CONTACT INFORMATION

Instructor:  Prof. Jon A. Baumunk, J.D., M.S. Accountancy
E-mail:  jbaumunk@mail.sdsu.edu
Office:  SSE 3445
Office Hours:  Thursday 5:45 – 6:45 PM and by appointment

REQUIRED COURSE MATERIALS

• Harrison, Horngren & Thomas, Financial Accounting (9th edition)
• Calculator (preferably financial)

COURSE OBJECTIVES

The objective of this course is to introduce students to basic principles of financial accounting. We will explore what financial accounting is, why it is important, and how it is used by managers, investors, and creditors to make decisions. This course covers the recording and reporting of business transactions, with a focus on the accounting cycle, the application of generally accepted accounting principles (GAAP), the preparation of financial statements, and financial statement analysis. In addition, this course includes issues relating to internal controls, ethics, recognition of revenue and expense, cash inflows and outflows, and valuation of assets, liabilities, and owners’ equity.

MBA Program Goals

MBA students will graduate with:

• A solid foundation in theoretical concepts and managerial skills needed to lead business organizations.
• The ability to analyze environments in which managers make and implement business decisions.
• The skills to formulate, communicate, and coordinate strategies to solve business problems and pursue opportunities.

B A 650 contributes to these goals through its student learning outcomes . . .

STUDENT LEARNING OUTCOMES

1. Use accounting and business terminology, and understand the nature and purpose of generally accepted accounting principles (GAAP).
2. Explain the objective of financial reporting, the elements of the financial statements, and the related key accounting assumptions and principles.
3. Define and distinguish between cash basis and accrual basis accounting and the impact of each on the financial statements.
4. Recognize the information conveyed in each of the four basic financial statements and the way it is used by investors, creditors, regulators, and managers.
5. Identify and illustrate how internal controls are used to manage and control the firm’s resources and risk.
6. Explain the nature of current assets including the measuring and reporting of items such as short-term
7. Explain the valuation and reporting of current liabilities, estimated liabilities, and contingencies.
8. Identify and illustrate issues relating to the acquisition, use, depreciation, and disposal of long-lived assets.
9. Identify and illustrate issues relating to the valuation, issuance, and retirement of long-term liabilities.
10. Account for long-term investments and international business activities.
11. Identify and illustrate issues relating to stockholders’ equity including the issuance of stock, repurchase of stock and dividends.
12. Explain the importance of operating, investing, and financing activities reported in the statement of cash flows when evaluating firm performance and solvency.

COURSE ORGANIZATION

The information on Blackboard is organized in folders. You may find the relevant material by downloading the information from the relevant folder. You will need to download from Blackboard and bring to class the following information before each class meeting:

- PowerPoint presentations
- Solutions to in-class work
- Solutions to the in-class independent work
- Homework

Homework: Assigned homework will be collected and graded for accuracy. A copy of your completed homework will be gathered from you at the beginning of class on its due date. The homework should be done individually, typed, and signed. Students should also bring a copy of the completed homework to class for use in class discussions. It is the student’s responsibility to turn in homework. **LATE HOMEWORK WILL NOT BE ACCEPTED.**

Independent in-class work: Independent in-class work is assigned as group work. Unless it is announced otherwise in class, in-class independent work will be collected and must be turned in at the end of the class period. **The independent in-class work should be signed by each team member individually.** If a person signs for someone else, both students will receive a grade of zero for that independent in-class work. If only one member of the team signs the independent in-class work, every team member gets a score of zero for that assignment. Points earned from any group work will be given to each group member. One lowest score for the independent in-class work will be dropped.

- You should read the chapter for each topic before coming to class.
- You need to have the text with you at all times.
- After homework and in-class independent work are collected, solutions will be posted on Blackboard.

Changes to the Course Schedule and Content

E-mail typically will be used to inform students of any changes in the scheduling and timing of assignments. Changes to the course schedule or content can occur at any time during the semester at my discretion. You are responsible for checking your e-mail and Blackboard for any changes to the course schedule or content. If you are not present in class when an announcement is made of changes to the schedule or content, you are still responsible for these changes. Please note that all announcements via e-mail, on Blackboard, or distributed in class are deemed to be part of this syllabus and have the same prescriptive power.
**Classroom Format**

The atmosphere in the classroom will be active and informal, usually involving lecture and class discussion, interspersed with group activities. The assignments contribute to increasing your knowledge about business and developing your critical thinking skills. Typically, any supplemental readings and notifications will be made via Blackboard or e-mail. **THE USE OF LAPTOPS, CELL PHONES, RECORDING DEVICES, ETC. DURING THIS CLASS IS STRICTLY PROHIBITED.**

**Expectations**

The classroom learning environment is a combination of activities, including lecture, discussion, and group work. Outside of class there will be work that requires individual reading and analysis, as well as solutions to homework problems. Prior to each class, all students are expected to read the assigned materials and be prepared to participate in a meaningful discussion of these materials. While I will help you maintain progress toward successful completion of the required work, it is your responsibility to complete all assigned material and provide competent and thorough responses in all work submitted.

**Evaluation**

This course is designed for you to succeed. I expect you to participate in all aspects of this course. I will give you encouragement, help, and guidance when you ask for it or when I notice that you are struggling with the material. **However, I strongly urge you to communicate with me before any problem becomes a crisis.** If you attend all classes, study all assigned readings, and thoroughly prepare for exams and group assignments, you should successfully complete this course.

**GRADING**

- Exam 1 100 points
- Exam 2 100 points
- Homework 5 points for each collected homework
- Independent in-class work 5 points for each collected independent in-class work (the lowest score will be dropped)

**Exams:** There will be 2 exams. They will be noncumulative and contain both problems and multiple-choice questions. **No make-up exams will be given.** Exams will be held during regular class periods and be one hour and 40 minutes in duration.

**Final grades:** Final grades will be determined from a distribution of total points earned by each student in the whole course. Once a distribution of scores is determined, I will assign cut-off scores for each grade (A, A-, B+, etc.), determine the number of students for each grade, and then compute a grade point average for the class. In other words, I will be grading on a curve, with the expectation that most, or even all, of you should earn at least a C grade. However, lack of preparation or poor performance on assignments and exams can lead to a grade lower than a C. Grades for all assignments will be posted on the Blackboard. If you believe there was an error in recording your grade, you must contact me within one week of the grade being posted. Consideration will not be given to disputed grades after this time period.
CLASS ATTENDANCE AND PARTICIPATION

Each student is expected to attend all classes and to participate in class discussions. However, class attendance is not required. I will note who attends class and adds to the class interaction. If a student’s grade is on the cut-off score border at the end of the semester, then class attendance and participation may be factored into the overall grade.

If you are absent on a day that independent in-class work is assigned, you will receive zero points for that assignment. If you are absent on a day that homework or an exam is collected, you will receive a score of zero on that assignment. **NO MAKE-UP WORK WILL BE COLLECTED.** An excused absence is possible **only** if relevant documentation acceptable to the instructor is provided. **THERE ARE NO EXCEPTIONS.**

Late arrivals or early departures are disruptive. Students are expected to arrive on time for class and to stay for the duration of the class session.

ACADEMIC INTEGRITY

The **SDSU Standards for Student Conduct** ([http://www.sa.sdsu.edu/srr/conduct1.html](http://www.sa.sdsu.edu/srr/conduct1.html)) states that unacceptable student behavior includes “cheating, plagiarism, or other forms of academic dishonesty that are intended to gain unfair academic advantage.” Unprofessional conduct adversely impacts your fellow students, the faculty, the School of Accountancy, SDSU, and the accounting profession. The School of Accountancy takes academic honesty very seriously and vigorously enforces university policy related to any such infractions. Therefore, any student suspected of academic dishonesty will be reported to the SDSU Center for Student Rights and Responsibilities; if found responsible for academic dishonesty, the student will **receive an F in B A 650.**

CLASS SCHEDULE

Assignments highlighted in yellow should be turned in. **Each independent in-class assignment must be signed by each team member personally.**

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Lecture</th>
<th>Homework</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8/30</td>
<td>Chapter 1: The Financial Statements</td>
<td></td>
<td>Lecture, in-class work: E1-16A – E1-19A, E1-24A</td>
</tr>
<tr>
<td>2</td>
<td>9/6</td>
<td>Chapter 2: Transaction Analysis and Chapters 1 and 2</td>
<td>Lecture, in-class work: E2-14A – E2-16A</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>9/13</td>
<td>Chapter 3: Accrual Accounting &amp; Income</td>
<td>Chapter 3</td>
<td>Lecture, in-class work: E3-19A – E3-24A</td>
</tr>
<tr>
<td>4</td>
<td>9/20</td>
<td>Chapter 4: Internal Control &amp; Cash (read independently)</td>
<td>Chapters 3 and 4</td>
<td>Lecture, in-class work: E4-20A, P4-53A&lt;br&gt;<strong>Independent in-class work:</strong> P1-56A, P1-58A, P2-58A, P2-60A, P3-65A, P3-66A</td>
</tr>
<tr>
<td>5</td>
<td>9/27</td>
<td>Chapter 5: Short-Term Investments &amp; Receivables</td>
<td>Chapter 5 Homework 1 P1-59A, P3-66A</td>
<td>Lecture, in-class work: E5-21A, E5-23A – E5-28A</td>
</tr>
<tr>
<td>Week</td>
<td>Date</td>
<td>Lecture</td>
<td>Homework</td>
<td>Notes</td>
</tr>
<tr>
<td>------</td>
<td>------</td>
<td>---------</td>
<td>----------</td>
<td>-------</td>
</tr>
<tr>
<td>6</td>
<td>10/4</td>
<td>Completion of material</td>
<td>Homework 2 P4-59B</td>
<td>Independent in-class work: E4-18A – E4-20A, P5-61A, 5-63A</td>
</tr>
<tr>
<td>7</td>
<td>10/11</td>
<td>EXAM 1: Chapter 1-5</td>
<td>Chapter 6</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>10/18</td>
<td>Chapter 6: Inventory &amp; Cost of Goods Sold</td>
<td>Chapter 6</td>
<td>Lecture, in-class work: E6-15A – E6-17A, E6-19A, E6-20A</td>
</tr>
<tr>
<td>9</td>
<td>10/25</td>
<td>Chapter 7: Plant Assets, Natural Resources &amp; Intangibles</td>
<td>Chapter 7 Homework 3 P6-58A</td>
<td>Lecture, in-class work: E7-17A – E7-20, E7-22A, E7-24A</td>
</tr>
<tr>
<td>10</td>
<td>11/1</td>
<td>Chapter 6: Completion of material</td>
<td>Independent in-class work: P6-60A, P6-66A</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>11/8</td>
<td>Chapter 7: Completion of material</td>
<td>Independent in-class work: P7-67B, P7-68B, (P7-69B - if time allows)</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>11/15</td>
<td>Chapter 10: Stockholders’ Equity</td>
<td>Chapter 10</td>
<td>Lecture, in-class work: E10-20A – E10-24A</td>
</tr>
<tr>
<td></td>
<td>11/22</td>
<td>THANKSGIVING BREAK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>12/13</td>
<td>EXAM 2: Chapters 6-7 and 9-11</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>