

# MGT 4: Financial Accounting, Summer 2, 2020

PROFESSOR: Dr. John C. Anderson

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CLASS LOCATION: ONLINE

OFFICE HOURS: 10:00am to 12:00pm Monday & Wednesday

10:30am to 12:00pm Tuesday & Thursday

& by appointment

Teaching Assistant: Marina Habashy, [mahabash@ucsd.edu](mailto:mahabash@ucsd.edu)

If my Teaching Assistant cannot answer your questions or you simply need to speak with me, I am available for you. Please email me if you need to see me, we can have a zoom meeting at a time that is convenient for you.

## COURSE TIMES:

The class time is 8:00 to 10:50pm Tuesday and Thursday online.

Note that the final is on Sat. Sept. 5 at 8:00am

## COURSE DESCRIPTION:

It is critical that business managers and other organizational leaders understand the financial reports and issues common to a broad range of organizations. This course will focus on financial accounting fundamentals, including how to journalize transactions (balanced debit and credit entries to general ledger accounts), how to make adjusting entries for accruals and deferrals, and how to close the accounting period and prepare financial statements. Transactions include sales revenue, receivables, cash, cost of goods sold, inventory, long-term assets (property, plant, and equipment), liabilities, and owners' equity. Also covered are the basics of communicating and interpreting accounting information to relevant stakeholders, including an understanding of required regulatory reports.

## COURSE OBJECTIVES:

The main goal of the course is to provide students with knowledge of both the reporting process and the leadership insights needed to successfully contribute to the financial success of the enterprise. Students will learn about the broad range of tasks of the financial accounting manager. While this is an introductory course in financial accounting, it will cover all the main topics at an appropriate depth to sufficiently prepare the students to effectively understand and participate in the financial reporting process of any business.

## COURSE MATERIALS:

The required text book for this course is: *Financial Accounting, 10<sup>th</sup> edition, 2020*, by Robert Libby, Patricia Libby, and Frank Hodge, McGraw-Hill.

For purchasing the textbook, one available lower cost option is through RedShelf's inclusive access program. This means you will receive automatic access to the digital eBook through Canvas until the add deadline for the course. Until the add deadline, you have the choice to opt-in or opt-out of this program. After the add deadline, students who have not opted-out will be charged the inclusive access price of the digital eBook to their student account. If you have further questions, please contact the bookstore. Per the bookstore, all enrolled and waitlisted students should receive notification and reminder emails regarding the opt-out deadline.

McGraw-Hill Connect is an option to get additional practice with the material as you are reading the text (with Smartbook). For some of the material we cover it may provide additional practice. Connect is optional and can be obtained from McGraw-Hill, it can be accessed in the left panel in Canvas. You will not be turning in your homework with Connect, Connect is not required.

### ASSIGNMENTS AND GRADING:

<u>% Score</u>	X Points	= Points Earned
Midterm Exam	48 points	
Final Exam	47 points	
Homeworks 1-7	5 points	
@ 1 point each maximum (lowest two scores dropped)		
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Total	100 points	

**NOTE: YOU MUST SUBMIT YOUR HOMEWORK IN THE DROPBOX ON CANVAS BY 8:00AM ON THE DATE IT IS DUE, BEFORE CLASS, TO RECEIVE CREDIT. YOU MAY SUBMIT A SCAN OF NOTEBOOK PAPER.**

You should bring your paper copy to class so that you may correct your solution. I realize that there are days you may need to miss class for legitimate reasons. Although late homeworks are not accepted for any reason, the lowest 2 scores of the 7 homeworks will be dropped, resulting in 5 points maximum.

There is no "extra credit" available, the final grade is based totally on the above assignments.

At anytime, you can compute how you are doing in the class by computing the points earned as indicated above, and dividing that by the total possible points to date (do not round in calculating the points earned). Grades may be curved, with the final grades being assigned as follows:

A 94.0- 100 points	C 74.0 – 76.99
A- 90.0 - 93.99	C- 70.0 – 73.99
B+ 87.0 - 89.99	D+ 67.0- 69.99
B 84.0 – 86.99	D 64.0 – 66.99
B- 80.0 – 83.99	D- 60.0 – 63.99
C+ 77.0 – 79.99	F 0 – 59.99

### HOMEWORK:

**NOTE: YOU MUST SUBMIT YOUR HOMEWORK IN CANVAS BY 8:00AM ON THE DATE IT IS DUE, BEFORE CLASS, TO RECEIVE CREDIT. YOU MAY SUBMIT A SCAN OF NOTEBOOK PAPER.**

See the grading policy above. It is important to be thorough in the preparation of the homework, but do not be concerned about having a perfect solution when you turn it in, you will get credit as long as you attempt all parts of the homework for that day. You should do your homework on paper and then submit a scan by the due date and time. Doing it on paper will make it easier for you to correct your solution when I go over the solution in class.

**In addition to those exercises and problems assigned as homework, you will be responsible for any other exercises and problems which are demonstrated in class.**

**EXAMS:**

**Bring your picture I.D. to the exam; you will be required to show it. Exams will be online. Exam dates and coverage are indicated on the class schedule below. You should take the exam at the scheduled time (8:00 am U.S. Pacific Time for midterm and 8:00am U.S. Pacific Time for the final).**

**Generally, only a medical reason or other emergency (which you may be required to document) will allow you to take a make-up exam. You must notify me the day of the exam if there is a medical reason or other emergency, with an email message.**

**Other than a medical reason or other emergency, any other request for taking a make-up exam (instead of taking the exam at the scheduled time) must be submitted to me by the end of the second week of classes.**

**All online exams are to be completed individually, collaboration or consultation among students is not allowed. All online exams are closed book, no notes allowed, and no sources of outside information. You will be notified later regarding the procedural details of the online exam administration. Bring your picture I.D. to the exam; you will be required to show it.**

**LEARNING OUTCOMES:**

At the end of this course students should be able to:

1. Journalize transactions (balanced debit and credit entries to general ledger accounts).
2. Make adjusting journal entries for accruals and deferrals.
3. Make closing journal entries and prepare financial statements.
4. Book transactions for the revenue cycle, including sales revenue and accounts receivable.
5. Book transactions for the expenditure cycle, including cost of goods sold and inventory.
6. Book transactions for long-term assets, including accounting for depreciation, amortization, and depletion.
7. Book transactions for long-term liabilities and owners' equity.
8. Describe the basics of communicating and interpreting accounting information to relevant stakeholders, including the required regulatory reports.

**SCHEDULE:**

**Note: Homework must be submitted to the dropbox on Canvas by 8:00am on the due date to receive credit (see grading policy above).**

**In addition to those problems assigned as homework, you will be responsible for any other problems which are demonstrated in class.**

1. Tue. Aug 4 Introduction
  2. Thur. Aug 6 Ch 1 Lecture: Financial Statements and Business Decisions  
Ch 2 Lecture: Investing and Financing Decisions and the Balance Sheet
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3. Tue. Aug 11 **HW 1 due: E2-4, E2-6**  
Ch 3 Lecture: Operating Decisions and the Accounting System
  4. Thur Aug 13 **HW 2 due: E2-16 part 1, 2, 3 and 4 only; E3-3, E3-8**  
Ch 4 Lecture: Adjustments, Financial Statements, and the Quality of Earnings  
Ch 5 Lecture: Communicating and Interpreting Accounting Information
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5. Tue. Aug 18 **HW 3 due: P4-3, E5-1, E5-2**  
Review for Exam
  6. Thur Aug 20 **Midterm Exam Ch 1,2,3,4,5: 8:00am Pacific Time, U.S.**  
Ch 6 Lecture: Reporting and Interpreting Sales Revenue, Receivables, and Cash
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7. Tue. Aug 25 **HW 4 due: Ch 6 E6-9, E6-25, E6-27, and P6-4**  
Ch 7 Lecture: Reporting and Interpreting Cost of Goods Sold and Inventory
  8. Thur Aug 27 **HW 5 due: Ch 7 E7-3,8,12,14**  
Ch 8 Lecture: Reporting and Interpreting Property, Plant and Equipment; Intangibles; and Natural Resources
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9. Tue. Sept 1 **HW 6 due: Ch 8 E8-10,16,19**  
Ch 9 Lecture: Reporting and Interpreting Liabilities
  10. Thur. Sept 3 **HW 7 due: Ch 9 E9-1,4,13**  
Review for Exam
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- Sat. Sept 5 **Final Exam Ch 6,7,8,9: 8:00am Pacific Time, U.S.**

## **GUIDANCE TO HELP YOU IN YOUR STUDY AND HELP YOU DO WELL ON THE EXAMS**

**YOU NEED TO ALLOW AT LEAST 10 HOURS PER WEEK OUTSIDE OF CLASS TO LEARN THE MATERIAL:**

I want you to do well on the exams. Although this is an introductory class, you will find that the conceptual material can at times be very challenging, and it is essential that you practice the material. The University expectation is that students should spend a minimum of 2 hours outside of class for each hour in class, in studying the material. Since this class meets for approximately 5 hours each week, for 5 weeks, you should be spending a minimum of 10 hours each week outside of class.

**YOU MUST BE ENGAGED WITH EACH CLASS IN ORDER TO KEEP UP:**

Since this is a condensed summer session, it is essential that you be engaged with each class for my lecture and demonstration of the material. I will sometimes be lecturing and demonstrating TWO chapters on any given day. We will then go over the assigned homework on that material the following class period, and it is essential that you are also engaged with the class to see the correct solution explained. Please ask if you do not understand the explanation, I am here to help you and that is the purpose of going over the solutions in class, as the solutions can be complex.

**BE THOROUGH IN HOW YOU PREPARE EACH CHAPTER, BEFORE YOU DO THE HOMEWORK:**

As soon as possible after the class lecture and demonstration, you should read and study the chapter thoroughly. Since this is your first exposure to financial accounting, **YOU SHOULD ALLOW SEVERAL HOURS TO STUDY EACH CHAPTER.** You should do the self study quizzes as they appear in each chapter (the solutions are provided in the text), and make a thorough attempt to solve the quiz before you look at the solution, you will learn the material better in this way. You may also find the “Guided Help” videos useful in each chapter, which may appear at the end of the self study quiz and at other points in the chapter. You can access each of these online videos by following the link listed in the chapter.

**MAKE A THOROUGH ATTEMPT AT THE HOMEWORK, AFTER YOU HAVE COMPLETED YOUR THOROUGH STUDY OF THE CHAPTER, THIS IS YOUR OPPORTUNITY TO PRACTICE YOUR RECALL FOR THE EXAM:**

You should use the homework as an opportunity to practice the material, to help you get ready for the exam. Treat the homework as if it were an open book exam. You should be working the homework to test your ability to recall the material as you practice it. This course is problem oriented, you **MUST** practice the problems in order to pass the exams. Even though the exams are multiple choice, you will often have to work a numerical and conceptual problem in order to pick out the correct numeric answer. Working through the numeric homework problems will also help you learn the importance concepts as you practice the material. **YOU SHOULD ALLOW SEVERAL HOURS TO DO THE HOMEWORK FOR EACH CHAPTER.**

**EACH WEEK, YOU SHOULD ALLOW SEVERAL HOURS TO REVIEW THE MATERIAL FOR THE EXAM:**

For your exam review, you should reread the text along with the lecture notes and redo the homework. I also suggest that you fully attempt the “Demonstration Case” at the end of each chapter before looking at the solution that follows it, as a review for the exam. As an additional review, you may also choose to work the multiple choice questions at the end of each chapter, before looking at the solutions. I will be posting the solutions to the multiple choice practice questions as well as additional exercises for practice in Canvas. You should review the material on a regular basis each week, there is simply too much material to wait until immediately before the exam to do your review.

## **ACADEMIC INTEGRITY**

Integrity of scholarship is essential for an academic community. As members of the Rady School, we pledge ourselves to uphold the highest ethical standards. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

The complete UCSD Policy on Integrity of Scholarship can be viewed at: <http://www-senate.ucsd.edu/manual/appendices/app2.htm#AP14>

### **How the Honor Code applies to this course:**

Students are expected to complete the course in compliance with the instructor's standards. No student shall engage in any activity that involves attempting to receive a grade by means other than honest effort; for example:

No student shall knowingly procure, provide, or accept any unauthorized material that contains questions or answers to any examination or assignment to be given at a subsequent time.

No student shall complete, in part or in total, any examination or assignment for another person.

No student shall knowingly allow any examination or assignment to be completed, in part or in total, for himself or herself by another person.

No student shall plagiarize or copy the work of another person and submit it as his or her own work.

No student shall employ aids excluded by the instructor in undertaking course work or in completing any exam or assignment.

No student shall alter graded class assignments or examinations and then resubmit them for re-grading.

## **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.

Please visit the OSD website for further information or contact the Office for Students with Disabilities at (858) 534-4382 or [osd@ucsd.edu](mailto:osd@ucsd.edu).