

**CIMBA**  
**Accounting 3300 – Valuation of Financial Claims (Intermediate II)**  
**Spring 2014**

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Classroom: TBD  
Class time: TBD  
Office Hours: TBD

### Text

Intermediate Accounting, 15<sup>th</sup> edition - Kieso, Weygandt, and Warfield

### Course Overview

This course is designed to extend your understanding of the recording of financial information, and of financial statement preparation and interpretation primarily associated with the liabilities and equity side of the balance sheet. We will also review/expand from your Intermediate I course the statement of cash flows, and significant attention will also be given to revenue and expense recognition (income statement). The financial statements *collectively* are really inseparable in the effective analysis of any organization. Objectives of the course include:

- Understand how to account for transactions under US GAAP.
- An awareness of International Financial Reporting Standards (IFRS) and variations between statements prepared with GAAP and with iGAAP.
- Understand accounting theory as it relates to the measurement and disclosure of financial information.
- Recognize and appreciate the importance of reliable, high quality financial reporting and transparency.
- Understand financial statement content (including footnote disclosures) in order to improve decision making based on analysis of the balance sheet, income statement, and statement of cash flows.
- Understand the impact of business transactions on the different financial statements.
- Recognize important accounting issues, including ethical issues, and ask critical questions.

### Class Format

Coverage for each chapter will include a PowerPoint based lecture, working through assigned homework problems, and class discussion. The PowerPoint lecture will be made available on ICON, and solutions to the assigned homework will also be on ICON after we have completed in-class coverage of the chapter.

I will not be collecting assigned homework. However, having satisfactorily completed all pre-requisite courses for admittance to this course you are well aware of the learning value, and academic performance/result, of attempting and working through the homework. Accounting subject matter does not lend itself well to just “read and digest” – effort at working through exercises/problems is critical to the learning process. It is *essential* that you have a well-established foundation at the “Intermediate” level (Acct. 3200 and 3300) for future Accounting courses you might take, and all the more for a career in Accounting!

### Course Grade

The course grade will be based on total points allocated approximately as follows:

|                             |                   |
|-----------------------------|-------------------|
| Exam 1 (Ch. 1 – 7)          | 100 points        |
| Exam 2 (Ch. 8 – 12, 17, 18) | 100 points        |
| Quizzes (best 6 of 8)       | <u>120 points</u> |
| Total Possible Points       | <u>320 points</u> |

The semester points which must be earned for each letter grade are listed below.

|    |   |           |              |   |   |           |             |
|----|---|-----------|--------------|---|---|-----------|-------------|
| A+ | = | 307 – 320 | [96% - 100%] | A | = | 288– 306  | [90% - 95%] |
| B+ | = | 275 – 287 | [86% - 89%]  | B | = | 256 – 274 | [80% - 85%] |
| C+ | = | 243 – 255 | [76% - 79%]  | C | = | 224 – 242 | [70% - 75%] |
| D+ | = | 211 – 223 | [66% - 69%]  | D | = | 192 – 210 | [60% - 65%] |

Course grades will be approximately distributed according to the recommended guidelines of the Accounting Department at the University of Iowa, which is approximately 30% A's, 40% B's, 25% C's and 5% D's and F's. Plus and minus will be used.

### Exams

There will be two Exams, with points and chapter coverage as previously identified. The Exams will be closed book and closed notes, and will consist of problems as well as possibly short answer essay questions. A basic 4-function calculator will be sufficient for the Exams (as well as for Quizzes). In fact, you can use only a calculator that *does not* have the ability to store text. Cell phones and PDA's *cannot* be used as calculators during an Exam (or Quiz).

I do not anticipate scheduling a comprehensive final exam – Exam 2 will take place during the scheduled final exam time. However, I reserve the right to include some Exam 1 (i.e. “comprehensive”) material on Exam 2 if appropriate and warranted. I will let you know well in advance if this is the case and specifically what material might be eligible.

### Quizzes

Quizzes may be either announced or unannounced and will take place on 8 occasions throughout the semester (20 points each), with the best 6 counting toward your semester grade (i.e. maximum of 120 points). A Quiz can take place on any given class day and at any point during class time. It could take place prior to our lecture for that chapter, or at any time during or immediately after completion of the chapter. To maximize your Quiz points for the semester you should come to each class reasonably prepared for that day's expected lecture and/or homework coverage and to stay mentally engaged in the information we discuss during our time together.

The format described above can be considered the “minimum format”. There will be at least 160 Quiz points available during the course of the semester, with a maximum accumulation of 120 points. As the semester progresses, this format may be modified to include more Quizzes (and likely for fewer points each) or in other ways. I will let you know in advance of any potential modifications.

### Accommodations for Students with Disabilities

If you have a disability that may require some modification of seating, testing, or any other class requirement, please let me know as soon as possible so that appropriate arrangements can be made. Similarly, if you have any emergency medical information about which I should be aware, or if you need special arrangements in the event the building must be evacuated, please let me know.

### FERPA Requirement

In order to participate in this class, it may be necessary to reveal to other students the names of students who are enrolled in this course. If you do not want your name revealed to other students enrolled in this course, please contact me in writing by the end of the first week of classes.

### CIMBA Attendance Policy

Attendance at all classes and CIMBA sanctioned activities is MANDATORY. All unexcused absences will have the following consequences:

- 1<sup>st</sup> absence will result in a loss of ½ of a letter grade
- 2<sup>nd</sup> absence (cumulative) will result in a loss of an entire letter grade
- 3<sup>rd</sup> absence (cumulative) will result in dismissal from the program

Absences due to illness require a note from the CIMBA office staff and/or the Instituto Filippin medical staff. If you are sick and cannot attend class, you must inform the CIMBA staff immediately. Failure to do so will result in an unexcused absence.

In light of the attendance policy there will be no make-ups for Quizzes, and make-up for an Exam will be *only* in the most *exceptional* circumstances for an excused absence and with prior approval expected/required.

#### **Other Policies – Academic Dishonesty, Sexual Harassment, etc.**

Be ethical, exercise integrity, treat everyone with courtesy and respect, do the right thing, play nice – it's as simple as that. If it comes to my attention at any time and in any way during the semester that any of these things have been compromised, the consequence (up to dismissal from the program, if so warranted by the infraction) will be appropriate for the circumstance according to my judgment and within CIMBA and University of Iowa, Tippie College of Business regulations. It's as simple as that.

#### **Grievance Policy**

Student concerns regarding this course should first be discussed with me. If we can't resolve the concern, you may contact the CIMBA Undergraduate Staff. If the Staff cannot resolve your concern, then you may contact the Associate Dean of Undergraduate Programs at the University of Iowa.

## Tentative Daily Schedule

| Meeting No. | Chapter    | Topic                                    | Homework                              |
|-------------|------------|--|---------------------------------------|
| 1           | Intro & 13 | Current Liabilities & Contingencies      | E 3,11,16,19                          |
| 2           |            | Current Liabilities & Contingencies      | P 2,11,12: FS Analysis Case 1         |
| 3           | 14         | Long-Term Liabilities                    | E 1,8,13: P 1                         |
| 4           |            | Long-Term Liabilities                    | P 5,6,8,13: CA 1                      |
| 5           | 15         | Stockholders' Equity                     | E 11,15,22: P 1                       |
| 6           |            | Stockholders' Equity                     | P 4,5,8,10                            |
| 7           | 16         | Dilutive Securities & Earnings per Share | P 1,2,3                               |
| 8           |            | Dilutive Securities & Earnings per Share | P 4,5,7                               |
| 9           | 18         | Revenue Recognition                      | E 10,12,13                            |
| 10          |            | Revenue Recognition                      | E 23: P 1,9,15                        |
| 11          |            | Catch-up & Review                        |                                       |
| 12          | Exam 1     |  |                                       |
| 13          | 19         | Accounting for Income Taxes              | E 6,7: P 1,4                          |
| 14          |            | Accounting for Income Taxes              | P 5,6: CA 6,7                         |
| 15          | 21         | Accounting for Leases                    | E 2,5,13,15                           |
| 16          |            | Accounting for Leases                    | P 1,7,15: CA 2                        |
| 17          | 22         | Accounting Changes & Error Analysis      | E 4,18,19,21                          |
| 18          |            | Accounting Changes & Error Analysis      | P 2,4,8: CA 2                         |
| 19          | 23         | Statement of Cash Flows                  | E 5,6,8,9, 10                         |
| 20          |            | Statement of Cash Flows                  | E 16: P 9: CA 2: FS Analysis Case     |
| 21          | 24         | Full Disclosure in Financial Reporting   | E 1,2,6: P 3: CA 13: FS Analysis Case |
| 22          |            | Catch-up & Review                        |                                       |
|             | Exam 2     |  |                                       |