



Economics/Management 4:- Financial Accounting Spring 2010

Lecture 3:00-3:50 pm Monday, Wednesday, Friday – RBC Auditorium

Office Hours Tuesdays 3-5:00pm

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Materials:

1. FINANCIAL ACCOUNTING READER, Willoughby 2010 v2, UCSD Bookstore.
2. Accounting for Dummies, John Tracy, CPA. Any edition.
3. The Number, Alex Berenson.

Course Objective:

This course is an introduction to financial accounting (assumes no prior knowledge of accounting) and plays the role of two prerequisites: for the Rady School of Management's *accounting minor* and for Corporate Finance (Econ 173B). This means that we will strive to achieve competency in both the production/methods and the comprehension/application of accounting.

Guidance

The course webpage is an ongoing guide to the course. Students should check it often. It offers links to accounting resource including tutorials and a glossary, lecture slides, readings, instructions for class-preparation, *Your Scores*, and documents to *print & bring-to-class*.

We will be assisted by three Undergraduate Tutors and three Graduate Teaching Fellows. Their email addresses and office hours will be published on the course webpage.

Course Deliverables:

Grades will be based on one take-home midterm, seven in-class quizzes, a final exam and a short 2 person power-point report.

- ✓ Quizzes: The seven quizzes will be given on Fridays of weeks 2-4 and 6-9, or not weeks 1, 5, 10. The best five (of seven) scores will be recorded for grading purposes.

- ✓ Midterm examination: This is a take-home. Students may consult one another but are expected to produce solutions independently. Tutors are prohibited, as is assistance from the TA's.
- ✓ Company report: The company report on PowerPoint, by teams of two, will focus on an assigned company. Companies will be assigned on Friday 2nd week and reports due on Monday of 5th week, hardcopy only. A guideline model will be provided. This is a P/F assignment.
- ✓ Final examination: The final exam will a multi-part, comprehensive examination – multiple choice, problem-solving, essay. Students are allowed to bring a 3x5 index card with notes on both sides.

Course Content

1. **Introduction to Accounting & Accountants**
 - History, Jobs
2. **The Foundations of Financial Accounting**
 - Top-down, Conceptual Foundations of Accounting
3. **Financial Capital**
 - Business, Money, Finance
4. **Accounting Elements & Statements**
 - The Building Blocks
5. **The Accounting Cycle**
 - How & What Accounts Do
6. **Financial Statements**
 - What Investors & Creditors See
7. **Accrual Accounting**
 - How Accountants Think
8. **Accounting Choices**
 - Telling the Company's Story

Schedule

The course webpage will be updated regularly with PowerPoint slides that serve as lecture outlines. Relevant topics and related chapters in Accounting for Dummies, plus Quiz material,

will be announced weekly. Students are expected to read the Reader in its entirety by the end of second week. The Number may be read more leisurely.

Grades:

Final grades will be based on a *weighted total score scaled to 100-points* and curved at the following reference points:

- The class average will establish the lowest B-.
- At least 60 points will be needed to *Pass* the course, i.e. for the lowest C-.
- Less than 50 points will be the threshold for an F.
- In-process scores will be published frequently – it's a sequential process: turn-in, grading, recording, checking, and uploading. So, there is a lag between input and output. You should check your progress frequently. It is your responsibility to insure that your scores are accurate. No changes made after 5pm on Friday of 10th week.
- The Grade distribution generally, but not always, follows these parameters.

Grades	Distribution
A, A-	20 percent
B+, B, B-	40 percent
C+, C, C-	30 percent
D-F	10 percent

Assignments and Grade Weighting

Item	When	Weight %	Description
Midterm	due Monday of 6 th	15.0 %	Take-home multiple choice exam
5 of 7 Quizzes	Fridays 2-4 and 6-9	5.0 % each	20 minute in-class exercises.
PowerPoint	Friday 5 th	5.0 %	Company Overview by teams of two graded P / F
Participation	Ongoing	10.0 %	Attendance, preparation, in-class participation, etc.
Final exam	Per Schedule	45.0 %	A two-hour exam w/ crib notes on a 3x5 index card.

Course Participation

Accounting is a professional practice and learning it requires routine practice. Thus, participation in the course is important. Participation points can be earned in class, by email, or at office hours and in a number of ways:

- i. Ask a good question during lecture.¹
- ii. Email a good question.
- iii. Respond to any question during lecture.
- iv. Ask good questions during office hours. Attendance alone is not participation.
- v. Find a mistake in the Reader.
- vi. Offer a suggestion for a better explanation in the Reader.
- vii. For all in-class activities – 2 person exercises at various lectures.
- viii. For attendance – taken at two randomly-selected lectures.
- ix. Write a 260 word (maximum) on one page abstract of one of the chapters from The Number. Get pre-approval for the “chapter”.
- x. Suggest other good ways to measure participation.

¹ “good” means an inquiry that leads to an insight or alerts other students to an exception or a dichotomy.