

**ACG 3151-003 (10061) INTERMEDIATE  
THEORY III (3 credit hours) Tentative Syllabus  
– spring 2012  
Class hours: Wednesdays, 7:10 p.m. – 10:00 p.m.  
LA 234**

**Instructor**      George R. Young II, PhD, CPA  
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**Office locations, days, and hours**

<u>Location</u>	<u>Days</u>	<u>Time</u>
LA 428C	Mondays and Wednesdays	10:00 a.m. – 11:00 a.m.
LA 428C	Mondays and Wednesdays	6:00 p.m. – 7:00 p.m.

*The best way to reach me is by e-mail.* If you e-mail me outside of Blackboard, please place “ACG 3151” on the subject line; otherwise, I may inadvertently delete your message.

**Catalogue Description**

Intermediate Theory 3 (ACG 3151) 3 credits

*Prerequisites: ACG 3141*

A continuation of ACG 3141. Study of earnings per share; pensions and postretirement benefits; share-based compensation; accounting for income taxes; accounting changes and error corrections; and an introduction to business combinations.

**Learning Objectives**

This course is a continuation of ACG 3141 and includes the study of accounting for owners' equity, earnings per share, pensions, deferred taxes and statement of cash flows. This course will further help you develop an understanding of the theoretical foundation of generally accepted accounting principles (GAAP) so that you are better prepared to apply GAAP, research professional issues, and communicate orally and in writing. Fulfillment of these objectives will help you develop competencies the AICPA believes are necessary for accounting professionals. Specifically, by the end of the semester, you should

1. Be able to calculate earnings per share (EPS) and understand the impact of equity transactions on EPS; record and analyze the impact of share-based compensation on financial statements; determine pension expense and its associated liability; value and present deferred tax liabilities, including contingent tax liabilities; analyze, record, and present the effect of accounting changes, estimates, and error corrections; and obtain a fundamental understanding of business combinations.
2. Be familiar with and understand the rationale behind the qualitative disclosures necessary for fair presentation of financial position and results of operations.
3. Recognize and understand the concepts that underlie the accounting treatment prescribed by authoritative accounting literature.
4. Understand the opportunities of management to affect financial presentation and the motivation to act on these opportunities.

### **Required Materials**

Spiceland, J. David, James F. Sepe, and Mark W. Nelson. 2011. Intermediate Accounting (Sixth edition). New York: McGraw-Hill.

Young, G. Intermediate Accounting Theory 3. 2011. Selected chapters from the Hoyle, Joe, Thomas Schaefer, and Timothy Douppnik (2011) text titled Fundamentals of Advanced Accounting, 4/e. New York: McGraw-Hill. This custom text is available only in the bookstore.

May, C.B. and G.S. May. 2006. Effective Writing: A Handbook for Accountants, 7<sup>th</sup> edition. Upper Saddle River, NJ: Prentice Hall. (Note: If you have the 6<sup>th</sup> edition, you may use this.)

### **Strongly Suggested Materials**

Kieso, Donald E., Jerry J. Weygandt, and Terry D. Warfield. 2011. Intermediate Accounting (13<sup>th</sup> edition). E-book of chapter 20 on pensions & post-retirement benefits. You are not required to buy this (the cost is approximately \$12) but it would be very helpful. I expect to upload instructions as to how you can purchase this chapter soon after the semester begins.

Delaney, Patrick and Ray Wittington. October 2010. Wiley CPA Exam Review 2011: Financial Accounting and Reporting ISBN: 978-0-470-55436-4. Cost is approximately \$55 to \$60.

### **Class Policies**

1. You will experience a higher likelihood of doing well in this class if you read the textbook prior to coming to class and attempted all homework assignments.
2. You are responsible for the following:
  - a. Use of Blackboard website: Lecture notes, class handouts, as well as selected solutions to homework exercises will be placed on blackboard. The address is <http://blackboard.fau.edu>.
  - b. Use of e-mail: You are required to have an FAU e-mail account and use the account to communicate with the university community. Please check your FAU e-mail account regularly to determine whether your account is not over quota. Also, you must have access to Word and Excel in order to view and use the information contained in the attachments. You are responsible for any announcements made via e-mail or blackboard.
3. Unless instructed otherwise, all work to be submitted for consideration toward your course grade is to be attempted and completed on an individual basis.
4. Appropriate classroom behavior is expected at all times, including respect for your instructor and peers. All cell phones and beepers are to be turned off or placed on silent mode while you are in the classroom. Disruptive classroom behavior is unfair to students who are attending class to learn, is unfair to the instructor, and will not be tolerated.

### **Class Policies (continued)**

5. You are expected to abide by the “School of Accounting Policies” found at [http://business.fau.edu/index.php?src=gendocs&ref=uniformpolicies&category=Accounting&submenu=departments\\_Accounting](http://business.fau.edu/index.php?src=gendocs&ref=uniformpolicies&category=Accounting&submenu=departments_Accounting)

### **Academic Honesty and Classroom Conduct**

A fundamental principle of academic, business, and community life is honesty. Violation of this ethical concept will result in penalties ranging from a grade of ‘F’ in the course to dismissal from the university. In every situation in which a penalty is assessed, a letter of fact will be included in the student’s file. In the academic environment, the following precepts are critical:

For most graded assignments, you are expected to work independently. However, team assignments typically require you to work with other students. For both individual and team assignments, you should be careful not to represent the work of others as your own. The Internet is a powerful tool that provides access to a wealth of information. Plagiarism guidelines that apply to printed materials also apply to information and materials obtained from the Internet.

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty is considered a serious breach of these ethical standards because it interferes with the university mission to provide a high quality education in which no student enjoys an unfair advantage over any other student. Academic dishonesty is also destructive of the university community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty.

For more comprehensive information, visit

Code of Academic Integrity of the University Regulations, Chapter 4, Regulation 4.001:  
[http://www.fau.edu/regulations/chapter4/4.001\\_Code\\_of\\_Academic\\_Integrity.pdf](http://www.fau.edu/regulations/chapter4/4.001_Code_of_Academic_Integrity.pdf)

All students are referred to Chapter 6C5-4.001, entitled “Honor Code, Academic Irregularities, and Student’s Grievances,” of the Student Handbook. It is the policy of the School of Accounting to adhere to the provisions of this section. Faculty of the School of Accounting will secure the maximum penalty in the event a violation of this section is observed.

### **Accommodations for Students with Disabilities**

Students may seek accommodations in accordance with the Americans with Disabilities Act of 1990 (ADA). Students with disabilities who need academic accommodations should review the University’s ADA policy and work directly with the Office for Students with Disabilities (OSD). Students who require special accommodation due to a disability are required to properly execute the required procedures and must register with the OSD, in LA 240 (954-236-1222), and follow all OSD procedures.

**Tentative Grading Policy**

Exam 1	100
Exam 2	100
Exam 3	100
Excel Assignment	<u>15</u>
Total points	<u>315</u>

No makeup examinations will be given.

**Spiceland, Sepe, and Nelson and Hoyle, Schaefer, and Douppnik Homework**

The assigned homework from the textbooks will not be collected and graded. It is imperative, however, that you attempt the homework before seeing the solution. If you don't, you may develop a false sense of security about your abilities. Exercises and problems marked "Additional" on the syllabus will, most likely, not be discussed in class; they exist as suggestions for study as you prepare for exams.

**Grading Scale**

A = 100 - 90	C = 76 - 70
A- = 89	C- = 69
B+ = 88 - 87	D+ = 68 - 67
B = 86 - 80	D = 66 - 60
B- = 79	D- = 59
C+ = 78 - 77	F = below 59

**School of Accounting Discussion List**

If you major or minor in accounting, you are expected to subscribe to the School of Accounting discussion list. To subscribe, follow the instructions provided on the School of Accounting web page (at [www.schoolofaccounting.com/owls](http://www.schoolofaccounting.com/owls)). On this list is posted valuable announcements and all students are responsible for anything posted to this list.

**Grade of Incomplete**

Note that a "grade" of incomplete is *not* a substitute for a poor grade and is rarely granted. In accordance with the policies of the School of Accounting and the College of Business, an "incomplete" will be given only under the following circumstances:

1. You are otherwise passing the course, i.e., you have earned a grade of "C" or better, and
2. You have an excused absence that prevented you from completing course requirements by the end of this semester.

Withdrawals: If you decide to drop this class, you are responsible for completing the required paper work.

**Important dates**

Last day to drop a course without receiving a “W” (fee liable) is January 13.  
Last day to drop a course without receiving an “F” (fee liable) is March 2.

(Note: These dates are furnished for your convenience; you are responsible for confirming the accuracy of these dates with the university registrar.)

**Prerequisites**

The prerequisite for this course is a grade of “C” or better in ACG3141, Intermediate Accounting Theory 2. Knowing the prerequisites for each class is each student’s responsibility. The School of Accounting or the College of Business administratively may drop any student who has not met the prerequisites from the course at any time during the semester. The School of Accounting, the College of Business, and the University are *not required to notify the student prior to or after administratively dropping the student* (this is according to university regulations).

ACG 3151-003 (10061) Spring 2012 Theory III Tentative Syllabus		
<b>Date of Class</b>	<b>Assignment for Class Meeting</b>	<b>Classroom Activity</b>
Jan. 11	Read chapter 19 (Part B): Earnings per Share (pp. 1082-1105).	Course introduction. Lecture on chapter 19 (Part B)
Jan. 18	Ch. 19: E19-13,16,22; P19-16,18 (Additional: E19-10,11,12,17,18,19,23,24; CPA Review Questions 3-7; P19-11,12,13,14,15,17,19) Read chapter 17, Pensions and Postretirement Benefits***	Go over homework for chapter 19 (Part B). Begin lecture on chapter 17
Jan. 25	Spiceland et al.: Ch. 17: E17-3,4,5,11,13,15*;P17-8*,14,15* (Additional from Spiceland et al.: 1,2,6-8,10,14,16,19-21,27-29; Additional from Kieso et al.: Exercises 1-4, 6-8, 10-16, 18-24)	Complete lecture on chapter 17 Go over homework for chapter 17
Feb. 1	Read chapter 19 (Part A): Share-based Compensation.	Lecture on chapter 19 (Part A)
Feb. 8	Ch. 19 (Part A): E19-2,5,7,27,28 (Additional: BE 1,2,4-6; Exercises 1,8; CPA exam questions 1,2)	Go over homework for chapter 19 (Part A)
Feb. 15	Exam on chapters 19 and 17	Exam
Feb. 22	Go over exam. Lecture on chapter 16: Accounting for Income Taxes.	Go over exam. Lecture on chapter 16
Feb. 29	Ch. 16: 1,2, 5,11,15,16,22,23, 28; P16-5,7,10 [Additional: E16-3,11,17,18,19, All CPA/CMA Review Questions (on pp. 866-867), P16-2,3,4] Read chapter 20, Accounting Changes and Error Corrections.	Go over homework for chapter 16 Lecture on chapter 20
Mar. 7	Spring break – no class	

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Date of Class	Assignment for Class Meeting	Classroom Activity
Mar. 14	Ch. 20: E20-1,2,10,12,14 (part 1 only),15,18,19,20,23,25; P20-13,17 (Additional: E20-9,13,24; P20-8,11,15)	Go over chapter 20 homework
Mar. 21	Exam on chapters 16 and 20	Exam
Mar. 28	Read Hoyle et al. chapter 1, The Equity Method for Accounting for Investments**	Go over exam. Lecture on Hoyle et al. chapter 1
Apr. 4	Ch. 1: 1-10, 24 (Additional for chap. 1: Probs. 11-18, 20, 21, 23-26) Read chapter 2, Consolidation of Financial Information**	Go over homework for chapter 1 Lecture on Hoyle et al. chapter 2
Apr. 11	Ch. 2: Probs. 1-15, 17 (Additional for chap. 2: Probs. 19-21, 22(a), 23-24) Read chapter 3, Consolidations-Subsequent to the Date of Acquisition**	Go over homework for chapter 2 Lecture on Hoyle et al. chapter 3
Apr. 18	Ch. 3: Probs. 1-11, 20, 21 (Additional for chap. 3: Probs. 12, 13, 15, 17-19, 27) Read chapter 4, Consolidated Financial Statements and Outside Ownership	Go over homework for chapter 3 Lecture on Hoyle et al. chapter 4
Apr. 25	Ch. 4: Probs. 1-14, 21-23 (Additional for chap. 4: 15-20, 27)	Go over homework for chapter 4
May 2	Final Exam	In-class exam

\*Disregard the format of the worksheet given in these exercises and problems; use the worksheet template I have posted on blackboard by copying the numbers given in the textbook worksheet onto the worksheet template I posted (I might have done this for you for E7-15 and P17-8).

\*\* Young , G. Intermediate Accounting Theory 3. 2011. Custom book of selected chapters from Hoyle, Joe, Thomas Schaefer, and Timothy Doupnik. 2009. Fundamentals of Advanced Accounting, 4/e. New York: McGraw-Hill.

\*\*\*I have created an e-book that contains the Kieso et al. chapter on pensions & post-retirement benefits (chapter 20). You are not required to buy this (the cost is approximately \$12) but it would be very helpful. I expect to upload instructions as to how you can purchase this chapter soon after the semester begins. **I strongly suggest that you disregard much of the material in chapter 17 of the Spiceland et al. text and focus on the lecture notes and the e-book.** The homework assignment for pensions & post-retirement is from the Spiceland et al. text; I will provide solutions that reflect the Kieso et al. approach for these exercises and problems.