



ACCT 201 M1 – ACCOUNTING FOR DECISION MAKING I

Instructor Information:

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Course Information:

Catalog Description: Introduces students to the accounting cycle, the financial statements, and the theory underlying accounting as information. Provides users of accounting information with a basic understanding of how to appraise and manage a business. Addresses current accounting topics, including relevant ethical and international issues found in the financial press.

Instructor's Additional Course Description: Accounting for Decision Making I is the first course of a two-course sequence designed to provide largely external users of accounting information with the skills required to appraise and manage a business. The course will cover several current accounting topics and try to provide an understanding of how accounting events affect the financial statements of companies. Students who plan to concentrate in accounting will get the necessary foundation to pursue additional accounting courses, while non-accounting majors will benefit from an overview of the accounting system.

Prerequisites: MATH 128 or higher and WRI-102 or WRI-H103 or SBS 220.

Credit Hours: 3

This course follows the US Federal Government's Credit Hour definition: "An amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutional established equivalence that reasonably approximates no less than:

- (1) One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time; or
- (2) At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours."

For full up-to-date statement:

https://cihe.neasc.org/sites/cihe.neasc.org/files/downloads/POLICIES/Pp111_Policy_On_Credits-And-Degrees.pdf

Course Materials:

- Edmonds, Edmonds, McNair and Olds, *Fundamental Financial Accounting Concepts*, Ninth Edition (International), (Irwin McGraw-Hill Publishers), 2015. It is obligatory for students to purchase an ebook version of this book by registering on the following link:

<http://connect.mheducation.com/class/n-byrne-fall-2018-mw-1600-1730>

- PowerPoint slides for each chapter to be published on Blackboard prior to coverage in class. Students are required to download these slides and bring them to class.
- CONNECT – Homework Assignment Platform (see further detail below).

Your Text and Online Materials

It is essential to bring your textbook to class as often we will be looking at examples or charts in the book and occasionally if time permits doing some exercises. The text we are using is a cutting-edge college learning tool, accompanied by many web-based resources. You've paid for the development of these amazing high-tech services through the high cost of your textbook, so MAKE GOOD USE OF THEM!

Course Goals & Learning Objectives:

Upon successful completion of this course, students will know/understand	Upon successful completion of this course, students will be able to	How the student will be assessed on these learning outcomes:
• the financial statements of a company and the relationship between them.	<ul style="list-style-type: none"> • name the four main financial statements and understand the main items that exist in each statement; • prepare these financial statements once they have completed the accounting cycle; • perform a basic analysis of these financial statements. 	<ul style="list-style-type: none"> • Students will have to prepare a set of financial statements for two months as part of project one; this will also be examined on the mid-term exam. • Students will have to prepare written homework exercises and online Connect homework assignments.
• the various steps of the accounting cycle; • what accruals and deferrals are and how to account for them; • the double-entry accounting system.	<ul style="list-style-type: none"> • prepare general journals; • post general journals to the general ledger using debits/credits of the double-entry accounting system; • make month-end adjustments for accruals and deferrals; • balance general ledger accounts and prepare an adjusted trial balance. 	<ul style="list-style-type: none"> • Students will have to process a set of transactions and adjustments as part of project one; this will also be examined on the mid-term exam. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for Merchandising Businesses.	<ul style="list-style-type: none"> • account for purchases and sales of inventory; • account for discounts, allowances and purchase returns; • account for sales discounts, allowances and returns; • account for shrinkage in inventory levels due to breakage, waste and items stolen. 	<ul style="list-style-type: none"> • Students will have to do a project based on inventory; this will also be examined on the mid-term exam. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for different inventory valuations.	<ul style="list-style-type: none"> • account for inventory under the FIFO, LIFO and Weighted Average methods; • account for the lower of market value and historical cost rule; • appreciate the effect of inventory valuation on profits reported and taxes paid. 	<ul style="list-style-type: none"> • Students will have to do a project based on inventory; this will also be examined on the mid-term exam. • Students will have to prepare written homework exercises and online Connect homework assignments.
• the various internal controls that exist in a business, especially in the area of cash.	<ul style="list-style-type: none"> • explain and list the various internal controls that exist in a business; • appreciate the necessary controls that are needed to safeguard cash; • perform bank reconciliations. 	<ul style="list-style-type: none"> • There will be a bank reconciliation on the final exam. • Students will have to prepare written homework exercises and online Connect homework assignments.

Upon successful completion of this course, students will know/understand	Upon successful completion of this course, students will be able to	How the student will be assessed on these learning outcomes:
• account for receivables and the possibility of bad debts	• distinguish between the general ledger accounts receivables account and the subsidiary ledger of accounts receivables; • apply the various methods of accounting for doubtful debts; • account for credit card transactions.	• There will be an accounts receivable question on the final exam. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for long-term operational assets and how to depreciate them.	• cost an asset initially and determine all of the costs that are allowed to be included in the initial cost of asset; • apply the various depreciation methods that are permissible; • explain the effect of the depreciation method chosen on profits reported and taxes paid; • account for the disposal of an asset.	• There will be a question on the final exam related to long-term operational assets. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for current liabilities and payroll.	• account for accounts payables and accruals, particularly in the area of payroll; • make payments to the relevant government authority to clear any payroll tax liabilities; • account for notes payable and the interest payable on it.	• There will be a question on the final exam related to current liabilities and payroll. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for long-term debt.	• explain the advantages and disadvantages of debt; • understand what is included in a bond contract; • account for bonds and the premium or discount applicable on issue of these bonds.	• There will be a question on the final exam related to long-term debt. • Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for proprietorships, partnerships and corporations.	• distinguish between the characteristics of proprietorships, partnerships and corporations; • explain the differences in accounting for proprietorships, partnerships and corporations.	• Students will have to prepare written homework exercises and online Connect homework assignments.
• how to account for equity transactions.	• account for the issues of various types of equity at par value and above par. • account for cash dividends, stock dividends and stock splits.	• Students will have to prepare written homework exercises and online Connect homework assignments.
• how to prepare a cashflow statement.	• appreciate the importance of a cash flow statement; • prepare a basic cash flow statements; • perform a basic analysis of a cash flow statement.	• Students will have to prepare written homework exercises and online Connect homework assignments.

The course objectives will be achieved through reading and preparation of class sessions, lectures, exams, projects and homework assignments both written and online through Connect Homework Manager. Students are expected to read the chapters and power point slides before topics are covered in class. Class sessions will be used to explain key concepts; however, homework assignments and any project queries

will be dealt with in the extra tutorial hours as there is a huge amount of material to cover in the normal classes.

Assignments/Exams/Grading and Evaluation

Mid-term exam:	25%
Project 1:	15%
Project 2:	10%
Final exam:	20%
Participation:	5%
Attendance:	5%
Connect Homework Exercises:	20%
Total:	100%

Percentage	Grade	Percentage	Grade
94-100	A	77-79	C+
90-93	A-	73-76	C
87-89	B+	70-72	C-
83-86	B	60-69	D
80-82	B-	59 or less	F

Course/Classroom Policies:

Make-Up Exams

There will be no make-up exam for the mid-term. If a student misses the mid-term, the % allocated to it will be transferred to the final exam ONLY if that student has an excused absence, i.e., a certificate from a doctor which must be brought in immediately after the mid-term. Failure to produce such a certificate will result in loss of 10% of the 25% allocated to the mid-term with the other 15% transferred onto the final exam.

A make-up final exam will be provided for a student only if that student has three final exams on the same day or there are two coinciding exams. I will require evidence of such an event, and I must be notified at least **TWO** weeks in advance of the final exam in order to arrange an alternative time to take the final exam.

Written Homework Assignments

Written homework has been assigned with each chapter; you can find details of this on the last page of the PowerPoint slides for each chapter. It is extremely important that you do this assigned homework, as accounting is learnt through doing rather than reading. I will be going through the solutions to these homework assignments in extra tutorials on Thursday afternoons from 14:15 to 15:45 in Room 4, and I strongly encourage all students to attend, especially those who experience more difficulty with accounting. We will **not** be going through the homework solutions to these homework assignments during normal classes, as there simply isn't sufficient time. However, if you cannot attend the tutorials, you should check your answers against the solutions that I will publish on Blackboard. ***The written homework will prepare you for the mid-term and final exams much better than the Connect homework.***

CONNECT Homework Manager Assignments

In addition, we will be using the McGraw-Hill CONNECT Accounting and Assessment platform to prepare homework assignments. These assignments will represent a very significant part of your grade (**20%**), and it is absolutely essential that all students do these assignments, as good performance in these exercises will take some pressure off the mid-term and final exams. There are a certain number of points available for these assignments. The amount of the 20% extra credit awarded will depend on how you score on these points, taking into account the 90% rule below to account for times when you encounter computer bugs or any other problems submitting.

To account for any potential Connect bugs or potential cases in which you will not be able to submit all the assigned homework, to earn the full credit of 20% allocated to the Connect homework assignments you only need to score an average of 90% or over.

The due dates for the assignments are set at the beginning of the semester, so you cannot submit any assignments late. The assignments are checked automatically by the software. To avoid any possible problems, you should familiarize yourself with the software before the assignment is due. Homework for each chapter will be due as of 11:55 pm on the day stated on the assignment. The due date is approximately a week after we cover the material for those assignments in class.

Extra Tutorials

As there is simply not time to go through all of the homework assignments in normal class hours, I have set up special tutorials on Thursday afternoons in Room 4, from 14:15 to 15:45 to go through homework assignments step by step, queries on projects and any other difficulties a student may be experiencing with the material. It is essential that students who are having problems attend these tutorials on a regular basis. It will be mandatory for any student receiving a C- or less at mid-term to attend these tutorials for the rest of the semester. Failure to attend will affect your participation grade.

Projects

Projects will be due on the dates discussed in class, but students will have at least two weeks to complete the project. Projects handed in late will be marked down. Time will be allocated in the extra tutorials to deal with any queries on the projects. Students are expected to work alone on their projects, but I will be available in the tutorials or during office hours to help with any problems. Details of the projects are as follows:

- ✓ **Project 1:** Students will be asked to prepare a full set of accounts for a Wedding Rental Company including preparing journal entries, posting entries to the general ledger, making and posting adjustments, extracting a final trial balance and preparing an Income Statement, Statement of Changes in Stockholders' Equity, Balance Sheet and Statement of Cash Flows. This project will be based on the material learnt in the first three chapters.
- ✓ **Project 2:** Students will be expected to value Cost of Goods Sold and Closing Inventory based on three different types of stock valuation for a chair manufacturing company and assess the effect of each valuation method on the financial statements of the company and its potential purchase price. This project will be based on the material learnt in chapters 4 and 5.

Further instructions on the projects will be given in separate project brief documents.

Punctuality, Leaving Class and Respectfulness

Please do not be late for class as it is extremely disruptive to the class. The door to the classroom will be shut ten minutes after the commencement of the class, and you will not be allowed to enter the class after this time. If this occurs, it will be counted as an unjustified absence. I prefer nobody to leave the class during the lesson, but if it is an absolute emergency, please raise your hand and ask for permission to leave. There will be zero tolerance towards disrespectfulness. Anyone acting disrespectfully towards me will be invited to leave the class and see me during my office hours to explain their behavior before being allowed back into class again. I consider the class to be a professional situation, and I expect all students to act professionally both towards me and their classmates. All discussion of grades or academic performance will take place in my office during my office hours and not in the classroom.

Using Electronic Equipment in Class

It is strictly forbidden to use laptops, ipads, mobile telephones or any other electronic equipment in class, so please switch them off prior to entering into class. You may download the PowerPoint slides to your laptop, but please be aware that you will not be able to look at them in class, as laptops are not allowed in

the classroom. However, on those occasions that we use the textbook in class to do some exercises, you will be allowed to use an electronic device to access your ebook but only for this use.

Food or drink in class

It is strictly prohibited to bring food and drink (except water) into class. Water should be obtained prior to commencement of class; students should not leave during class to get it.

Participation/Attendance Policy:

The SUMC Student Handbook states the following:

Once a student is registered for a course, attendance at every meeting of every class is expected, including those held in the first week of the semester. A maximum of two unjustified absences is permitted. Each additional absence will cause the final course grade to be lowered by one-third of a letter grade, i.e., from A to A-; A- to B+; B+ to B, etc.

Excessive absences in a course will have a negative effect on the final grade. When a student is absent, the quality of his or her work in a course will deteriorate since material missed in class sessions can rarely be made up satisfactorily, even though the student remains responsible for that work.

Please note that even when a student has a justified reason for missing class, such as illness, the negative academic impact on learning will be the same as if the absence were for spurious reasons.

In this course, any absence due to illness should be justified by a note from the student's physician or other health professional confirming the day(s) on which the student was unable to attend class. A written excuse from a student's host parent or residence supervisor is also acceptable.

In the event that a class meeting is unexpectedly cancelled, students will be expected to continue with readings or other assignments as originally scheduled. Any assignments due or class activities (e.g., a quiz, exam or presentation) planned for such a cancelled class are due at the next class meeting unless other instructions are communicated.

More on Participation

You **must** bring your textbook and downloaded PowerPoint slides to class, as we will be using both of them extensively. It is essential that students read the chapters and slides prior to class, given the fast pace needed in order to cover the extensive amount of course material. Participation makes the class more interesting and clarifies your understanding of the material. Participation includes being on time for class, attentiveness, your ability to ask thoughtful and relevant questions and your ability to respond to questions when called upon. Applying the knowledge learnt to real life companies and life experiences is especially welcome.

More on Attendance (Expected)

The members of the Accounting Department feel that your attendance at every class meeting is necessary for mastery of our curriculum. Attendance and promptness are expected. Faculty will take attendance at every class, and your grade will be affected by a lack of compliance. For a class that meets twice a week, each student is allowed two unexcused absences. Any student who has more than two unjustified absences will have their attendance/participation grade reduced by one third of a grade for each absence in excess of the two allowed. For example, if you have three unjustified absences and your final grade is initially a B, this will be reduced to a B-.

In rare instances, students may have to miss class for a valid, university-sanctioned reason. In general, an absence is considered "official" when: (a) the student is participating in an approved field trip or other official Suffolk University activity; (b) the absence is confirmed under doctor's orders; or (c) the student is granted a leave of absence from Suffolk for reasonable cause by an academic dean. Students are required

to show official documentation indicating a university-sanctioned reason for absence. Tardiness and absence due to work-related responsibilities are not excused absences.

Statement on Accommodations for Students with Disabilities (CAS & SBS):

If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in my classroom.

If you determine that you need formal, disability-related accommodations, it is very important that you register with the Office of Disability Services (617.994.6820 / disabilityservices@suffolk.edu) and notify me of your eligibility for reasonable accommodations. We can then plan how best to implement your accommodations. For more information, look here: www.suffolk.edu/disability.

Student Resources:

SUMC provides a range of student services, both academic and personal. To learn more about course-related tutorials and academic workshops, refer to the SUMC Student Handbook, Section 2 "Academic Policies and Services". Section 5, "Living in Madrid", contains information on the medical and mental health resources, including an English-speaking therapist, available to you.

Midterm Review:

At midterm, around week 6, you will be given a midterm grade based on your progress to date and performance on the first project and the midterm exam. Midterm grades of C- or below will be reported to the Madrid Campus Academic Standing Committee, with an explanation of what I believe has contributed to that grade: excessive absences, poor time management or study skills, lack of effort, difficulty with the course material or with writing or language skills, etc. The Academic Standing Committee or I may contact you to suggest strategies for addressing these difficulties. I strongly encourage you to visit me during my office hours so we may discuss how you can be successful in this class.

Academic Misconduct:

www.suffolk.edu/about/mission-history/policies-procedures/academic-misconduct-policy

Suffolk University expects all students to be responsible individuals with high standards of conduct. Students are expected to practice ethical behavior in all learning environments and scenarios, including classrooms and laboratories, internships and practica, and study groups and academic teams. Cheating, plagiarism, unauthorized collaboration, use of unauthorized electronic devices, self-plagiarism, fabrication or falsification of data, and other types of academic misconduct are treated as serious offenses that initiate a formal process of inquiry, one that may lead to disciplinary sanctions.

Student work will be thoroughly examined for academic integrity and may be scanned using plagiarism detection software. A faculty member suspecting academic misconduct will contact the student using the Suffolk email address to schedule a meeting and will make all effort to do so within five business days of detecting the incident. During the meeting, the faculty member will present the documentation that led to suspected academic misconduct. Resolution of the incident will be according to the procedures outlined in the SUMC Student Handbook.

Academic Grievances Policy:

www.suffolk.edu/student-life/student-services/student-handbook/university-policies-for-student-cas-sbs/grievances-academics

Class Outline, Schedule and Readings

The schedule, policies, procedures and assignments in this course are subject to change in the event of extenuating circumstances, by mutual agreement, and/or to ensure better student learning.

CLASS	TOPIC	READINGS
1.	Introduction, Syllabus Review, getting set up on Connect etc.	
2.	An Introduction to Accounting and Financial Statements	Chapter 1
3.	An Introduction to Accounting and Financial Statements	Chapter 1
4.	Accounting Cycle: Accruals	Chapter 2
5.	Accounting Cycle: Deferrals	Chapter 2
6.	The Double Entry Accounting System	Chapter 3
7.	The Double Entry Accounting System	Chapter 3
8.	Accounting for Merchandising Businesses	Chapter 4
9.	Accounting for Merchandising Businesses	Chapter 4
10.	Accounting for Inventories (LIFO/FIFO/WA)	Chapter 5
11.	Accounting for Inventories (LIFO/FIFO/WA) and review for mid-term	Chapter 5
12.	Mid-Term Exam	Chapters 1-5
13.	Internal Control and Accounting for Cash	Chapter 6
14.	Internal Control and Accounting for Cash	Chapter 6
15.	Accounting for Receivables	Chapter 7
16.	Accounting for Receivables	Chapter 7
17.	Long-Term Operational Assets	Chapter 8
18.	Current Liabilities & Payroll	Chapter 9
19.	Current Liabilities & Payroll	Chapters 9
20.	Accounting for Long-Term Debt	Chapter 10
21.	Accounting for Long-Term Debt	Chapter 10
22.	Proprietorships, Partnerships, & Corporations	Chapter 11
23.	Proprietorships, Partnerships, & Corporations	Chapter 11
24.	Statement of Cash Flows	Chapter 12
25.	Statement of Cash Flows	Chapter 12
26.	Final Exam review class	
	Final Exam	Chapters 6-12

Note: Written homework exercises are listed on the last PowerPoint slide for each chapter. CONNECT homework exercises are listed on the CONNECT website.