

AC 3100
INTERMEDIATE ACCOUNTING II
SPRING 2008

INSTRUCTOR: Dr. David Vicknair
CLASS: Monday and Wednesday, 11:00 AM-12:15 PM, Conway 005
OFFICE: Conway 312
(816) 501-4089
david.vicknair@rockhurst.edu
OFFICE HOURS: Monday & Wednesday 9:00-11:00 AM and immediately after class
Evenings at home by e-mail: dbvicknair@everestkc.net
EMAILS: I answer emails from home nightly. Please send important emails to my
Rockhurst address and Cc my home address. I do not monitor emails
sent through WebCt.

REQUIRED RESOURCES

- Spiceland et al, Intermediate Accounting (Revised 4th edition, Irwin McGraw-Hill)
- Resources on WebCt—for example, exams and solutions, solutions to homework; various Word and Excel files relating to chapter materials; relevant Spiceland updates; relevant materials from the FASB, IASB and CPA firms

OFFICE 2007 COMPATIBILITY

By now all campus computers should have been updated to Office 2007. If your personal computer runs a pre 2007 version of Microsoft Office you must download and install a 2007 compatibility pack. You can download the pack from www.microsoft.com by searching for “office 2007 compatibility pack” or by Googling the same. Without it you will not be able to open any of the Office 2007 generated files on WebCt.

Your personal computer should also have a copy of the adobe reader software installed. You can download the most recent version of the reader from www.adobe.com. Without it you will not be able to open any of the PDF files on WebCt or the Internet.

COURSE DESCRIPTION

AC 3100 is a continuation of AC 3000. The course assumes basic Microsoft Excel and Word skills. Some course materials will be placed on WebCt for easy access.

AC 3100 is designed to provide a broad overview of financial accounting theory and practice on the following major topic areas: investments in equity securities, current liabilities and contingencies, bonds, leases, income taxes, defined benefit pension plans, shareholders’ equity, stock-based compensation, earnings per share and the statement of cash flows. Primary emphasis is on financial accounting inputs and their subsequent impact on the financial statements. Secondary emphasis is on how the various topics covered fit logically into the conceptual framework of accounting.

The SEC is fast moving towards allowing registrants to apply either US GAAP or international financial reporting standards (IFRS). The FASB and International Accounting Standards Board (IASB) are working together on standards convergence project. To introduce you to this broad issue, we will compare and contrast the US GAAP “rules based” and IASB “principles based” systems using accounting for leases (Chapter 15) as an example. Time permitting, we may also compare and contrast US GAAP and IASB standards on other topics.

GENERAL COURSE OBJECTIVES

After completing this course you should be able to:

1. Compare and contrast principles based and rules based systems of financial accounting and reporting.
2. Discuss basic US GAAP for each of the major topic areas covered.
3. Solve problems and exercises for each of the major topic areas covered.
4. Build vocabulary of accounting terminology and correctly use accounting terminology.
5. Locate and explain topic related disclosures (e.g., leases, pensions, income taxes)
6. Keep abreast of developments in U.S. financial and ISAB standards.
7. Use Excel functions to value bond, lease, and pension-related liabilities.
8. Distinguish between periodic and annual rates, nominal and effective rates, and compute the APR and AER for a typical term loan or bond issue.

EVALUATION

Exams: Three, 100-point, take-home exams scheduled. Exams are noncomprehensive and may be drawn from the textbook, chapter problems and exercises, class lectures, and FASB-related documents mentioned in class. Exams may include multiple-choice, short and long problems requiring the use of Excel, and short discussion. Exams may also include a provision for extra credit. Exam-related questions should be directed to the instructor only.

Due Dates: Graded assignments must be submitted on or before their due date. Generally, late assignments will not be accepted for credit. Forgetfulness, difficulties with Rockhurst or home technology (for example printers or diskettes), and conflicts with work or school activities will not excuse you from this requirement.

Grade Determination: Your letter grade for the course will be based on the total points accumulated out of 300, where: more than 269 = A; 261-269 = A-; 252-260 = B+; 240-251 = B; 231-239 = B-; 222-230 = C+; 210-221 = C; 201-209 = C-; 180-200 = D+; 165-179 = D; less than 165 = F.

ATTENDANCE

The *2006-2008 Catalog* (pp. 48-49) describes University policy. Excessive absences (more than 2) will result in a semester grade of DF. I reserve the right to consider work- or sickness-related absences on a case-by-case basis. Official school business is an acceptable excuse for missing class, but not for submitting exams or other assignments late. It is your responsibility to inform me prior to any official school-related absence.

ACADEMIC HONESTY

The Rockhurst University 2006-2008 Catalog (pp 49-52) describes University policy and provides explicit examples of academic dishonesty and an outline of procedures, penalties and due process accorded students involved in a form of academic dishonesty.

I expect you to observe the University's policy on academic honesty in all aspects of this course. Plagiarism (e.g., incorporating excerpts of published works into documents or presentations without proper attribution of original authors) and cheating (e.g., reliance upon unauthorized resources including, but not limited to, professors, parents, professionals, forbidden published materials, classmates, and other college or university students) are serious breaches of ethics and professionalism in both academic and professional settings, and as such have serious consequences.

With regard to this course, the work you submit for credit should represent your own intellectual effort. Soliciting or receiving aid from another student enrolled in the course is a violation of academic honesty. Providing aid to another student enrolled in the course is a violation of academic honesty. Soliciting and receiving aid from the instructor is not a violation of academic honesty.

STUDENTS WITH DISABILITIES

Rockhurst University is committed to providing reasonable accommodations for students with disabilities. Please contact Sandy Waddell in Access Services (Massman Hall, Room 7, 501-4689, sandy.waddell@rockhurst.edu) to provide documentation and request accommodations. If the Access Office has already approved accommodations, please communicate with the instructor regarding these arrangements by the second week of class in order to coordinate receipt of services.

TENTATIVE COURSE SCHEDULE

The following course schedule is tentative. I will revise it at my discretion, but will provide you with advanced notice of any important changes. Unless otherwise indicated, ignore chapter appendices.

Class	Date	Scheduled Topic/Assignment or Exam Due/Activity
1	January 23	Introduction & Course Overview
2	January 28	Review Comprehensive Income (Ch 1 p 26; Ch 4, pp 156-158) Investments in Equity Securities (Ch 12: pp. 557-575) Exercise (ignore debt-related transactions) 12-4 & 6
3	January 30	Investments in Equity Securities continued Work Exercise 12-6 assuming shares are trading securities Look at a footnote

Class	Date	Scheduled Topic/Assignment or Exam Due/Activity
4	February 4	Current Liabilities & Contingencies (Ch 13) Exercise 13-2, 11, 12, 14, 15, 17 & 18 Compare US GAAP and IFRS (contingencies)
5	February 6	Review Time Value of Money and Excel Functions FV: Exercise 6-1 & 5 PV: Exercise 6-2 & 6 PMT: Exercise 6-12 Basic interest rate concepts, nominal and effective rates, annual percentage rate (APR) and annual effective rate (AER) Identify and correct textbook errors on pp. 312, 321 & 667
6	February 11	Bonds (Ch 14: pp. 661-674 & 684 Exercise 14-3 & 6
7	February 13	Bonds continued Problem 14 & 16 Distribute Exam 1: Chapters 12, 13, 14, Time Value of Money & Basic Interest Rate Concepts
8	February 18	Exam 1 due by the beginning of class The Globalization of Accounting Standards Read pp 1-3 of Global.pdf Principles based versus rules based systems Example: FASB 13 versus IAS 17
9	February 20	Globalization of Accounting Standards continued
10	February 25	Leases (Ch 15: pp. 711-746) Exercise 15-3 & 4
11	February 27	Leases continued Exercise 15-5 & 6 (For both prepare entries for lessor and lessee)
12	March 3	Leases continued Problem 15-11 Look at a footnote Compare US GAAP to IFRS
13	March 5	Income Taxes (Ch 16: pp.773-789, 797-802) Exercise 16-2, 3 & 29

Class	Date	Scheduled Topic/Assignment or Exam Due/Activity
	March 10	Spring Break
	March 12	Spring Break
14	March 17	Income Taxes continued Exercise 10 & 17
15	March 19	Income Taxes continued Exercise 16-11 Look at a footnote
16	March 19	Pensions and Other Postretirement Benefits (Ch 17: pp. 826-854) Exercise 17-11
	March 24	Easter Break
17	March 31	Pensions continued Exercise 17-1, 4, 8 & 10
20	April 2	Pensions continued Exercise 17-12 & 14 Look at a footnote Compare US GAAP and IFRS Distribute Exam 2: Chapters 15, 16, 17 and globalization
21	April 7	Exam 2 due by the beginning of class Shareholders' Equity (Ch 18) Exercise 18-4, 5, 6, 9
22	April 9	Shareholders' Equity continued Exercise 18-15, 16 & 17; Problem 5
23	April 14	Share-Based Compensation and Earnings Per Share (Ch. 19) Begin reading chapter on page 965 (Part B) Exercise 19-11, 12, 13
25	April 16	Earnings Per Share continued Exercise 19-15, 16, 17, 18 & 19
26	April 21	Statement of Cash Flows (Ch 21: pp. 1091-1116) Exercise 21-1 & 17
27	April 23	Statement of Cash Flows continued Exercise 21-2 (situation 4-6), 3 (situation 3, 5 & 6) & 30

Class	Date	Scheduled Topic/Assignment or Exam Due/Activity
28	April 28	Statement of Cash Flows continued Problem 21-17 Compare US GAAP and IFRS
29	April 30	Open topic Distribute Exam 3: Chapters 18, 19 & 21
30	May 5	Exam 3 due in Conway 312 by 12:30 PM. I will hold office hours From 9:30-12:30 PM to answer your last minute questions regarding Exam 3.