem twice.
9. Another successful method that can be used to prepare for an exam is for you to **create your own questions and problems** – those that you would put on the exam if you were teaching the class. And then try to answer them.
10. The greatest weaknesses in a student's ability to take an exam are failure to **concentrate**, to keep his/her **composure**, and to maintain a **steady pace**. Be aware of the time to help pace yourself. But don't break your concentration or lose your composure by constantly thinking about the time factor. Don't let your mind close up on you and end any chance you have to do well. It is better to concentrate on answering only 80% of the questions and getting them all correct than to answer all of the questions and missing half of them. Of course, it is best to answer all of the questions and get them all correct. And most importantly, get a good night of **sleep** before the exam even if you need more time to study or you think you should cram for the exam. Your mind will not function at peak effectiveness if you are deprived of necessary sleep. Your recall and analytical ability will be severely diminished.