

North Dakota State University

Intermediate Accounting II
Accounting 312
Fall 2003

Dr. Chuck Harter
Office: Minard 403E
Phone: 231-8970

Office hours: TTh 3:30-4:30
W 2:00-4:30
and by appointment

Dr. Chuck Harter Web Site: www.ndsu.nodak.edu/ndsu/charter/

This web site contains the schedule for each day. Also, other class-related information is contained on this web site. Check this web site periodically.

E-mail: Charles.Harter@ndsu.nodak.edu

Prerequisite: Accounting 311 and junior standing. If you are an accounting, MIS, or Business major you must be admitted into the professional program before you may take this class. Remember, in order to graduate you must complete 30 credit hours after admittance into the professional program.

Course Material: Intermediate Accounting, 10th Edition, by Kieso & Weygandt
Mastery of the FARS Through Cases, by Wallace.

Optional: Study Guide II
Working Papers II

Course Objectives:

To develop a more thorough understanding of the:

- Underlying concepts of accounting and the analysis of problems that arise in the application of the concepts in financial accounting.
- Use of accounting information as a basis for decisions by management, stockholders, creditors, and other users of financial statements.

To introduce recent developments in accounting valuation and reporting practices:

- Promulgated by leading professional accounting organizations.
- Applied by practitioners in public accounting and industry.

Additionally, the course has the broader objective of contributing to the professional development of students, including increasing competencies in both written and oral communication, logical reasoning, problem identification and solving, critical thinking, and computer skills.

General Information: Successful completion of this course depends on the time and effort you put into learning the material covered. Three elements of discipline will contribute to your success:

1. Study the text; there is no substitute for this step.
2. Regular class attendance will enhance your performance. The lectures are designed to present and explain the course material, and their effectiveness is increased if you have studied the assigned chapter prior to its presentation in class.
3. “Hands-on” experience is gained by working through questions, exercises, and problems found at the end of each chapter. It is extremely difficult to learn accounting by reading and listening alone. The homework assignments are designed to help you learn the material and to identify and clear up points of confusion. The assigned homework should be considered the minimum effort required. To increase your comprehension and retention of the accounting principles covered in this course, work additional, unassigned homework items. You are welcome to compare your solutions with those in the solutions manual in my office.

Elements of Course Grade:

Exams I, II, III, IV, Final (100 points each) (one exam score will be dropped)	400
FARS cases (6x15)+60	150
Research Insight Project	40
Homework & in class group work	<u>50</u>
Total points	640 points

Grade Determination: The number of points, which must be earned for each letter grade is listed below.

576-640	A
512-575	B
448-511	C
384-447	D
< 384	F

Homework: It is difficult to master accounting without practice. We'll get plenty of practice in the form of daily homework. On 12 randomly selected occasions homework will be collected. Homework will be reviewed by me. If corrections are required, homework must be returned with corrections made. Corrected homework must be turned in prior to the exam over the homework material. Your homework grade is computed as follows:

Correct or corrected homework	5 points
Incorrect homework	2 points
Quizzes	0-5 points

The maximum number of homework points counted toward your grade is 50. Therefore, you may miss up to 2 homework assignments and still receive full credit for homework. It has been my experience that those students who keep up with the homework score considerably better on exams. Please keep up with the homework.

Research Insight Projects: Research Insight is a Computerized Accounting database. You will be asked to use this data to complete do a financial statement analysis project. Additional information will be provided later in the semester.

FARS cases. The Financial Accounting Research System (FARS) is an important tool used in accounting practice. It provides you with the opportunity to research generally accepted accounting principles. In this course you will be required to complete 6 short cases worth 15 points each plus one larger case worth 60 points that you will work on in a group. All FARS assignments will be presented to the class by individuals or groups, depending upon the assignment. Presenters will be selected at random. A written analysis of each case must be handed in for grading. For the group case you will be assigned to a group of four; however, groups of three or five may be allowed with the permission of the professor. Unless prior arrangements have been made with me, no case analysis will be accepted after the case has been discussed in class.

Group FARS case (60 pts.) Groups are self-policing and self-evaluating. Members of groups will evaluate each other's contributions to the group. Each group should develop its own team controls to prevent "free riders" and promote equal participation.

A "good" group-effort written case analysis should include (if applicable) but is not limited to:

- Introduction to the problem situation.
- Responses to all required assignment questions.
- Discussion of relevant accounting literature (FARS data base)
- Discussion of alternative courses of action.
- Critical evaluation of each alternative.
- Recommendation of a course of action.
- Probable implications of the recommended course of action.
- Summary and conclusions.

All written assignments are to be completed using a word processor. The printed copy should be in a form worthy of professional presentation to the CEO or Board of

Directors of a large corporation. Points will be deducted for failure to meet standards of good business criteria.

All written assignments will be graded on subject content, writing quality (style, persuasiveness, logic, flow, organization, etc.), clarity, and conciseness. Correct spelling, punctuation, grammar, tense, etc. will also be graded.

In class group work: Research on student learning provides evidence that students learn best when exposed to a mixture of lecture and hands-on work. Group work will be collected and graded.

Scholastic Honesty: All work in this course must be completed in a manner consistent with NDSU University Senate Policy, Section 335: Code of Academic Responsibility and Conduct (<http://www.ndsu.nodak.edu/policy/335.htm>).

Students with Special Needs: Students with disabilities or other special needs, who need special accommodations in this course, are invited to share these concerns or requests with the instructor as soon as possible.

Other University Policies: Refer to the [NDSU Bulletin: 2002-04](#) and the [NDSU Spring 2003 Registration Schedule](#) for university policies in regard to other matters, including, but not limited to, changes in registration and grades of incomplete.

CBA WEB SITE: www.ndsu.nodak.edu/cba/

Check this site often for student-related announcements. All job and co-op openings, seminars, scholarships, employer visits to campus, and other general announcements will be posted at the "announcements" button.

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Schedule for Accounting 312 Fall 2003

DATE	Material Covered	Homework
26 August	Introduction to Intermediate Accounting II	
28 August	Ch. 15 - Stockholders equity	Q4,C1
1 September	Holiday	
2 September	Ch. 15 - Issuance of shares	E2,E8,C1
4 September	Ch. 15 - Treasury Stock	E11,E12
8 September	Ch. 15 - Treasury Stock	P6, P13
9 September	Ch. 16 - Dividends	E2, E4
11 September	Ch. 16 - Stock Dividends & Splits	C3,E8,P8,P9,P10
15 September	Ch. 16 - Stockholders Equity wrap-up	P4,P5
16 September	Ch. 17 - Convertible securities & Options	E2,E6,E7,E12,E15

18 September	Ch. 17 – EPS	E22,E26, FARS 4-33
22 September	Ch. 17 - EPS	P5,P6
23 September	Ch. 17 - EPS	P7,P8
25 September	Exam I – Chapters 15, 16, 17	
29 September	Ch. 18 - Debt Securities	Q1,Q5,E2
30 September	Ch. 18 - Equity Securities	E3,E5,E6,E17
2 October	Ch. 18 - Comprehensive Income	E11,E14,E18,P8, FARS 4-35
6 October	Ch. 18 - Other Investment Issues	E21,E24,E25,P11
7 October	Ch. 19 - Revenue Recognition	E6,E7,E8
9 October	Ch. 19 - Long-Term Contracts	E9,E12,E13
13 October	Ch. 19 - Installment Sales Research Insight due	P7,P8,P14
14 October	Ch. 20 - Financial vs. Taxable Income	E1,E3
16 October	Ch. 20 - Deferred Taxes	E5,E6,E11,P1, FARS 4-39
20 October	Ch. 20 - Multiple tax rates	E9,E14,E15
21 October	Exam II - Chapters 18, 19, 20	
23 October	Ch. 21 - Pensions - terminology	E2
27 October	Ch. 21 - Pension Expense	E3,E6
28 October	Ch. 21 - Minimum Liability	E7,E10,E11
30 October	Ch. 21 - Corridor Calculation	E8,E14, FARS 4-41
3 November	Ch. 21 - Pension wrap-up	P1,P2
4 November	Ch. 22 - Leases, terminology	E1,E2,E14
6 November	Ch. 22 - Lessee accounting	C3,P1
10 November	Ch. 22 - Lessor accounting	E10,P3
11 November	Holiday	
13 November	Ch. 22 - Leases, con't	P6
17 November	Ch. 22 - Leases, con't	E8, FARS 4-44
18 November	Ch. 22 - Leases, wrap-up.	
20 November	Exam III - Chapters 21 and 22	
24 November	Ch. 24 - Cash flow statement, basics	E1,E3
25 November	Ch. 24 - Cash flow from operations	E4,P2
27 November	Holiday	
1 December	Ch. 24 - Direct vs. indirect	C2,C4, FARS 4-48
2 December	Ch. 24 - cash flow wrap-up	P10
4 December	Ch. 25 – Disclosures Case Presentations	C2,C8, FARS 5-5 (group case)
8 December	Ch. 25 - Post Balance Sheet Events	E1,C11,C12
9 December	Exam IV – chapters 24, 25	
11 December	Review for final exam	
15 December	Final Exam 10:00 a.m.-12:00 a.m.	