

Syllabus for
ACT 327/GACT 527—Intermediate Accounting I
3 Credit Hours
Fall 2012

I. COURSE DESCRIPTION

A comprehensive study of intermediate accounting theory and technique. Financial statement relationships are stressed with a balance sheet approach to the study. The course moves from the most current and liquid categories to the least current along balance sheet lines covering all of the major balance sheet classifications and account groupings individually and in depth. The first in a two-course sequence, it covers roughly one-half of the comprehensive intermediate accounting volumes.

Prerequisite: ACT 216 Principles of Financial and Managerial Accounting II with a grade of C or better or by permission of the instructor.

The intermediate course will emphasize interpretation and more refined methods of recording and summarizing. The course focus is on the financial statement effect of the various alternative methods for recording and analyzing data. With this approach in mind, the course starts with a review of the accounting cycle, the income statement (emphasis on form and proper terminology), and the balance sheet (same emphasis). After this brief review, coupled with the study of the proper nomenclature, the course continues with a careful analysis of all account groups, emphasizing alternative procedures and their effect on the financial statements. Intermediate Accounting I focuses on the asset categories.

II. COURSE GOALS

- A. The intermediate accounting student should develop analytical ability by studying the effect of alternative accounting methods on financial statements. In addition, the accounting theory contained in the course will enable the student to select the most appropriate accounting method when more than one may satisfy generally accepted accounting principles.
- B. In line with the purpose of this University, this course seeks to do the following:
 - 1. Contribute to the education of the whole person.
 - 2. Encourage each student to place faith in Jesus Christ at the center of his or her life.
 - 3. Encourage the synthesis and integration of the common bond of knowledge provided by the university into a unified whole.
 - 4. Sharpen the communication, computation, and critical analysis skills of each student.
 - 5. Develop appreciation for differing cultures.
 - 6. Increase the students' recognition of God's order, diversity, and creativity and their consequences in the social and historical sciences.
 - 7. Demonstrate that knowledge and experience are related, not separate.
 - 8. Assist the students' development of basic skills, acquiring of basic knowledge, and formulation of a world vision.
 - 9. Advocate the examination of this field of knowledge in the context of its influence upon and its being influenced by others.
 - 10. Promote the continuing process of study in and support active participation in activities conducive to good health.

- C. In line with the purpose of the accounting program, this course is designed to prepare a student for an active role in accounting both in public practice and in industry. An objective of this program is to combine the broad foundation of business administration with professional accounting skills and quantitative decision-making experience so that the student has the potential of maximum personal achievement and maximum benefit to their future employers. Through all of the courses in accounting, it is the purpose of the program to develop an integrated person—spiritually alive, intellectually alert, physically disciplined, socially adept, and professionally competent.
- D. In line with the departmental objectives, this course seeks to prepare the student in the following areas:
1. Critical thinking (skills in reasoning, objectivity, analysis, interpretation, research, or decision making relevant to the discipline)
 2. Communication (abilities in areas such as written, oral, and nonverbal communication; group process; information technology and/or media production)
 3. Broad, comprehensive, foundational knowledge for professional standards of the major.
 4. Broad interpretation of the dynamics of business within the social and professional context.
 5. Internationalization of Christian business ethics and professionalism.

III. STUDENT LEARNING OUTCOMES FOR THIS COURSE

A. Terminal Objectives

After successfully participating in class discussions and completing the minimum amount of homework problems as outlined in this syllabus, the student will be able to identify the steps of the accounting cycle, prepare financial statements in good form, and properly identify and account for all categories of assets under the various generally accepted methods with a 70 percent minimum level of accuracy.

B. Unit Objectives

As a result of successfully completing this unit, the student will be able to do the following:

1. Discuss generally accepted accounting principles (GAAP)
 - a. List and identify accounting rule making bodies.
 - b. List and identify qualitative characteristics of accounting.
 - c. List and explain various accounting concept statements, assumptions, principles, and constraints.
2. Exhibit proficiency in the accounting cycle.
 - a. Prepare and record general journal and special journal entries.
 - b. Properly categorize accounts from an alphabetical trial balance.
 - c. Complete all phases of the accounting cycle.
 - d. Prepare proper financial statements including, but not limited to:
 - (1) the income statement
 - (a) in single-step format
 - (b) in multiple-step format
 - (c) with extraordinary items
 - (d) with discontinued operations
 - (2) the retained earnings statement
 - (3) the balance sheet

- (4) the statement of cash flows
 - (a) Indirect method
 - (b) Direct method
 3. Discuss and explain compound interest concepts.
 - a. Determine the future value of a single amount
 - b. Determine the present value of a single amount
 - c. Determine the future value of an annuity (due and ordinary)
 - d. Determine the present value of an annuity (due and ordinary)
 - e. Given various factors in a compound interest problem, solve for the unknown factor.
 4. Journalize, distinguish the alternative valuation methods, and properly classify the following:
 - a. Cash
 - (1) petty cash
 - (2) prepare bank reconciliations
 - b. Accounts receivable and short term notes receivable
 - (1) for sales
 - (2) for immediate cash
 - (3) estimating uncollectible amounts
 - (4) selling notes and accounts receivable
 - c. Merchandise Inventory
 - (1) periodic versus perpetual system
 - (2) cost flow assumptions
 - (a) specific identification
 - (b) FIFO
 - (c) LIFO
 - (d) Average
 - (3) dollar value LIFO
 - (4) lower of cost or market
 - (5) gross margin method
 - (6) retail methods
 - d. Fixed Assets, Intangible Assets, and Other Assets
 - (1) capitalizable costs
 - (2) expenditures subsequent to acquisition
 - (3) exchange of assets
 - (4) retirement or sale of assets
 - (5) amortization of intangibles

IV. TEXTBOOKS AND OTHER LEARNING RESOURCES

A. Required Materials

Textbook

Kieso, Donald E., Weygandt, Jerry J., and Warfield, Terry D. Intermediate Accounting, 14th Edition. Hoboken, NJ: John Wiley and Sons, Inc., 2012. (ISBN978-0-470-587232)

B. Optional Materials

Textbook

1. Kieso, Donald E., Weygandt, Jerry J., and Warfield, Terry D. Intermediate Accounting, Student Study Guide, Volume I, 14th Edition. Hoboken, NJ: John Wiley and Sons, Inc., 2012. (ISBN 978-1-118-01449-3)
 2. Kieso, Donald E., Weygandt, Jerry J., and Warfield, Terry D. Intermediate Accounting, Problem Solving Survival Guide, Volume I, 14th Edition. Hoboken, NJ: John Wiley and Sons, Inc., 2012. (ISBN 978-1-118-01447-9)
- C. Other Optional/Recommended Materials
1. Calculator - preferably a Texas Instruments BA II Plus or TI-83.
 2. Three Ring Binder for class handouts and returned homework problems.
 3. Three scantron sheets for exams – to be turned in **prior** to the first exam.

V. POLICIES AND PROCEDURES

- A. University Policies and Procedures
1. Attendance at each class or laboratory is mandatory at Oral Roberts University. Excessive absences can reduce a student's grade or deny credit for the course.
 2. Students taking a late exam because of an unauthorized absence are charged a late exam fee.
 3. Students and faculty at Oral Roberts University must adhere to all laws addressing the ethical use of others' materials, whether it is in the form of print, electronic, video, multimedia, or computer software. Plagiarism and other forms of cheating involve both lying and stealing and are violations of ORU's Honor Code: "I will not cheat or plagiarize; I will do my own academic work and will not inappropriately collaborate with other students on assignments." Plagiarism is usually defined as copying someone else's ideas, words, or sentence structure and submitting them as one's own. Other forms of academic dishonesty include (but are not limited to) the following:
 - a. Submitting another's work as one's own or colluding with someone else and submitting that work as though it were his or hers;
 - b. Failing to meet group assignment or project requirements while claiming to have done so;
 - c. Failing to cite sources used in a paper;
 - d. Creating results for experiments, observations, interviews, or projects that were not done;
 - e. Receiving or giving unauthorized help on assignments.

By submitting an assignment in any form, the student gives permission for the assignment to be checked for plagiarism, either by submitting the work for electronic verification or by other means. Penalties for any of the above infractions may result in disciplinary action including failing the assignment or failing the course or expulsion from the University, as determined by department and University guidelines.
 4. Final exams cannot be given before their scheduled times. Students need to check the final exam schedule before planning return flights or other events at the end of the semester.
 5. Students are to be in compliance with University, school, and departmental policies regarding Whole Person Assessment requirements. Students should consult the WPA handbooks for requirements regarding general education and the students' majors.
 - a. The penalty for not submitting electronically or for incorrectly submitting a WPA artifact is a zero for that assignment.
 - b. By submitting an assignment, the student gives permission for the assignment to

be assessed electronically.

B. College of Business Policies and Procedures

1. Late tests - When a student misses an exam for an unexcused reason, the student should obtain a petition for late exam from the College of Business Secretary. The petition must then be approved by the instructor. The student will go to Student Accounts to pay the late exam fee, receive a signature from student accounts verifying the receipt of payment, and then take the form back to the instructor at the prearranged time to make up the exam.
2. **Students taking a late exam because of an unauthorized absence will be charged a late exam fee and will be assessed a one letter grade penalty.**
3. Cell Phones
 - a. Cell phone usage of any type is prohibited in the classroom during class hours. All cell phones shall be stored out of sight and silenced/turned off. If a student fails to comply with this requirement, the professor may (at the professor's discretion) dismiss the student from class and mark the student for an unexcused absence. Students may (prior to the beginning of class) request an exception to this policy if some type of extenuating circumstance exists that would reasonably justify the granting of an exception and a possible disruption of the class for taking an incoming call, text messaging, etc.
 - b. Unless specifically pre-authorized by the professor, portable or handheld computer, cell phone, and all other media/multi-media device usage of any type is prohibited in the classroom during class examinations. All such devices shall be stored out of sight and silenced/turned off. If a student fails to comply with this requirement, the professor may (at the professor's discretion) dismiss the student from class, mark the student for an unexcused absence, and/or penalize the student by deducting points on the exam. With regard to cell phone usage, students may (prior to the beginning of class) request an exception to this policy if some type of extenuating circumstance exists that would reasonably justify the granting of an exception and a possible disruption of the class for taking an incoming call, text messaging, etc. In this instance the cell phone should be left with the professor during the class, and if an incoming call is received the student will retrieve the phone from the professor to respond.

C. Course Policies and Procedures

1. Evaluation Procedures
 - a. Grading Procedures for Undergraduate Students

(1) Point Distribution	
3 Hourly Exams X 100 points =	300
Daily Work	
Homework Problems	13 X 5 points = 65
Computer Projects	3 X 10 points = 30
Term Paper	1 paper X 10 points = <u>10</u> = 105
Comprehensive Final Exam	<u>200</u>
TOTAL POINTS	605
(2) Grading Scale	
A = 90% X 600 points =	540
B = 80% X 600 points =	480

$C = 70\% \times 600 \text{ points} = 420$
 $D = 60\% \times 600 \text{ points} = 360$
 $F = \text{Below } 60\% \times 600 \text{ points} = \text{below } 360$

b. Grading Procedures for Graduate Students

(1) Point Distribution

3 Hourly Exams X 100 points = 300

Daily Work

Homework Problems 18 X 5 points = 90

Computer Projects 4 X 10 points = 40

Term Papers 2 papers X 10 points = 20 = 150

Comprehensive Final Exam 200

TOTAL POINTS 650

(2) Grading Scale

A = 90% X 650 points = 585

B = 80% X 650 points = 520

C = 70% X 650 points = 455

D = 60% X 650 points = 390

F = Below 60% X 650 points = below 390

c. Regular semester exams this semester will include objective four part multiple choice questions (normally 25-40 points), and problems (normally 60-75 points).

(1) Exams are administered during regular 50 minute class periods

(2) Exams will require students to work quickly and efficiently in a manner similar to working in a professional service organization where services are billed by the hour. Speed, organizational skills, and knowledge are being tested in this process.

(3) Extra credit is available on the regular semester exams to help compensate for the time constraints.

d. Chapter assignments must be turned in at the **beginning** of class on the due date.

They are graded in half point increments (5, 4.5, 4, 3.5, etc.). Students are encouraged to complete as many of the problems as possible. Only the top 13 scores for under-graduates and top 18 scores for graduate students will count toward the student's total points for the semester. There are 22 assignments listed in the calendar. Assignments submitted after they are collected in class will be corrected but will **not** receive any credit. Students are strongly encouraged to do homework early in the semester to prevent unnecessary stress at the end of the semester.

e. The computer project will require the student to use an electronic spreadsheet program to solve various time value of money problems and to periodically prepare a complete set of financial statements properly linked and balanced.

f. Term papers

(1) The first term paper is a 2 to 4 page (typed, double-spaced) review of any current accounting or finance topic. To be considered "current," the source of information for the paper must be a 2012 publication. The source could be a magazine or newspaper article, an internet column, a television broadcast, etc. The intent of this paper is to make students aware of the changes that are occurring in their profession and how they may learn about these changes outside the classroom. The report should include the following:

- (a) a summary of the information in the article,
 - (b) the student's opinion (pros and cons) of the subject and the student's opinion concerning the author's viewpoint (minimum of one full page), and
 - (c) the student's reason for selection of the particular subject.
 - (d) a formal bibliography is not required but the student **MUST** cite the source of information for the paper.
 - (e) The student is not required to submit a copy of the original article.
 - (f) The report is due by 4:00 p.m. on **Monday, October 8**. The grade for the paper will be reduced by 50% for every day that it is late.
- (2) Graduate students are required to write an additional 3 to 5 page paper on the original pronouncement behind any of the rules discussed during this course. References to many of the original pronouncements are made throughout the footnotes in the chapters of the Intermediate Accounting textbook. The report should include the following:
- (a) history of the pronouncement (effective date, other rules affected, etc.)
 - (b) summary of the pronouncement (minimum of one full page),
 - (c) student's opinion of the reasoning behind the pronouncement,
 - (d) student's reason for interest in the particular subject.
 - (e) The report is due by 4:00 p.m. on **Monday, November 5**. The grade for the paper will be reduced by 50% for every day that it is late.
- g. Up to 10 professional development points will be allowed for this class. In accordance with the guidelines of the professional development program of the College of Business, the student is expected to attend various professional meetings on campus as well as off campus. In order to receive credit for attending these meetings, the students must properly register their attendance on the sign-in sheet at the meeting or turn in the half page professional development reporting form to Terry Unruh's office (GC3F09) in the School of Business. These forms must be turned in by the end of the week in which the meeting occurred. **The deadline for turning in these forms and earning PDP credit is Friday, November 30, 2012.**
2. Excessive absences can reduce a student's grade or deny credit for the course. Each student is allowed **three** unexcused absences. **Any additional absences will reduce the student's total points by 10.** (For example, if a student misses 4 times without an approved excuse, the student will lose 10 points, 5 missed classes will cause a loss of 20 points, etc.)
3. Whole Person Assessment Requirements – None
4. Faculty Member Terry Unruh
Office Location GC3F09
Office Hours Monday through Friday 1:50 – 2:40 p.m.
 Monday, Wednesday, and Friday 8:30 – 9:30 a.m.
Office Phone # 918-495-7781
Home Phone # 918-496-9044
 (Calls at home will only be accepted prior to 10 pm)
e-mail tunruh@oru.edu

VI. COURSE CALENDAR - FALL 2012 (Kieso, 14th Edition)

<u>UNIT</u>	<u>DATE</u>	<u>CHAPTER</u>	<u>OBJECTIVE</u>	<u>ASSIGNMENTS</u>
1	Aug. 17		Intro	Introduction and Syllabus
2	20	1	1a	Read Chapter 1
3	22		1b	CA 1 - 14
4	24	2	1b	Read Chapter 2
5	27		1c	Exercise 2 - 4
6	29		1c	Exercise 2 – 9 (last day to drop/add)
7	31	3	2a	Read Chapter 3
	Sept. 3		L a b o r D a y	
8	5		2a	Exercise 3 - 1
9	7		2b	Catch Up Day
10	10		2c	Exercise 3 - 10
11	12	4	2d1a,b	Read Chapter 4
12	14		2d1b,c,d	Problem 4 - 4
13	17		2d2	Problem 4 - 2
14	19	5	2d3	Read Chapter 5
15	21		2d3	Exercise 5 - 4
16	24		2d3	Problem 5 – 17(B)
17	26		REVIVAL	
18	28		Test	Test 1 (Chapters 1 – 5)
19	Oct. 1			Review Exam
20	3	23	2d4a	Read Chapter 23
21	5		2d4b	Problem 23 – 8(B)
22	8		3a,b	Problem 23 – 3 (<u>Term Paper #1</u>)
23	10	6	3c,d	Read Chapter 6
24	12		3e	Problem 6 - 2
	13 - 21		F a l l B r e a k	
25	22		3e	Problem 6 - 7
26	24	7	4a	Read Chapter 7
27	26		4b1,2,3	Problem 7 - 14
28	29		4,b,4	Exercise 7 - 14
29	31	Test		Test 2 (Chapters 23, 6, & 7)
30	Nov. 2			Review Exam
31	5	8	4c1	Read Chapter 8 (<u>Grad Paper</u>)
32	7		4c2	Problem 8 - 6
33	9		4c3	Problem 8 - 8
34	12	9	4c4	Read Chapter 9
35	14		4c5	Problem 9 - 1
36	16		4c6	Problem 9 - 7
37	19	10	4d1	Read Chapter 10
	21 - 25		T h a n k s g i v i n g	
38	26		4d2,3	Problem 10 - 3
39	28		4d4	Exercise 10 - 19
40	30	Test		Test 3 (Chapters 8, 9, & 10)
41	Dec. 3			Review Exam
42	5	12		Read Chapter 12
43	7		4d1, 2, 5	Problem 12 - 2

10 - 14 **F i n a l E x a m W e e k**

Course Inventory for ORU's Student Learning Outcomes

Intermediate Accounting I ACT 327/GACT 527 Fall 2012

This course contributes to the ORU student learning outcomes as indicated below:

Significant Contribution – Addresses the outcome directly and includes targeted assessment.

Moderate Contribution – Address the outcome directly or indirectly and includes some assessment.

Minimal Contribution – Address the outcome indirectly and includes little or no assessment.

No Contribution – Does not address the outcome.

The student Learning glossary at <http://ir.oru.edu/doc/glossary.pdf> defines each outcome and each of the proficiencies/capacities.

OUTCOMES and Proficiencies/Capacities		Significant Contribution	Moderate Contribution	Minimal Contribution	No Contribution
1	Outcome #1 – SPIRITUALLY ALIVE				
	<i>Proficiencies/Capacities</i>				
1A	Biblical knowledge				X
1B	Sensitivity to the Holy Spirit				X
1C	Evangelistic capability				X
1D	Ethical behavior		X		
2	Outcome #2 – INTELLECTUALLY ALERT				
	<i>Proficiencies/Capacities</i>				
2A	Critical thinking	X			
2B	Analytical problem solving	X			
2C	Global and historical perspectives			X	
2D	Aesthetic appreciation			X	
2E	Intellectual creativity	X			
2F	Information literacy		X		
3	Outcome #3 – PHYSICALLY DISCIPLINED				
	<i>Proficiencies/Capacities</i>				
3A	Healthy lifestyle				X
3B	Physically active lifestyle				X
3C	Properly balanced nutrition plan				X
4	Outcome #4 – SOCIALLY ADEPT				
	<i>Proficiencies/Capacities</i>				
4A	Communication skills		X		
4B	Interpersonal skills		X		
4C	Appreciation of cultural and linguistic differences				X
4D	Responsible citizenship		X		
4E	Leadership capacity		X		