

Intermediate Accounting II
ACCT 3120
Fall Semester, 2014

Instructor: Dr. Jeff Jones
Office: 336 Lowder Business Building
Office Telephone: 844-6223
Office Hours: T Th 11:00 –12:00, and by appointment
Class Meets: T Th 12:30 – 1:45 in Lowder 20
E-mail: jjones@business.auburn.edu

Course Objectives

ACCT 3120 is the second of three courses (followed by ACCT 5130/6130) designed to give you a comprehensive knowledge of financial accounting theory and principles and to acquaint you with current financial statement measurement and disclosure concepts/standards. Additionally, this course is designed to develop your abilities to analyze and understand business transactions, record these transactions in an accounting system, and assess the impact of various accounting treatments on a firm's financial statements.

This course serves as one step in the learning process. The constantly changing accounting and business environment necessitates continual learning on the part of the accounting or business professional. Therefore, a secondary objective of this course is to provide you with a foundation for life-long learning.

Prerequisite

- Intermediate Accounting I (ACCT 3110/3113) with a grade of "C" or higher
-

Course Materials

- Text: Intermediate Accounting by Wahlen, Jones, & Pagach with CNOW access
 - Course Packet, available on Canvas and at AU Bookstore
 - Free Online Course Companion ([Click here to Open](#))
 - Texas Instruments, TI-503 or TI-1706 version Calculator (per School of Accountancy policy)
-

Class Policies and Procedures

Classroom Environment. Class time will be divided between lecture/discussion and problem solving. Reading and problem assignments are listed on the Schedule of Assignments. Due dates for these assignments can be found on CNOW. Advance preparation for each class is expected. I urge you to complete the assigned problems on a timely basis so that (1) you will be able to benefit fully from class discussion, and (2) you will be prepared to ask specific questions concerning the more troublesome aspects of the assignment. Please be sure to bring your course packet and text with you to class.

Attendance: Your attendance and active participation at all class meetings is expected. You are responsible for all material missed during absences.

Course Requirements and Grades

- *Point Distribution & Grading Scale:*

Point Distribution:

Exam 1	100 points
Exam 2	100
Exam 3	100
Exam 4	100
Exam 5 (comprehensive)	100
Homework (CNOW)	60
Project – (Take Home)	30
Project – (In Class)	10
Total Points	600 points

Grading Scale:

540 to 600 points (90%)	A
480 to 539 points (80%)	B
420 to 479 points (70%)	C
360 to 419 points (60%)	D
Below 360 points	F

- *Exams:* Five exams (four in-class exams and a comprehensive final exam) will be given on the dates specified on the Schedule of Assignments. The dates scheduled for these exams will not be changed for any reason, although the coverage for any given exam may be changed if necessary. Any coverage changes will be announced in class and posted on Canvas.

If your raw (unadjusted) final exam score is greater than the lowest exam score from the first four exams, I will drop the lowest exam score and replace it with the unadjusted final exam score. Therefore, the final exam could contribute 200 points towards your final grade.

Exams may consist of multiple-choice questions, which require a green scantron sheet, and problems. Individual exams are not usually curved; however, I reserve the right to do so if an adjustment is deemed necessary.

A make-up exam will **only** be given if you miss an exam with an acceptable excuse as outlined in the [Student Policy eHandbook](#). In the event that you must miss an exam, I must be notified **in writing in advance**. A missed exam without an approved excuse will result in a grade of zero for that exam. Makeup exams will normally be given, per School of Accountancy policy, on Friday afternoons. You will only be permitted to take the exam if I have accepted your excuse. **At my discretion, makeup exams may consist of short answer, essay or other format questions.** A student who fails to attend a make-up exam must have a valid excuse or will receive a grade of zero for the make-up exam.

- *Homework:* Students are expected to complete homework (as specified on the Schedule of Assignments at the end of the syllabus and on CNOW). These assignments must be completed by the due date specified in CNOW in order to receive credit.

- *Project:* Over the course of the semester, you will complete a two-part financial statement project. The first part is to be completed outside of class and requires you to analyze a set of transactions, record the journal entries associated with each transaction, post these journal entries to a general ledger, prepare a trial balance based on the ending balances in the general ledger, and prepare a set of basic financial statements. This part of the project is to be completed in groups of 2 or 3 students. You should only discuss the project with the members of your group, the graduate assistant for this course, or me (your instructor). You will complete this first part of the project using the Excel workbook named “Financial Statement Project – Final Student Version” (available on Canvas). Once you complete this part of the project, you should email your final Excel file to me (your instructor).

On the last day of class, you will complete the second part of the project. This is an individual in-class assignment in which you will be provided with a trial balance and required to prepare an Income Statement, Balance Sheet, and Statement of Stockholders' Equity. Distance students will need to set up a time to complete this second part with their proctor.

- *Professionalism*: I reserve the right to deduct up to 50 points (depending on severity) from your point total at the end of the quarter for any of the following: excessive tardiness, sleeping in class, disrupting class (e.g. conversations with classmates, cell phone ringing), studying for another course during class, reading the newspaper, texting, and “packing up” prior to class being dismissed.

Academic Honesty

You are expected to be familiar with the University's policy on academic dishonesty ([Academic Honesty Code](#)). In addition, the School of Accountancy Academic Honesty Policy may be found on Canvas. Because of the nature of the accounting profession, I take academic honesty very seriously. Any student who engages in any form of academic dishonesty is subject to the maximum allowed disciplinary action.

Experience has taught me that many academic honesty issues arise from the lack of clear guidance and communication. Therefore, below you will find additional clarity as to how the Academic Honesty Code applies to this class:

- Exams:
 - No part of any exam from any accounting course (past and present) at Auburn University may be possessed, reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise—without the written permission of the course professor from which the exam originated.
 - All exams are individual examinations and no collaboration or unauthorized material (e.g., notes, non-allowable calculator) are allowed.
- You may collaborate with your classmates on homework assignments; however each individual is responsible for turning in his/her own solution.
- Collaboration on the Financial Statement Project is allowed for the group portion (only with your group members) but not on the in-class portion.

General Points

- Drop policies dictated by the [Auburn University Bulletin](#) and the Student Policy eHandbook will be strictly followed.
- Auburn University is committed to providing accommodations and services to students with documented disabilities. Students who have questions or need special accommodations in order to meet course requirements should contact The Program for Students with Disabilities, 1228 Haley Center, Auburn University, AL 36849; PH: (334) 844-2096.
- Per the School of Accountancy policy, the only calculators permitted for examinations are the TI-1706 or the TI-503 simple function (e.g., non-programmable) calculators. The use of any unauthorized calculator during an exam will be considered the same as the use of any other unauthorized material (as an act of academic dishonesty).
- Diversity at Auburn University encompasses the whole of human experience and includes such human qualities as race, gender, ethnicity, physical ability, nationality, age, religion, sexual

orientation, economic status, and veteran status. These and other socially and historically important attributes reflect the complexity of our increasingly diverse student body, local community, and national population. Auburn University recognizes and values the considerable educational benefits emanating from diversity as we prepare our students for life and leadership in a multicultural world. Students who interact with and learn about people from a variety of backgrounds are more apt to understand, appreciate, and excel in the community they inhabit. In this context, diversity is aligned with Auburn University's land grant mission of providing its students with a superior education in service to the needs of Alabama, the nation, and the world. Contact the Office of Diversity at www.auburn.edu/diversity

- **School of Accountancy Career Development:** In addition to the OPCD, **Mrs. Colby Lakas** in the School of Accountancy is dedicated to assisting with your career development. She is available to meet with you in 359 Lowder Hall to answer your questions about: (1) the Accounting Internship Program, (2) Accounting Recruiting Activities/Events, (3) Beta Alpha Psi, (4) the Financial Leadership Society, (5) the Master of Accountancy Program, (6) the 150-hour Requirement, (7) the CPA Exam, and/or (8) address any other questions you may have about your career.

Mrs. Lakas is **NOT** intended to replace a student's current undergraduate academic advisor – for academic matters, please visit the Office of Academic Advising in 147 Lowder. To make an appointment with Mrs. Lakas, please email her at colby.lakas@auburn.edu.

Suggested Study Approach for ACCT 3120:

- ◆ Before a lecture, read the assigned material in order to be familiar with the concepts. Attempt the homework assignments.
- ◆ Come to class and actively listen to the lecture on the assigned material and work all in-class exercises. Ask questions regarding any unclear points.
- ◆ Work the homework assignments while referring back to the text, your lecture notes, and any examples (in the chapter or from in-class exercises). This may require you to reread the assigned material very thoroughly (make yourself an outline of the chapter if it helps). You learn accounting by doing – so Practice ! Practice! Practice!
- ◆ Study for the exam (reread material, rework problems, etc.). Be sure you *understand* the material and have no just mechanically memorized it. The exams are designed to measure your *understanding*.

Disclaimer

I reserve the right to change deadlines, the course schedule, and classroom procedures and policies if circumstances dictate. Any changes will be announced in class and posted on Canvas.

ACCT 3120/3123

Fall Semester 2014

Schedule of Assignments and Exams

Day	Date	Chapt	Topic	Pages	Homework (Due Dates on CNOW)
T	Aug 19	10	Acquiring PP&E	pp. 10-1 to 10-12	HW1a: Q10-2, Q10-4, Q10-8, Q10-9, Q10-10 HW1b: E10-1, E10-4, E10-5, E10-6, E10-7, E10-8
H	Aug 21	10	Acquiring PP&E	pp. 10-12 to 10-22	HW2a: Q10-12, Q10-14, Q10-15 HW2b: E10-9, E10-10, E10-11, E10-17, E10-18 HW2c: P10-6, P10-8
T	Aug 26	11	Depreciation	pp. 11-1 to 11-13 11-15 to 11-20	HW3a: Q11-1, Q11-2, Q11-4, Q11-5, Q11-7, Q11-9 HW3b: E11-1, E11-2, E11-5, E11-9, E11-10
H	Aug 28	10 11	Miscellaneous Issues	pp. 10-22 to 10-24 11-21 to 11-31	HW4a: Ch. 10: Q10-18, Q10-20, Ch. 11: Q11-17, Q11-18 HW4b: Ch. 10: E10-2, E10-19, E10-20 HW4c: Ch. 11: E11-13, E11-14, E11-15, E11-16, E11-18 HW4d: Ch. 10: P10-4, P10-10, Ch. 11: P11-11
T	Sept 2	12	Intangibles	pp. 12-1 to 12-17	HW5a: Q12-3, Q12-4, Q12-8, Q12-11, Q12-12, Q12-15 HW5b: E12-1, E12-3, E12-4, E12-5, E12-8, E12-10, E12-14, E12-15
Th	Sept 4	12	Goodwill	pp. 12-17 to 12-23	HW6a: Q12-17, Q12-18 HW6b: E12-18, E12-19, E12-20
T	Sept 9	EXAM 1 – Chapters 10, 11, & 12			
H	Sept 11	20	Lease Classification & Operating Leases	pp. 20-1 to 20-12 20-24 to 20-25	HW7a: Q20-1, Q20-3, Q20-4, Q20-7, Q20-8 HW7b: E20-1
T	Sept 16	20	Capital, Direct Financing, & Sales-Type Leases	pp. 20-12 to 20-23 20-25 to 20-39	HW8: Q20-14
Th	Sept 18	20	Leases – continued		HW9a: Q20-11, Q20-15 HW9b: E20-2, E20-3, E20-4, E20-6, E20-10, E20-11 HW9c: P20-1, P20-4, P20-6
T	Sept 23	9	Current Liabilities	pp. 9-1 to 9-20	HW10a: Q9-5, Q9-10, Q9-11, Q9-13, Q9-14 HW10b: E9-1, E9-3, E9-8, E9-9, E9-11, E9-12
Th	Sept 25	9	Current Liabilities & Contingencies	pp. 9-21 to 9-32	HW11a: Q9-15, Q9-16 HW11b: E9-15, E9-16, E9-18, E9-19, E9-20 Q9-20, Q9-21 HW11c: P9-13, P9-14
T	Sept 30	EXAM 2 – Chapters 9 & 20			
Th	Oct 2	15	Stock Issuances	pp. 15-1 to 15-16	HW12a: Q15-2, Q15-3, Q15-4, Q15-11, Q15-12 HW12b: E15-1, E15-2, E15-4, E15-5 Q15-14
T	Oct 7	15	Equity-Based Compensation	pp. 15-17 to 15-32	HW13a: Q15-15, Q15-17 HW13b: E15-6, E15-7, E15-8, E15-9
Th	Oct 9	15	Preferred & Treasury Stock	pp. 15-32 to 15-43	HW14a: Q15-18, Q15-20, Q15-22 HW14b: E15-10, E15-11, E15-12, E15-17 HW14c: P15-9

T	Oct 14	16	Earnings per Share	pp. 16-20 to 16-37	HW15a: Q16-13, Q16-14, Q16-18 HW15b: E16-12, E16-16, E16-19, E16-20, E16-21 HW15c: P16-21
Fall Break – October 16-17 – NO CLASSES					
T	Oct 21	16	Earnings per Share & Dividends	pp. 16-1 to 16-20	HW16a: Q16-4, Q16-6, Q16-8, Q16-10, Q16-12 HW16b: E16-1, E16-2, E16-4 HW16c: P16-1
Th	Oct 23	16	Miscellaneous Issues		
T	Oct 28	EXAM 3 – Chapters 15 & 16			
Th	Oct 30	19	Pensions – Basics	pp. 19-1 to 19-17	HW17a: Q19-1, Q19-2, Q19-5, Q19-6, Q19-9
T	Nov 4	19	Pensions – continued	pp. 19-17 to 19-39	HW18a: Q19-16, Q19-17 HW18b: E19-2, E19-3, E19-4, E19-6, E19-7, E19-8, E19-10, E19-11, E19-15 HW18c: P19-3
Th	Nov 6	19	Pensions & OPRBs	pp. 19-39 to 19-47	HW19a: Q19-20, Q19-22 HW19b: E19-16 HW19c: P19-4, P19-12
T	Nov 11	21	Statement of Cash Flows	pp. 21-1 to 21-16 21-38 to 21-41	HW20a: Q21-1, Q21-2, Q21-6, Q21-8 HW20b: E21-5 HW20c: P21-1
Th	Nov 13	21	Preparation of the SCF	pp. 21-16 to 21-38 21-42 to 21-44	HW21a: Q21-13, Q21-18, Q21-19, Q21-20, Q21-21, Q21-22 HW21b: E21-7, E21-19, E21-22 HW21c: P21-2
T	Nov 18	21	Preparation of the SCF		HW22a: Q21-16, Q21-17 HW22b: E21-2, E21-12, E21-13, E21-14, E21-16, E21-20
Th	Nov 20	EXAM 4 – Chapters 19 & 21			
	Nov 24-28	Thanksgiving Holidays – No Class			
T	Dec 2	Financial Statement Project			Financial Statement Project Due
Th	Dec 4	Review for Final Exam			
FINAL EXAM Tuesday, Dec. 9 12:00 noon – 2:30 p.m.					

NOTE: In addition to the specific homework items mentioned above, I would encourage you to always work the short answer questions and multiple choice questions at the end of each chapter (also available on CNOW) for reinforcement of the concepts covered. In addition, you may also find the “Study Tools” tab on CNOW extremely useful.