ACCT 2300-01
Principles of Accounting I: Financial

Faculty:       Professor Carlos Mello e Souza (carlosms@seattleu.edu)
Office:       Pigott 427, #5739
Class meetings:  M, W, F, 9:20-10:45 PM, Pigott 200
Office hours:  M, W, F, 9:00-9:20 AM and 10:45-11:30 AM;
               by Skype (“cmeluza”); or by appointment.

1. Objective

The goal of ACCT 2300 is to develop the student’s ability to understand and interpret financial statements of business entities and how those statements are prepared, so that he or she can:

- determine whether a business is profitable, how profitable it is compared with similar businesses and overtime, and where its profits (or losses) come from;
- examine whether a business is in risk of failure, how risky it is compared with similar businesses and overtime, and what are the main sources of risk;
- determine the income and financial position of a simple business using accrual accounting techniques.

2. Contribution to Accounting Department’s Undergraduate Learning Outcomes

This course contributes learning outcomes 1 and 4 of the Undergraduate Accounting Program:

LO1: Recommend a course of action in an external reporting situation using accounting standards to justify your rationale.
LO4: Assess how business risks relate to risks in internal controls, financial reporting, and/or audit.

To a lesser extent, this course also contributes to learning outcome 5:

LO5: Weigh the ethical, stakeholder, and stewardship implications of an accounting decision.

3. Prerequisite

To enroll in ACCT 2300 students must have completed at least 30 credits.

4. Required Textbook


5. Grading

Performance evaluation will be based on the best 5 out of 7 quizzes (70% of the grade), and on a final exam (30% of the grade). If your grade on the 5 best quizzes is at least 85/100, i.e., a B+ or better, you can keep that grade as your grade in the course and skip the final
exam. If you have 85% or better, and still decide to take the final exam, your grade in the course will never be lower than a B+.

Quizzes should take up to 30-40 minutes to complete. The final exam should take up to 2 hours to complete, and will be based on questions similar to those listed on the schedule, and those included in quizzes. No make-up quizzes will be given, unless you must miss more than two of them for important reasons beyond your control, such as those related to work, care of a family member, or health.

An approximate correspondence of letter grades with numerical scores is as follows:

<table>
<thead>
<tr>
<th>&lt; 50</th>
<th>≥ 50</th>
<th>≥ 60</th>
<th>≥ 70</th>
<th>≥ 75</th>
<th>≥ 85</th>
<th>≥ 90</th>
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<tbody>
<tr>
<td>F</td>
<td>D</td>
<td>C-, C, C+</td>
<td>B-</td>
<td>B</td>
<td>B+</td>
<td>A-, A</td>
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</table>

The correspondence in the table above is approximate because I wait for significant gaps in ranked scores before changing letter grades.

6. Honesty

I expect that you will abide by the University’s Academic Honesty Policy. “Seattle University is committed to the principle that academic honesty and integrity are important values in the educational process. Academic dishonesty in any form is a serious offense against the academic community.” If you are not sure about whether a particular action is acceptable according to the Academic Honesty Code, you should check with me before engaging in it.

As required by University regulations I must report to the department’s chair all verified instances of plagiarism, cheating and usage of unauthorized sources in exams, papers, projects, homework, or any other academic assignment. Depending on the severity and circumstances of the violation I may recommend that the student receive a grade of D or F in the course. According to University policy, “a single instance of plagiarism can be the basis for suspension or expulsion from our programs.” (Dean Joseph M. Phillips’ letter to students, November 2003.)

7. Conduct

I expect the highest level of professional conduct at all times. Reading of non-class materials must stop once class begins. Cell phones must on silent mode during class. Laptops, netbooks, iPads, and similar devices may be used for class-related activities, but please ask before video or audio recording class. All electronic devices must be turned off during exams.

8. Scheduling

I have prepared a week-by-week tentative distribution of topics throughout the quarter. Please check the schedule for assignment deadlines, exam dates, and topics that we will cover in class each time we meet. I may adjust the schedule from time to time as the course progresses due to variations in the time needed to explain each topic. I will announce any scheduling changes by email and in class with sufficient time for you to prepare.

My office hours are shown at the top of this syllabus. Office hours are a wonderful opportunity for you and me to discuss the course, financial accounting concepts, career
choices, or any other topic that you think I may be able to help you with. It is best to come to office hours regularly throughout the course, rather than just before an important deadline, because at that time many of your classmates may want to see me as well.

9. Students with Disabilities

If you have or think you may have a disability that interferes with your performance as a student in this class, I encourage you to arrange for special support and accommodations through the Disabilities Services staff at Seattle University’s Learning Center (Loyola 100, tel. 206-296-5740). Disability-based adjustments to course expectations can only be arranged through this process. You may also let me know at the beginning of the course so that I can make appropriate arrangements for you.

See schedule of classes on next page →
## 10. Tentative Class Schedule:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Preparation for class (*)</th>
<th>Quizzes</th>
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<tbody>
<tr>
<td>Sep 20</td>
<td>Introduction to the course</td>
<td>(no preparation needed) Syllabus</td>
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<tr>
<td>Sep 22</td>
<td>Financial Statements</td>
<td>Appendix A: Columbia</td>
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<tr>
<td>Sep 25</td>
<td><strong>Chapter 4:</strong></td>
<td>pp. 190-205</td>
<td>Quiz #1</td>
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<tr>
<td>Sep 27</td>
<td>Financial Statements</td>
<td>Problem set A: 1, 3, 5-8</td>
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<tr>
<td>Sep 29</td>
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<tr>
<td>Oct 02</td>
<td><strong>Chapter 1:</strong></td>
<td>pp. 4-23</td>
<td>Quiz #2</td>
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<tr>
<td>Oct 04</td>
<td>Accounting is for Decision-Making</td>
<td>Problem set A: 1, 2, 5-7, 9</td>
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<td>Oct 06</td>
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<tr>
<td>Oct 09</td>
<td><strong>Chapter 5:</strong></td>
<td>pp. 234-247</td>
<td>Quiz #3</td>
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<td>Oct 11</td>
<td>Merchandising Operations</td>
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<td>Oct 13</td>
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<td>Oct 16</td>
<td><strong>Chapter 6:</strong></td>
<td>pp. 276-294</td>
<td>Quiz #4</td>
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<td>Oct 18</td>
<td>Inventories</td>
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<td>Oct 20</td>
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<tr>
<td>Oct 23</td>
<td><strong>Chapter 8:</strong></td>
<td>pp. 382-398</td>
<td>Quiz #5</td>
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<td>Oct 25</td>
<td>Receivables</td>
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<td>Oct 27</td>
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<tr>
<td>Oct 30</td>
<td><strong>Chapter 9:</strong></td>
<td>pp. 426-448</td>
<td>Quiz #6</td>
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<td>Nov 01</td>
<td>Long-lived assets</td>
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<td>Nov 03</td>
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<td>Nov 06</td>
<td><strong>Chapter 13:</strong></td>
<td>pp. 630-656</td>
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<td>Nov 08</td>
<td>Fin. Statement Analysis</td>
<td>Case I: Columbia Sportswear</td>
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<td>Nov 10</td>
<td>No class (Veteran’s Day)</td>
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<td>Nov 13</td>
<td><strong>Appendix E:</strong></td>
<td>pp. E-2 to E-10</td>
<td>Quiz #7</td>
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<td>Nov 15</td>
<td>Time Value of Money</td>
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<td>Nov 17</td>
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<tr>
<td>Nov 20</td>
<td>Fin. Statement Analysis</td>
<td>Case II: Louis Vuitton</td>
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<td>Nov 22</td>
<td>No class (Thanksgiving)</td>
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<td>Nov 24</td>
<td>No class (Thanksgiving)</td>
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<td>Dec 27</td>
<td>Forecasting Financial</td>
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<td>Dec 29</td>
<td>Statements using Excel</td>
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<td>Dec 01</td>
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<td>Dec 05</td>
<td>Final Exam</td>
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(*) Exercises for weeks 4-11 will be announced one week in advance. Although the exercises listed here will be solved in class (in part or totally) with the instructor, you will learn more if you read and try to solve them before class. The final exam is comprehensive.