

ACCT& 201 – Leslie Lum

Spring 2019 A Course Syllabus

Textbook: Financial Accounting: Tools for Business Decision Making, 8th Edition by Paul D. Kimmel, Jerry J. Weygandt, Donald E. Kieso, Wiley. (WileyPlus must be purchased.) **GO TO WILEYPLUS IMMEDIATELY TO REGISTER. You will be given a 2 week grace period on Wiley Plus therefore buy your book as soon as possible.** www.wileyplus.com/class/698939

Homework is done on WileyPlus

All due dates are firm as it is important to keep on schedule. If you miss an assignment, test or quiz FOR ANY REASON, you can complete extra credit points in homework.

Dates may change. Check Canvas for latest schedule.

Date	Details
Mon Apr 8, 2019	Chapter 1 Questions Company Selection - Reserve your company here - no two students can choose the same company
Wed Apr 10, 2019	Hard copy financial statements due in class
Thu Apr 11, 2019	HW 1 (Wiley Plus) All HW open at beginning of quarter
Fri Apr 12, 2019	Test - In class
Mon Apr 15, 2019	Balance sheet and the accounting equation Chapter 2 Questions
Thu Apr 18, 2019	HW 2 (Wiley Plus) All HW open at beginning of quarter
Fri Apr 19, 2019	Test - In class
Mon Apr 22, 2019	Chapter 3 Questions Deferrals and Accruals
Thu Apr 25, 2019	HW 3 (Wiley Plus) All HW open at beginning of quarter
Fri Apr 26, 2019	Exam 1 Review Session Test - In class
Mon Apr 29, 2019	Exam 1
Fri May 3, 2019	Play Monopoly - Cash Balance
Mon May 6, 2019	Chapter 4 Questions
Thu May 9, 2019	HW 4 (Wiley Plus) All HW open at beginning of quarter.
Fri May 10, 2019	Monopoly Audit - must be in class to complete Test - In class
Mon May 13, 2019	Chapter 5 Questions Shareholder's Equity
Thu May 16, 2019	HW 5 (Wiley Plus) All homework is open from the beginning of the quarter
Fri May 17, 2019	Test - In class
Mon May 20, 2019	Exam 2
Fri May 24, 2019	Test - In class
Mon May 27, 2019	Chapter 6 Questions Profit Margin, Horizontal and Vertical Analysis
Thu May 30, 2019	HW 6 (Wiley Plus) All HW open at beginning of quarter.
Mon Jun 3, 2019	Chapter 7 Questions

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Inventory turnover

Wed Jun 5, 2019	<u>Test - In class</u>
Thu Jun 6, 2019	<u>HW 7 (Wiley Plus) All HW open at the beginning of quarter</u>
Mon Jun 10, 2019	<u>Fraud and Internal Control</u>
Wed Jun 12, 2019	<u>Presentation of Fraud article in class</u>
Fri Jun 14, 2019	<u>Test - in class</u>
Mon Jun 17, 2019	<u>Instructor Evaluation 5 points Extra Credit</u>
	<u>Summary Financial Analysis- in class</u>
Fri Jun 21, 2019	<u>IMPORTANT - Final - Jun 21 - 7:30 am</u>

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Course requirements	Three exams (100, 100 and 125)	325
	Seven in-class tests on Friday	140
	Seven chapter questions on Canvas	35
	Seven homework assignments due Thursday 11:59 pm on WileyPlus. Extra Credit available	80
	Seven financial analysis discussion forums on Canvas (Post due Friday midnight, response due Monday midnight)	70
	Essay exam on financial analysis (Due last week of class)	30
	Monopoly	20
	Extra credit opportunities if you attend speakers scheduled at the college	
	TOTAL	620

- Identify the purpose and uses of financial accounting
- Apply basic accounting principles and assumptions to business transactions
- Employ double-entry bookkeeping to record and report on basic business operational transactions in an accounting system
- Describe the impact of basic operating transactions on a business's financial position
- Critically analyze a business's financial position and operational results
- Discuss the origins of fraud and means by which a business may protect itself from it
- Demonstrate business communications skills through a variety of assessments such as team assignments, oral presentations, and written documents

Contact Email: Best way to reach me is through the Canvas INBOX (not comments on assignments). I should respond within 48 hours. If I don't, resend the message as they do get waylaid. College email: llum@bellevuecollege.edu

Office Phone: 425-564-4063

Office Location: C207 Right beside tutoring lab

Lum Office Hours: Monday and Wednesday 10:30 am Tuesday and Thursday at 11:30 am or by appointment. (I'm usually around my office if you have a quick question at other times.)

Prerequisite A grade of C or better for English 101 and Math 138 is required for this course.

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Grading

GRADE	POINTS	PERCENTAGE
A	4.0	92-100
A-	3.7	90-91
B+	3.3	88-89
B	3.0	82-87
B-	2.7	80-81
C+	2.3	78-79
C	2.0	72-77
C-	1.7	70-71
D+	1.3	68-69
D	1.0	62-67
F	0.0	BELOW 62

A pass grade will not be given unless all requirements of the course are completed.

Chapter Questions ON CANVAS

1. Chapter questions help you read through the chapter **prior** to covering it in class. They are due Sunday of the week that we cover the chapter.
2. DO NOT COPY THE QUESTIONS. PROVIDE ANSWERS ONLY.
3. Do not copy and paste from other sources. Write the answers out in your own words. You can check your Vericite score before the deadline and reword your answers so that you are below 30%.
4. Keep a version of the chapter questions to study from.

Chapter homework: ON WileyPlus www.wileyplus.com/class/698939

1. Each chapter homework is due every **Thursday on WileyPlus** www.wileyplus.com/class/698939
2. **START HOMEWORK EARLY!** It is open from the first day of class
3. Solutions manuals are available in the library and in the Business Study Center C207K.
4. WileyPlus has problem demonstrations under the tab: Read Study Practice

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	The more homework you do, the better you will learn the material. <u>Completing 2 problems will get you full points for the chapter.</u> If you do the additional assigned problems, you will get 5 points extra credit (EC).
Chapter 1	Problems 1-3A, 1-4A, Extra Credit P1-5A
Chapter 2	Problems 2-4A, 2-5A, Extra Credit P2-6A
Chapter 3	Problems 3-7A, 3-8A, Extra Credit P3-9A
Chapter 4	Problems 4-4A, 4-5A, Extra Credit P4-6A
Chapter 5	Problems 5-1A, 5-8A, Extra Credit P5-4A P5-6A
Chapter 6	Problems 6-4A, 6-5A, Extra Credit P6-6A
Chapter 7	Problems 7-4A, 7-5A, Extra Credit P7-6A

In Class Test

You will be given an in-class test for every chapter.

Financial Analysis on Canvas

1. Each student must select a company to analyze. You must post your analysis to the discussion forum on Canvas by Friday as noted on the schedule.
2. Then post one recalculation of a classmate and a comparison by Monday.
3. You will be asked to present in class and at the end of the quarter, the teams will do a comparison across the individual companies.

Exams

1. There will be three exams. 1 hour and 50 minutes each. NO notecards are allowed.
2. Exam 1 covers Ch 1 through Ch 2 and Ch 3.
3. Exam 2 covers Ch 1 to 6 with emphasis on Ch 3 to 6.
4. The final is comprehensive Ch 1 through 7 and is created by a group of instructors.
5. Exams are closed book and a 3 by 5 inch card is allowed.

Lum Powerpoints

The **powerpoints focus on tips and techniques to complete the transactions**. They are short and quick, therefore you may have to view them more than once to grasp the skill sets. Students find that it is helpful to review powerpoint before exams.

Chapter 1

Chap 1 Introduction

Why accounting is important to your life. It is!!

Chap 1 Financial Statements

Explanation of why financial statements are important. Using Costco, a merchandising firm or retailer as an example, this ppt explains how business models and processes relate to a company's success. It describes the components of the balance sheet (assets, liabilities and equity) and shareholder's equity. Explanation of income statement, statement of shareholder's equity (retained earnings particularly) and cash flow statement. Description of how financial statements fit with each other. Brief overview of GAAP.

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Chapter 2

Chap 2 Classified Balance Sheet

In the classified balance sheet current assets (used within one year or operating cycle) are group together and totaled. Next comes long-term investments not used for operations. Then long term assets used for operations. Intangible assets is a new category which are assets without physical substance. Liabilities are also broken out to current liabilities and long term liabilities. Equity is subtotaled separately. Then total liabilities and equity are totaled. The classified balance sheet allows analyst to do ratios to evaluate liquidity and solvency.

Chap 2 Financial Ratios

The financial ratios covered are growth (year-to-year revenues and net income), profitability (gross margin, net margin), liquidity (current ratio, quick ratio, working capital), inventory turnover, free cash flow and debt to asset. Financial ratios allow analysts to compare companies to other companies.

Chapter 3

Chap 3 Processsing Accounting Information

An introduction to the concepts of the accounting cycle, debits, credits, t-accounts and normal balances. Assets and expenses have debits as the normal balance (increase side). Liabilities, Equity and Revenues have credits as the normal balance (increase side).

Chap 3 Recording Accounting Information

The first four steps of the accounting cycle are to analyze, journalize, post to the account, and compile the trial balance. Using the same transactions from Jeff Bezos and Amazon, this video demonstrates how this is done.

Chapter 4

Chap 4 Accrual Basis Accounting

The next two steps of the accounting cycle to make adjusting entries and compile the adjusted trial balance. This video provides descriptions of deferrals, accruals and adjustments and how they relate to GAAP. Changing some of the transactions from the Jeff Bezos and Amazon story, deferrals and accruals are demonstrated.

Chap 4 Closing

The last three steps in the accounting cycle are covered here. The income statement is prepared. Then net income is brought to the retained earnings statement along with dividends. Then the balance sheet is compiled. In closing, use is made of the income summary account which is brought to retained earnings along with dividends. The post-closing trial balance is carried over to the next period.

Chapter 5

Chap 5 Periodic Merchandise Inventory Accounting

Describes how to categorize, journalize and post transactions for businesses that use periodic inventory. In Periodic, the cost of goods sold is calculated at the end of the period. The purchase, purchase returns and allowance, purchase discount and freight in accounts are used to accumulate transactions during the period and they are added to beginning inventory (purchase and freight in) or subtracted (purchase returns and allowances and discounts) to come to cost of goods available for sale. Then ending inventory is subtracted to come to cost of goods sold.

Chap 5 Perpetual Merchandise Inventory Accounting

Describes how to categorize, journalize and post transactions for businesses that use perpetual inventory. In perpetual, cost of goods is expensed when the sales are booked. Sales, Sales Returns and Allowances and

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Sales Discounts are similar to periodic. All purchases, purchase returns and allowances, purchase discounts and freight in are booked directly to inventory.

Chap 5 Multiple Step Income Statement

Describes how net sales (gross sales less sales returns and allowances/sales discounts), gross profit (net sales less cost of goods sold), operating profit (gross profit less operating expenses) and net income or profit is determined.

Chapter 6

Chap 6 Inventory cost flow

Describes how to do FIFO where the cost of the first inventory is taken, LIFO where the cost of last inventory is taken, and average cost flow in periodic inventory.

Chapter 7

Chap 7 Cash Reconciliation

Describes how to reconcile cash in bank and book (company) balances.

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Company Analysis

Each student will be required to select a company from the following list. You will be performing analysis on the 10Ks of your company throughout the quarter and posting your work and analysis to the appropriate discussion forums and presenting your analysis in class or in the discussion forum (online class).

These company analysis will help you understand how financial statements are used to evaluate companies.

Reserve your company on the Canvas Discussion: Company Selection

Consumer	Business Services
FoxA	Micron Technology
Comcast	Nvidia
Kellogg	Cisco
Verizon	Hewlett Packard
Tyson	Qualcomm
ATT	Intel
T-Mobile	Oracle
Ralph Lauren	IBM
Proctor and Gamble	Healthcare
Nestle	Tenet Healthcare
Coca Cola	Amgen
Pepsico	Mylan
Nike	Davita
Colgate	Johnson
Disney	Astrazeneca
General Mills	Express Scripts
Mattel	Baxter International
Kraft Heinz	United Healthcare
Kimberley Clark	Universal Health Services
Viacom	Perigo

Mandatory expected time

The Business Transfer Program prepares students for careers in business. All the courses in the program are second-year courses that are rigorous and have many requirements

Standard of Behavior

All interactions will be evaluated as to whether they are acceptable in the business environment. This includes interactions in the class, on online discussion forums, email communications, with the instructor, with fellow students, and in the community. Inappropriate communications include jokes and discussions your classmates find offensive, excessive messages, and other communications which would be typically deemed inappropriate in the workplace. If posting are deemed inappropriate or detrimental to the learning environment, they will be removed from the discussion forum. The student will be informed and expected to comply with requests for change and improvement.

Student Code

Cheating includes, but is not limited to, copying answers on exams, glancing at nearby exams, turning in assignments or papers that have been used in other classes, and

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giving or receiving help during an exam. Cheating includes, but is not limited to, purchasing or selling notes, assignments or examination materials. Having a cell phone in view for any reason during an exam will result in a zero in the exam.

Stealing includes, but is not limited to, taking the text, notes, exams, library books or other personal property of others without their permission.

Plagiarism is presenting the words, ideas, and/or work of others as if it is an individual's own work. It includes, but is not limited to, using other's papers as one's own and including parts of published works without giving credit where credit is due.

If you choose to cheat, steal or plagiarize, or if you assist anyone in cheating, the following actions will be taken:

You will receive zero on the assignment or assessment.

A report of the incident will be forwarded to the Dean of Student Services. He/she may file the report in your permanent record and/or take further disciplinary action.

If you feel you have been unfairly accused of any of the above, you may appeal. For a description of due process, see WAC 132H-120, available in the Dean's office.

"Cheating, stealing and plagiarizing (using the ideas or words of another as one's own without crediting the source) and inappropriate/disruptive classroom behavior are violations of the Student Code of Conduct at Bellevue College. Examples of unacceptable behavior include, but are not limited to: talking out of turn, arriving late or leaving early without a valid reason, allowing cell phones/pagers to ring, and inappropriate behavior toward the instructor or classmates. The instructor can refer any violation of the Student Code of Conduct to the Vice President of Student Services for possible probation or suspension from Bellevue College. Specific student rights, responsibilities and appeal procedures are listed in the Student Code of Conduct, available in the office of the Vice President of Student Services." The Student Code, Policy 2050, in its entirety is located at:

http://bellevuecollege.edu/policies/2/2050_Student_Code.asp

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**Affirmation of
Inclusion**

Bellevue College is committed to maintaining an environment in which every member of the campus community feels welcome to participate in the life of the college, free from harassment and discrimination. We value our different backgrounds at BCC, and students, faculty, staff members, and administrators are to treat one another with dignity and respect.

Code of Honor

By being a student in this course you acknowledge that you are a part of a learning community at Bellevue College that is committed to the highest academic standards. As a part of this community, you pledge to uphold the fundamental standards of honesty, respect, and integrity, and accept the responsibility to encourage others to adhere to these standards.

Accommodations

The Disability Resource Center serves students with a wide array of learning challenges and disabilities. If you are a student who has a disability or learning challenge for which you have documentation or have seen someone for treatment and if you feel you may need accommodations in order to be successful in college, please contact DRC as soon as possible.

If you are a person who requires assistance in case of an emergency situation, such as a fire, earthquake, etc, please meet with your individual instructors to develop a safety plan within the first week of the quarter.

The DRC office is located in B 132 or you can call at 425.564.2498. Deaf students can reach us by video phone at 425-440-2025 or by TTY at 425-564-4110. Application information and other helpful links at www.bellevuecollege.edu/drc

Public Safety

The Bellevue College (BC) Public Safety provides personal safety, security, crime prevention, preliminary investigations, and other services to the campus community, 24 hours per day, 7 days per week. Their phone number is 425.564.2400. Public Safety is located in K100 and on the web at: <http://bellevuecollege.edu/publicsafety/> for campus emergency preparedness information, campus closure announcements and critical information in the event of an emergency.

**Declare your
business major**

If you intend to and have not already done so, declare your business major. Make sure you have consulted with an advisor and laid out your courses.

Business Transfer Website:

<http://bellevuecollege.edu/business/transfer/default.htm>

**CPA
Requirements**

For students interested in pursuing the Certified Public Accountant designation, check out the following website for educational requirements:
http://www.nasba.org/files/2011/02/Info_ForApplicants_Washington.pdf

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	<i>Chapter Objectives</i>
CHAPTER 1	<ol style="list-style-type: none"> 1. Identify the forms of business organization and the uses of accounting information. 2. Explain the three principle types of business activity. 3. Describe the four financial statements and how they are prepared.
CHAPTER 2	<ol style="list-style-type: none"> 1. Identify the sections of a classified balance sheet. 2. Use ratios to evaluate a company's profitability, liquidity, and solvency. 3. Discuss financial reporting concepts
CHAPTER 3	<ol style="list-style-type: none"> 1. Analyze the effect of business transactions on the basic accounting equation. 2. Explain how accounts, debits, and credits are used to record business transactions. 3. Indicate how a journal is used in the recording process. 4. Explain how a ledger and posting help in the recording process. 5. Prepare a trial balance.
CHAPTER 4	<ol style="list-style-type: none"> 1. Explain the accrual basis of accounting and the reasons for adjusting entries. 2. Prepare adjusting entries for deferrals. 3. Prepare adjusting entries for accruals. 4. Prepare an adjusted trial balance and closing entries.
CHAPTER 5	<ol style="list-style-type: none"> 1. Describe merchandising operations and inventory systems. 2. Record purchases under a perpetual inventory system. 3. Record sales under a perpetual inventory system. 4. Prepare a multiple-step income statement and a comprehensive income statement. 5. Determine cost of goods sold under a periodic inventory system. 6. Compute and analyze gross profit rate and profit margin. 7. Record purchases and sales of inventory under a periodic inventory system.
CHAPTER 6	<ol style="list-style-type: none"> 1. Discuss how to classify and determine inventory. 2. Apply inventory cost flow methods and discuss their financial effects. 3. Explain the statement presentation and analysis of inventory. 4. Explain the lower-of-cost-or-market basis of accounting for inventories. 5. Apply the inventory cost flow methods to perpetual inventory records. 6. Indicate the effects of inventory errors on the financial statements.
CHAPTER 7	<ol style="list-style-type: none"> 1. Define fraud and the principles of internal control. 2. Apply internal control principles to cash. 3. Identify the control features of a bank account. 4. Explain the reporting of cash and the basic principles of cash management. 5. Explain the operation of a petty cash fund.

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Chapter Questions

Answers to chapter questions are subject to Vericite check. If you score more than 30%, you will be given a score of 0. Please check your score before the deadline and reword your answers.

Chapter 1

1. Describe the three primary forms of business organization and list three advantages and three disadvantages of each.
2. Identify the users of accounting information. Give an example of how do they use this information.
3. Give an example of the three types of business activity.
4. Describe the content and purpose of each of the four financial statements.
5. Define assets, liabilities, and stockholders' equity, and state the basic accounting equation. Give an example of each.

Chapter 2

1. Identify sections of a classified balance sheet. Identify two accounts that fit into each section.
2. What is measured by profitability ratios? Give an example of how you compute EPS and discuss how it is used to measure profitability.
3. Define liquidity and solvency. Identify ratios for analyzing a firm's liquidity and solvency. How are these ratios interpreted?
4. Use the statement of cash flows to evaluate solvency. Give an example of how to compute free cash flow and describe what it measures.
5. What are generally accepted accounting principles? Name the U.S. and international standard-setting bodies that establish these principles.

Chapter 3

1. What is the basic accounting equation? Give an example of how a business transaction would effect the basic accounting equation.
2. Give an example of a journal entry using at least two accounts.
3. Give one example each of asset, liability, equity, revenue and expense accounts and the normal balance of debit or credit.
4. Give an example that shows the basic steps in the recording process.
5. What is the purpose of a trial balance?
6. Define cash activities as operating, investing, or financing and give one example of each.

Chapter 4

1. Give an example that shows that difference between the cash basis and the accrual basis of accounting.
2. Give an example of each of the four major types of adjusting entries.
3. Describe the nature and purpose of the adjusted trial balance.
4. Describe how closing entries are made.
5. List the required steps in the accounting cycle.

Chapter 5

1. Describe the difference between a service and merchandising firm. Give an example of each from publicly traded companies.

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2. Give a detailed example of the recording of purchases under a perpetual inventory system including returns, allowances and discounts.
3. Give a detailed example of the recording sales revenues under a perpetual inventory system including returns, allowances and discounts.
4. Give a detailed example of the recording of purchases under a periodic inventory system including returns, allowances and discounts.
5. Give a detailed example of the recording sales revenues under a periodic inventory system including returns, allowances and discounts.
6. What are the differences between a single-step and a multiple-step income statement?
7. Give an example of how to calculate cost of goods sold under a periodic inventory system. Show all relevant accounts.
8. Explain how the gross profit rate and the profit margin are computed.

Chapter 6

1. How do the shipping terms (FOB shipping point and FOB destination) affect ownership of goods?
2. What are terms and give an example of terms on an account.
3. Explain the basis of accounting for inventories and apply the inventory cost flow methods— FIFO, LIFO, and average-cost—under a periodic inventory system. Discuss the differences between the physical movement of goods and cost flow assumptions.
4. Discuss the effects on the income statement and balance sheet and tax effects of each of the inventory cost flow assumptions—FIFO, LIFO, and average-cost.
5. What is the lower-of-cost-or-market (LCM) basis of accounting for inventories? Describe the application of LCM.
6. What is the inventory turnover ratio? How is it computed? How is it used by external users and management?
7. What is the LIFO reserve? Explain its importance for comparing results of different companies.

Chapter 7

1. What are the three factors of the fraud triangle that contribute to fraudulent activity by employees?
2. Identify the six principles of internal control. Give examples of each principle. Discuss the limitations of internal control.
3. List the steps in preparing a bank reconciliation. Prepare a bank reconciliation. Prepare the journal entries that result from a bank reconciliation.
4. In which financial statement(s) is cash reported? Discuss restricted cash and negative cash balances.
5. Discuss the five basic principles of cash management.