Intermediate Accounting II
Spring 2015
San Diego State University
College of Business Administration
Charles W. Lamden School of Accountancy

COURSE INFORMATION

Class Days: Mondays  
Class Times: 7-9:40 PM  
Class Location: GMCS 313

Office Hours Times (and by appointment): Tuesday 1-2 PM
Office Hours Location: My office in SSE 2401  
Units: 3

Course Overview

This course will introduce you to selected ASC codification topics in financial accounting covering both International Standards and US (GAAP). For each ASC Codification Topic, I will introduce the related international principles (i.e., IFRS/IAS/IFRIC) that apply and will give a brief comparison of the US and International Standards. Students will be expected to read certain IFRS/IAS in preparation for our class discussion. In addition, I will use an active learning mode to work on enhancing your skills in critical thinking, and oral and written communications that inevitably will lend towards a complete and comprehensive understanding of relevant accounting topics.

Student Learning Outcomes

BSBA students will graduate being:

• Effective Communicators
• Critical Thinkers
• Able to Analyze Ethical Problems
• Global in their perspective
• Knowledgeable about the essentials of business

At the end of Accounting 334, “the course” students should be able to:

1. Assess how financial accounting standards (GAAP and IFRS) affect both reporting decision-making and financial information users’ evaluation using critical thinking and analytical tools.
2. Evaluate equity capital distribution decisions utilizing financial statements such as analyzing the impact of stock dividends and stock splits on paid-in capital and earned capital (ASC Codification Topic 505).
3. Discuss complex equity financing structure and calculate primary and diluted earnings per share (ASC Codification Topic 260).
4. Explain reporting and evaluating incentive stock options and stock compensation including two popular models: Black-Scholes and Binomial models. (ASC Codification Topics: 505, 718 and IFRS 2).
5. Describe accounting rules, method, and reports for deferred taxes including calculation of taxable temporary differences including tax loss carry-forwards and general business credits and review of deferred tax assets for valuation account. (ASC Codification Topics 740-10 and 740-30).
7. Explain and differentiate the accounting and reporting for debt and equity investments (ASC Codification Topics: 320, 323 and 325).
8. Prepare and analyze consolidated financial statements on acquisitions and after the date of acquisition using consolidation worksheet (ASC Codification Topic 805).

Please find a link to the program and course level student learning outcomes at: http://cbaweb.sdsu.edu/assessment/slo
Enrollment Information

- All students must have earned a C or better in **ANY INDIVIDUAL** Accounting 300 level course (for accounting majors that is Accounting 331, Accounting 332, and Accounting 333) prior to enrolling in Accounting 334. The course catalog course prerequisite requirements will be strictly enforced without exception.

Course Materials


Course Structure and Professional Conduct

- **PRACTICE PROBLEMS AND EXERCISES AND GLEIM MULTIPLE-CHOICE:**
  
  The exercises and problems at the end of each chapter provide you with the opportunity to test your understanding of the topic and to practice applying GAAP to specific situations. Please see me during office hours if you would like me to assign additional exercises/problems from your main textbook that will be helpful in fully learning the material. It is strongly suggested that you attempt to do the homework problems before we discuss the material in class and then re-do the homework again after class. Keeping up with the assignments is critical to your success in this course. Working problems together in groups is another excellent way to reinforce the concepts too. It is recommended that every student work a minimum of 15 multiple-choice problems for each major topic we cover. I suggest splitting the problems (70 percent quantitative and 30 percent qualitative). Work each question without relying on the answer and attempt to understand every step required to derive the correct answer. Failure to work the Gleim problems may result in sub-optimal performance on the multiple-choice portion of the exams.

- **EXAMINATIONS**
  
  Three full period exams will be given. Examinations will consist of multiple choice questions, exercises, problems, and short-answer essay questions. Generally, all examinations are "closed book." There will be no make-up examinations for ANY EXAM. Students who cannot take an examination due to illness or other approved reasons will have the weight for that examination added to the next regularly scheduled exam. A make-up final examination will be administered in accordance with University policies. * Programmable calculators cannot be used during examinations. If in doubt, please check with the professor before the examination. The dates for the examinations are indicated in the course outline. All students are responsible for verifying the time, date, and location of the final exam. Finally, all exams are GROUP EXAMS. This means that all registered sections of accounting 334 will take the exam together. IT DOES NOT MEAN THAT YOU WORK TOGETHER ON THE EXAM.

- **CPA-PRACTICE PROBLEMS (CPAPP’S)**
  
  Generally, three CPA Practice Problem sets will be assigned during the semester. These problems sets will consist of CPA type problems and they must be solved manually and you will be required to show all work. I may allow you to work in your groups on these problem sets, however there will still be accountability at the student level.

Professional Conduct Policy Including Homework Policies (URGENT PLEASE READ—NO EXCEPTIONS)

**PLEASE READ PROFESSIONAL CONDUCT MEMORANDUM IMMEDIATELY**

At the pinnacle of any professional career is the ability to interact, communicate, and respond professionally to the demands and requirements of the position. Accordingly, in Accounting 334 you are expected to handle yourself in a professional and courteous manner at all times. During the semester, professional awareness points (PAPs) may be awarded for any violation of the professional conduct code or other violation deemed necessary by the professor. Any student who receives five professional awareness points during the semester will receive a zero for the professional conduct portion of their grade. All students will be held accountable to the professional conduct policy and EVERY STUDENT MUST READ, SIGN AND RETURN THE ORIGINAL POLICY BY THE POSTED DEADLINE. The professional conduct policy is attached as Exhibit A to this syllabus and is an
integral part of this syllabus and contract between student and professor. Please retrieve the professional conduct policy from blackboard and print and sign it by the due date.

- **HOMEWORK ADMINISTRATION**

  Generally, one practice problem homework set will be assigned for each chapter covered throughout the course. Each student is responsible for accessing the homework via connect via the electronic link provided on blackboard. All students are encouraged to complete the homework assignment as soon possible, but in any event no later than 9am on our weekly lecture day. Failure to complete the homework by this time will result in zero on that assignment. All section’s homework are due by 7PM—NO EXCEPTIONS. Homework will be graded on a credit/no credit basis. However, in instances where the aggregate percentage of completion on the homework assignment is below 90% the professor MAY allocate a NO CREDIT grade. Students are encouraged to take their time completing ALL weekly homework assignments and to score as high as possible. Possible professional awareness points may be issued for incomplete homework assignments as outlined in the professional conduct policy.

- **HOMEWORK (POSSIBLE NEGATIVE POINTS)**

  Finally, ANY student who has a total score of less than 90% of total possible homework (including Connect and Learnsmart assignments) points (including ALL mandatory administrative documents (welcome announcement and 421 prerequisite notification form etc.) will result in half of a letter grade reduction (e.g., an “A” will be reduced to a “A-“, an “A-“ to a “B+“ etc.) for the financial portion ONLY. The half letter grade reduction will be converted to the appropriate point reduction after the final performance of the class is known and a final curve is established, if any for the semester. So, please take all homework assignments very seriously and complete them with great care, accuracy and professionalism.

**Class and Grading Policy:**

- You are expected to attend every class. Attendance and class participation **DO NOT** count towards your final grade but will ensure that you can pass my exams. Failure to attend class will result in you finding it very difficult to do well in the class. Use of laptops and mobile devices during class are strictly prohibited. You can use your laptop ONLY if you’re reviewing course material in word, excel or PowerPoint that I posted online or am reviewing in class.
- Read each chapter **before** it is discussed in class.
- Lecture slides for each class will be posted on the Blackboard web site before each class session
- Solutions for the select homework will be posted on CONNECT AFTER THE ASSIGNMENT IS DUE. Please attempt all homework questions before the class in which the content will be covered.
- Class lecture time will be limited and interactive group work will serve as the primary learning tool. This requires students to work comprehensive problems in class and to think independently. Failure to take the class problems seriously will result in a difficult time passing quizzes and major exams.
- If you miss class for any reason, it is your responsibility to get the lecture notes from a fellow student.
  - Generally, you cannot improve your grade through “extra credit”, but academic help is available by forming your own study groups, or by making an appointment to see the instructor before or after class. Finally, you can seek help via Beta Alpha Psi’s tutoring service. Please visit bay.sdsu.edu.
  - There will be no make-up exams or quizzes without a doctor’s note.
  - If your work is incomplete at the end of the semester, you will receive a grade of TF until you clear up the matter with the professor.
  - The answers to full-period tests will be briefly and selectively discussed in class. You can review your final exam by making an appointment with the instructor after the end of the semester. Your exams will be kept on file for one year.
  - CPAPP problem sets will **NOT** be returned to students. All students are encouraged to seek additional outside resources if a certain deficiency is present. You will get ONLY what you put into the CPAPPS and I encourage you to take them seriously and use them as a serious practice opportunity to better master the content areas.

**Students with Disabilities**

If you are a student with a disability and believe you will need accommodations for this class, it is your responsibility to contact Student Disability Services at (619) 594-6473. To avoid any delay in the receipt of your accommodations, you should contact Student Disability Services as soon as possible. Please note that accommodations are not retroactive, and that accommodations based upon disability cannot be provided until you have presented your instructor with an accommodation letter from Student Disability Services. Your cooperation is appreciated.
Academic Honesty

The University adheres to a strict policy regarding cheating and plagiarism. These activities will not be tolerated in this class. Become familiar with the policy (http://www.sa.sdsu.edu/srr/conduct1.html). Any cheating or plagiarism will result in [Insert your policy on cheating or plagiarism, e.g. failing this class and a disciplinary review by Student Affairs.]

Examples of Plagiarism include but are not limited to:

- Using sources verbatim or paraphrasing without giving proper attribution (this can include phrases, sentences, paragraphs and/or pages of work)
- Copying and pasting work from an online or offline source directly and calling it your own
- Using information you find from an online or offline source without giving the author credit
- Replacing words or phrases from another source and inserting your own words or phrases
- Submitting a piece of work you did for one class to another class

If you have questions on what is plagiarism, please consult the policy and this helpful guide from the Library

Turnitin

Students agree that by taking this course all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers. You may submit your papers in such a way that no identifying information about you is included. Another option is that you may request, in writing, that your papers not be submitted to Turnitin.com. However, if you choose this option you will be required to provide documentation to substantiate that the papers are your original work and do not include any plagiarized material.

Assessments and Grading

Course grades will be assigned in accordance with San Diego State University policy (see General Catalog, pp. 468-470). Undergraduate grades shall be: A (outstanding achievement, available only for the highest accomplishment), B (praiseworthy performance, definitely above average), C (average, awarded for satisfactory performance, the most common undergraduate grade), D (minimally passing, less than the typical undergraduate achievement), F (failing).

Table 1. Your course grade will be based on the following weighted components

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exams (3 exams non-cumulative)</td>
<td>80%</td>
</tr>
<tr>
<td>CPAPPs</td>
<td>10%</td>
</tr>
<tr>
<td>Professional Conduct</td>
<td>10%</td>
</tr>
</tbody>
</table>

Exams and Exam Policies. No Makeup Exams under any conditions will be granted. Cell Phones may NOT be used as a calculator.

Cases. None anticipated. However, check blackboard for special excel templates and other student tools.

Homework. See Professional Conduct Policy Above.

Participation. Mandatory class attendance at ALL TIMES. Attendance will be randomly taken.

Grade of Incomplete. A grade of Incomplete (I) indicates that a portion of required coursework has not been completed and evaluated in the prescribed time period due to unforeseen, but fully justified, reasons and that there is still a possibility of earning credit. It is your responsibility to bring pertinent information to the instructor and to reach agreement on the means by which the remaining course requirements will be satisfied. The conditions for removal of the Incomplete shall be reduced to writing by the instructor and given to you with a copy placed on file with the department chair until the Incomplete is removed or the time limit for removal has passed. A final grade is assigned when the work agreed upon has been completed and evaluated. An Incomplete shall not be assigned when the only way you could make up the work would be to attend a major portion of the class when it is next offered. Contract forms for Incomplete grades are available at the Office of the Registrar website.
## Tentative Course Schedule

Table 2. The course schedule, including topics and class activities listed by week, is presented in the following table.

<table>
<thead>
<tr>
<th>Date</th>
<th>Financial Session/Professor</th>
<th>Chapter &amp; Topic</th>
<th>Readings (Done before Session)</th>
<th>Exercises (Done before Session)</th>
<th>Problems (Done before Session)</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 26</td>
<td>1/ DeBoskey</td>
<td>12—Investments</td>
<td>SP: Ch. 12 (All Parts)</td>
<td>Connect Chapter 12</td>
<td>Connect (12) and Learnsmart</td>
<td>CPAPP#1 OUT</td>
</tr>
<tr>
<td>Feb 2</td>
<td>2/ DeBoskey</td>
<td>12—Investments</td>
<td>SP: Ch. 18 (All Parts),</td>
<td>(Chapter 12 done above)</td>
<td>(Chapter 12 done above)</td>
<td>None</td>
</tr>
<tr>
<td>Feb 9</td>
<td>3/ DeBoskey</td>
<td>18 – Stockholders’ Equity</td>
<td>See above</td>
<td>See above</td>
<td>Connect (18)</td>
<td>None</td>
</tr>
<tr>
<td>Feb 16</td>
<td>4/ DeBoskey</td>
<td>19 – Share-Based Compensation (SBC)</td>
<td>SP: Ch. 19 (All Parts)</td>
<td>Connect</td>
<td>Connect (19) and Learnsmart</td>
<td>SP: Ch. 19 (All Parts)</td>
</tr>
<tr>
<td>Feb 23</td>
<td>5/ DeBoskey</td>
<td>19 – Share-Based Compensation (SBC)</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
<td>None</td>
</tr>
<tr>
<td>Mar 2</td>
<td>6/ DeBoskey</td>
<td>Exam #1 (Chapters 12 and 18)</td>
<td></td>
<td></td>
<td></td>
<td>LOCATION: TBD CPAPP#1: DUE</td>
</tr>
<tr>
<td>Mar 9</td>
<td>7/ DeBoskey</td>
<td>19 – Earnings Per Share and Start Deferred Taxes</td>
<td>Done above</td>
<td>Done above</td>
<td></td>
<td>CPAPP#2: OUT</td>
</tr>
<tr>
<td>Mar 16</td>
<td>8/ DeBoskey</td>
<td>16 – Deferred Taxes (con’t)</td>
<td>SP: Ch. 16</td>
<td>See above</td>
<td>Connect (16) and Learnsmart</td>
<td>None</td>
</tr>
<tr>
<td>Mar 23</td>
<td>9/ DeBoskey</td>
<td>17—Pensions &amp; Postretirement Benefits</td>
<td>SP: Ch. 17 (All Parts)</td>
<td>Connect</td>
<td>Connect (17) and Learnsmart</td>
<td>CPAPP#3—OUT</td>
</tr>
<tr>
<td>Date</td>
<td>Financial Session/Professor</td>
<td>Chapter &amp; Topic</td>
<td>Readings (Done before Session)</td>
<td>Exercises (Done before Session)</td>
<td>Problems (Done before Session)</td>
<td>Project</td>
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<tr>
<td>Apr 6</td>
<td>10/ DeBoskey</td>
<td>Exam #2 (Chapters 16 and 19)</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
<td>LOCATION: TBD CPAPP#2: DUE</td>
</tr>
<tr>
<td>Apr 13</td>
<td>11/ DeBoskey</td>
<td>17 — Pensions &amp; Postretirement Benefits (Con't)</td>
<td>See above</td>
<td>See above</td>
<td>See above</td>
<td>NONE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*(BEGIN HOYLE CHAPTER 1 TOO)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr 20</td>
<td>12/ DeBoskey</td>
<td>HSD: 1 – Equity Method— (SKIP: Elimination of Unrealized Profits in Inventory) (Covered already Chapter 12: Spiceland, so we will move quickly)</td>
<td>HSD: Ch. 1 IFRS Handout</td>
<td>Questions: 1-9</td>
<td>1-9, 18, 22, 23, 24, 25, 26, 27 **</td>
<td>None</td>
</tr>
<tr>
<td>Apr 27</td>
<td>13/ DeBoskey</td>
<td>HSD: 2 – Consolidation of Financial Information</td>
<td>HSD: Ch.2 IFRS Handout</td>
<td>Questions: 1-6</td>
<td>1-8, 12 and 24**</td>
<td>None</td>
</tr>
<tr>
<td>May 4</td>
<td>14/ DeBoskey</td>
<td>HSD: 3 – Consolidation of Financial Information and Goodwill</td>
<td>Continued fr/ above</td>
<td>Continued fr/ above</td>
<td>Continued fr/ above</td>
<td>Continued fr/ above</td>
</tr>
<tr>
<td>May 9</td>
<td>15/ DeBoskey</td>
<td>Exam #3 (Group Final Exam Financial) Accounting --VERIFY LOCATION/TIME ON YOUR OWN...(TBD) (SP: Ch., 17, HSD: 1-3)</td>
<td>Continued fr/ above</td>
<td>Continued fr/ above</td>
<td>Continued fr/ above</td>
<td>CPAPP #3 DUE</td>
</tr>
</tbody>
</table>

You are expected to check your email and the Blackboard site for any changes. If you are not in class when changes to the course or schedule are made, you are still responsible for new/updated material. Changes can be made any time at the discretion of the instructor.