Seattle University is dedicated to educating the whole person, to professional formation, and to empowering leaders for a just and humane world.

Seattle University
Albers School of Business & Economics
Intermediate Accounting II (ACCT 3120)
Fall Quarter 2017

PROFESSOR: Niranjan “Chips” Chipalkatti  
OFFICE: Pigott 515B; # 206-296-5764
CLASS TIME: T, Th 1:30 pm to 3:35 pm  
CLASS ROOM: Pigott 204

OFFICE HOURS:  
T Th 11:15 to 12:30 pm; and by appointment.
The Discussion Forum is a great way to connect with me for course related queries.

CANVAS:  
https://seattleu.instructure.com/courses/1573508
E-MAIL:  
chipalka@seattleu.edu
Please use email for questions that are private in nature. For course related queries, I would prefer that you use the discussion forum. That way everyone benefits from our discussion.
As a general rule I do not respond to e-mails after 9 pm.

COURSE DESCRIPTION
The intermediate financial accounting courses are designed to prepare the student for a career in professional accounting. Upon conclusion of the sequence the student should: (1) understand the issues involved in accounting policy choice; (2) understand the process and the conceptual framework according to which accounting standards are set in the United States as well as internationally, and (3) have in-depth knowledge of accounting for transaction, events and adjustment affecting assets, liabilities, shareholders’ equity, revenues, expenses, gains and losses.

Prerequisite: ACCT 3110 Intermediate Financial Accounting I & either Excel Certification or IS 3150.

UNDERGRADUATE ACCOUNTING PROGRAM OUTCOMES

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

TEXTS and MATERIAL
2. Wiley Plus Software
   The Wiley Plus software should be included with your book if you bought it at the SU bookstore or elsewhere with the wiley software included. For those of you who do not have the software, you may register/purchase the same at wileyplus.com. Assignments and quizzes will be available and worked on this software. The Wileyplus URL is www.wileyplus.com/class/602280
   Please click on the UG Intermediate Acct. 2: CHIPS FQ2017 section.
3. FASB Accounting Standards Codification (free). I will provide you the login details in class.

“FLIPPED” CLASSROOM
I strongly recommend all students to view the “Narrated Power Point slides” for each chapter (starting with the Bonds chapter) before we do the chapter itself. An option, of course, is to read the chapter ahead of time! What this means is that you will understand the lecture content better and be ready to work through problems and cases in
class. Intermediate Accounting 2 material is difficult. You might want to consider viewing the “solution
Walkthroughs” and the “Applied Skills” sections too.

**HOMEWORK**

It is virtually impossible to succeed in this course if you do not complete your homework. For each chapter, I will
assign homework problems that will be due on a specified date to be considered for the homework grade. It is
critical that you learn how to complete homework problems without any assistance from your book or posted
solutions. Typically this does not happen the first time you attempt a problem but improves with practice.
Homework solutions for assigned problems will be available on the Wiley Plus software after the due date. All
homework assignments will be preloaded on the Wiley Plus course website. Also, there are additional problems
for each chapter on Wiley Plus that you may use for practice. You will receive full credit for the homework as
long as you obtain a score of 70% or above. If you obtain a score that is between 50% and 69%, you will only get
50% of the HW grade for that chapter’s assignment. Effort also means a good faith attempt to complete the
assignment on our own without copying someone else’s work. The latter will result in a score of zero in your
homework on the grounds of academic dishonesty.

**LAPTOP POLICY**

The use of laptops, netbooks, tablets or smartphones in class to take class-notes, view class material or work on in-
class projects is allowed and encouraged. However, please do not use laptops, tables, netbooks or smartphones in
class for any other non-class related activity (including instant messaging, web-browsing, etc.) unless specifically
permitted by the instructor.

**GROUP WRITTEN ASSIGNMENT**

There is one assignment which is worth 15% of your overall grade. This assignment will be graded for content
(80%) & for writing skills (20% for grammar, structure and presentation). Your assignment should (where
appropriate):

(a) Clearly describe the problem at hand,
(b) Describe the alternative accounting treatments available, (consider analogous treatments or accounting for
similar items)
(c) Choose an accounting treatment based on GAAP guidance (& not your opinion),
(d) Reject alternatives based on GAAP guidance (& not your opinion),
(e) Provide the accounting entries for whatever is feasible,
(f) Provide a logical explanation of your chosen alternative,
(g) Conclude.

For samples of good writing, all you need to do is read articles from The CPA Journal and Journal of Accountancy
that are available through the library. Make sure your group thinks through its arguments and arrives at some
consensus decision as to accounting treatment. Ambiguity in your response will result in a reduction of points. Be
assured that I am not looking for the ONE CORRECT WAY but I will be evaluating you on your research skills
and your writing skills. I want to see how you logically justify, by using coherent arguments based on GAAP, your
chosen alternative. Make sure that all GAAP used in your write-up are properly referenced. This means that you
will primarily be using ASC references for U.S. GAAP.

Assignment: To be assigned (It will be from the Trueblood case set). Please form groups of two.

**EXAMS**

There will be two mid-term exams and one final exam. The final exam may include chapters from the mid-term
exam. Exams will test your knowledge and understanding of the chapter material covered in class, topics discussed
in class and assigned homework. They may consist of multiple choice questions, short problems and/or short
essays. Both quantitative and conceptual knowledge will be tested. The exams will be closed book. Financial
calculators are allowed during the exam. Laptop computers & mobile devices are not allowed. No make-up exams
will be given without prior permission from me. There is a whole “Practice” section on Wiley Plus. This contains a
whole new Practice Set B. There is also a “CPA Practice” section.
GROUP INFORMAL PRESENTATIONS

This assignment also requires you to work in a group of two persons. Each group will be assigned or can select a topic from the course. The group is expected to research and obtain an example of the same from any company’s Form 10K filing. For example, I will be using Harley Davidson to demonstrate disclosures related to warranty liabilities. On an assigned date, the group will show a PowerPoint slide and present their findings to the class for no more than 5 minutes. These 5 minute sessions will start from Sept 28th. Each group should:

(a) Inform us about their company (brief)
(b) State the nature of its business (brief)
(c) Discuss the disclosures made by the company for the assigned topic (e.g. warranty liability)
(d) Discuss the accounting policy that company has adopted for the assigned topic (e.g. warranty liability)

The grading for this assignment will be based on the following factors:

1. Is the example used by the group relevant?
2. Do you have good slides?
3. Can you explain the facts clearly?
4. Can you be heard from the back of the classroom? Do you make eye contact with your audience?

Essentially, I am looking for good presentation skills and an ability to explain a complex accounting topic to an audience.

OTHER POLICIES

Class participation: Participation is strongly encouraged as it makes the class interesting and you get an opportunity to interact with me. It is my job to facilitate your learning process and also to challenge you. Please feel free to share your professional experiences that relate to the topic at hand. Also, remember that will be a “flipped classroom” and participation and collaborative learning is essential to its success.

Attendance: This class moves very quickly. You are expected to attend the class on time and be prepared for each class session. This is a rigorous and time-consuming class. It also tends to be cumulative which means that if you fall behind it is very difficult to catch up. In case of a planned absence, please notify me. Also, please read the chapter prior to class, use the narrated power points, go through the chapter notes and attempt problems on your own. Do not hesitate to contact me if you have specific questions about the material. For those of you involved with Fall recruiting, please make sure you make up any missed material. Please obtain my permission before class before you leave class early or miss a class.

Academic Honesty: The University Academic Honesty Policy will be strictly followed. This policy is now included in the on-line Academic Policy Manual maintained by the Registrar's Office, and can be found at https://www.seattleu.edu/media/redhawk-axis/registrar/registrar-policies/Academic-Integrity-2011-3.pdf It is also included in the on-line Student Handbook available at https://www.seattleu.edu/media/dean-of-students/files/policies/Code-17_18.pdf. To uphold the integrity of the academic grading process, all forms of cheating will result in the severest consequences to involved students. I consider all forms of cheating on exams and homework or plagiarism (including copying computer files) to be a violation of the Honesty Code as noted in the Seattle University Student Handbook. Homework and Excel assignments must be completed on an individual basis. Copying homework or computer files is considered to be plagiarism.

Students with Disabilities:
If you have, or think you may have, a disability (including an ‘invisible disability’ such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff in the Learning Center, Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

GRADING

Grades will be based on your performance on the following items:

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm Exams (2 @ 25% each)</td>
<td>50%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>20%</td>
</tr>
</tbody>
</table>
Informal Presentation: 5%
Homework: 10%
Written assignment: 15%
Total: 100%

Your course grade will be determined by your performance in class as follows:
The final grade will be assigned according to the following scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>96-100%</td>
</tr>
<tr>
<td>A-</td>
<td>90-95</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
</tr>
<tr>
<td>B</td>
<td>84-86</td>
</tr>
<tr>
<td>B-</td>
<td>80-83</td>
</tr>
<tr>
<td>C+</td>
<td>77-79</td>
</tr>
<tr>
<td>C</td>
<td>74-76</td>
</tr>
<tr>
<td>C-</td>
<td>70-73</td>
</tr>
<tr>
<td>D</td>
<td>65-69</td>
</tr>
<tr>
<td>F</td>
<td>0-64</td>
</tr>
</tbody>
</table>

Class Schedule: This schedule is subject to change as we go along.
Your homework will be assigned on WileyPlus. Please check Wiley Plus for due dates.

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter: Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept 21</td>
<td>Introduction; Chapter 13 (L.O. 4, 5 &amp; 6)…</td>
</tr>
<tr>
<td>Sept 26</td>
<td>Chapter 13</td>
</tr>
<tr>
<td>Sept 28</td>
<td>Chapters 13 and 14</td>
</tr>
<tr>
<td>Oct 3</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Oct 5</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Oct 10</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Oct 12</td>
<td>Chapter 15</td>
</tr>
<tr>
<td>Oct 17</td>
<td>Chapter 15</td>
</tr>
<tr>
<td>Oct 19</td>
<td>Exam 1: Chapters 13, 14, 15.</td>
</tr>
<tr>
<td>Oct 24</td>
<td>Chapter 16</td>
</tr>
<tr>
<td>Oct 26</td>
<td>Chapter 16</td>
</tr>
<tr>
<td>Oct 31</td>
<td>Chapter 18(ASC 606 only)</td>
</tr>
</tbody>
</table>
Nov 2 | Chapter 18 (ASC 606 only)
Nov 7 | Chapter 19
Nov 9 | Chapter 19
Nov 14 | Exam 2: Chapters 16, 18 and 19
Nov 16 | Chapter 20
Nov 21 | Chapter 20
Nov 28 | Chapter 22
Nov 30 | Chapter 22
Dec 4 | Final Exam (Ch 21 & 22) Time: 12 to 1:50 pm

GROUP INFORMAL PRESENTATIONS: TOPICs

1. ARO
2. Bond issuance
3. Disclosures related to bonds
4. Bond retirement
5. Treasury stock
6. Convertible Debt
7. Stock Compensation plans - related notes
8. Income Taxes
9. Capital Leases
10. Accounting change
11. Accounting errors
12. Operating Leases
13. Revenue recognition with multiple performance obligations (Multi-Element Revenue Arrangements)