

Management 4 / Economics 4 Financial Accounting

Winter 2016

Center Hall 119 MWF 12-1:50pm

Michael Willoughby, CFA, Ph.D.

Office: Economics 110B.

Office hours on the professor's quarterly calendar linked to the course webpage.

Email: mwilloughby@ucsd.edu

Description

This is a lecture course and a broad-based introduction to financial accounting. It serves as a prerequisite for the Accounting minor at Rady, the Management Science major, and the International Business major at GBS. For this reason, we will look at accounting from two perspectives: the producer perspective and the user perspective. Accounts are trained to translate commercial transactions into aggregate summaries of business performance, i.e. financial reports. Economists and financial analysts are trained to interpret accounting results and make asset allocation and/or investment decisions based on financial reports.

OBJECTIVES

- **Explain** the Accounting Cycle.
- **Demonstrate** how commercial transactions are translated into communications about financial performance.
- **Understand** the difference between cash flows and accrual profits.
- **Describe** the influence that a firm's accounting policies have on that firm's reported profits.

MATERIALS

- 1) Course Reader & Workbook. Winter 2016 Edition. UCSD Bookstore.
- 2) Nordstrom, Inc. 2014 Form 10-K, Annual Report, on the Course webpage.
- 3) Anything on the course webpage: syllabus, articles, press releases, or Financial Reports:
- 4) A few 3x5 index cards

GRADING

Assignments	Date	Weights
One In-class Quiz.	January 15 th	10 percent
Two Midterm Exams	January 29 th & February 17 th	20 percent each
Participation	Weeks 1-10	5 percent
Final Exam	March 16 th 11:30am	45 percent
Total		100 percent

SCHEDULE

Date	Assignments	Topics
Weeks 1 - 3	Reader Ch. 1-3	Business, Investing, Financial Reporting: Income Statement & Balance Sheet
Weeks 4 - 8	Reader Ch. 4 -5	The Accounting Process & The Statement of Cash Flows
Weeks 9 - 10	Reader Ch. 6 -7	Hollywood Accounting, Restatements, and Fraud

Teaching Assistants

We have three undergraduate Teaching Fellows who will grade and record scores and hold one office hour each week, weeks 2-10.

Christine Hsu (Leader)

cyh010@ucsd.edu

Neil Shah

nushah@ucsd.edu

Yuwen Elaine Xia

yux039@ucsd.edu

POLICIES

Professionalism. Accounting is a professional art. Now is a good time to adopt professional habits: seek help and ask questions, speak clearly, be polite, be punctual (it's difficult at UCSD), do not procrastinate, follow instructions, and do not make excuses.

Grades. Grades will be “curved” at the class average. A final score of 90% will guarantee an “A” letter grade and in some cases a lower score will earn an “A”. A final score of 60% will guarantee a “P” and/or “C-“ letter grade, however there are circumstances when a passing grade will be awarded for a final score less than 60.

Scores will be posted as quickly as exams are graded and recorded. High-lighted scores indicate special circumstances: **OK** (roll-over score) to **Bad** and **Very Bad**. Pay attention to your scores – occasionally there are recording mistakes – let someone know; not revisions will be made after Friday of tenth week.

The Reader may be used during exams. You may write in your Reader and add tabs or sticky notes. **Do not add extra pages or append *duplicated* information,** especially old exams. If you violate this stipulation, then you will lose the privilege of using your Reader during all exams.

Exams. All three exams are multiple-choice assessments. Bring a Scantron and a lead pencil. Students *may partner-up* on the first midterm exam. This is an option, not a requirement. A partnership is two persons. Partners may share information and converse quietly during the exam. **Each partner must turn-in a Scantron.** Pick-up your exams, all unclaimed documents will be destroyed 2 weeks from the date that scores are recorded.

NUMBERS. On January 18, 2016, each student will be assigned a **NUMBER** to identify assignments for grade recording purposes. **NUMBERS** are not PIDs. *Numbering* is sequential and in alphabetical order – if your last name begins with the letter “A” then your number will likely be something between 1 and 10; if your last name begins with the letter “Z” then your number will likely be between 130 or higher. No one will have a number greater than 170. This means that **your NUMBER will be a 3 digit integer.** **Find** your NUMBER by looking for the last 4 digits of your PID on the *Scores Sheet*. If you cannot find your number on the Scores Sheet, ask a Teaching Assistant.

NUMBERS are required on all assignments. No number, no score, no exceptions.

Sleeping. Do this at home, not during lecture. There is no shame in fatigue, so if you become drowsy during lectures, stand at the back of the hall. Sleeping in public is unprofessional. It indicates a lack of discipline and is demeaning to yourself and your peers. There will be no warnings about this. **If you fall asleep during lecture (even once), you will be given an “F” grade for the course,** regardless of your scores.

Missing a Quiz or Exam. Any missed quiz or exam will be rolled-over to the next, most similar assignment. The professor must be informed within 12 hours of the missed exam unless something serious occurs. You need not explain.

Email. Email is a useful way to exchange information. It is not however, a medium of instruction. Use it for simple, close-ended, factual inquiries, not for open-ended explanations.

Term of Instruction. The Winter Quarter is ten weeks of instruction. Finals week is not within the term of instruction. Let the T.A.’s prepare for their exams during finals week.

ACADEMIC INTEGRITY

Integrity of scholarship is essential for an academic community. As members of the U.C. community, we pledge ourselves to uphold the highest ethical standards. The University expects that both faculty and students honor this principle and in so doing protect the validity of University intellectual work and the academic credentials awarded. Read the Code. The complete UCSD Policy on Integrity of Scholarship can be viewed at:

<http://senate.ucsd.edu/manual/Appendices/Appendix2.pdf>

We are all adults so I assume that we each know right from wrong. I expect you each to do your own work. It is extremely important to me that the playing field remain level for all. Do not seek (for yourself) or assist another student in acquiring an advantage or obtaining unearned credit on any required or graded activity. Any attempt to tilt the playing field in favor of anyone will earn an "F" grade for the course.

STUDENTS WITH DISABILITIES

A student who has a disability or special need and requires an accommodation in order to have equal access to the classroom must register with the Office for Students with Disabilities (OSD). The OSD will determine what accommodations may be made and provide the necessary documentation to present to the faculty member.

The student must present the OSD letter of certification and OSD accommodation recommendation to the appropriate faculty member in order to initiate the request for accommodation in classes, examinations, or other academic program activities. **No accommodations can be implemented retroactively.**