

## **ACCT 3110-01: Intermediate Financial Accounting I**

Faculty: Professor Carlos A. De Mello e Souza (*carlosms@seattleu.edu*)  
Office: Pigott 426  
Class meetings: Tuesdays and Thursdays, 1:30 – 3:35 PM, Pigott 103  
Office hours: Tuesdays and Thursdays, 12:30-1:25 PM  
Wednesdays, 4:30-5:30 PM  
By appointment (via Skype= “cmeluz”, or on campus.)

### **1. Course Description and Objectives**

The sequence of three intermediate financial accounting courses that begins with ACCT 3110 helps to prepare you for a career in professional accounting. These courses are also relevant for those planning careers as financial analysts and in corporate financial management. Upon conclusion of the intermediate accounting sequence you should: (1) understand the issues involved in accounting policy choice; (2) understand the processes 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 transactions, events and adjustments affecting assets, liabilities, shareholders' equity, revenues, expenses, gains and losses.

ACCT 3110 begins with an in-depth review of the conceptual foundation of accounting and the principal elements of the accounting model (the accounting cycle, financial statements and their linkages) and breaks new ground in the coverage of receivables, inventories, revenue recognition, and preparation of the statement of cash flows.

To succeed in the course, it is fundamental that you keep up with the assignments and come to class prepared.

### **2. Prior Knowledge Required (Important!)**

ACCT 3110 has ACCT 2300 as a prerequisite. Therefore, I assume that students enrolled in this course have a solid understanding of the foundations of the financial accounting model, including:

- differences between accrual- and cash-basis accounting;
- the double-entry accounting information system, including preparation of a balance sheet and an income statement;
- linkages across financial statements;
- meaning and information content of financial statements (balance sheet, income statement, statement of cash flows, statement of changes in shareholders' equity);
- familiarity with a “menu” of basic transactions

If you are not confident about any of these topics, or did not do well in your previous financial accounting course, please come see me as soon as possible.

### 3. Materials

#### Required:

- Kieso, Weygandt and Warfield (2016) *Intermediate Accounting*, 16<sup>th</sup> ed, Wiley.  
Student Companion Site (free access to lots of great resources):  
<http://bcs.wiley.com/he-bcs/Books?action=index&bcsId=10170&itemId=1118742974>
- FASB Accounting Standards Codification. (Login details provided in class.)
- Microsoft Excel.

I expect that you will have read carefully the assigned chapters, cases and problems before we meet for class. Students who prepare for class by reading the relevant chapters in the textbook tend to learn more, get more out of the time spent in class, and their grades will most likely reflect this. I urge that you not fall behind in your readings and assignments. Once you fall behind it is very difficult to catch up. Students are encouraged to bring assigned reading materials to class.

### 4. Grades

Grades will be based on six or more homework assignments, two exams, and a final exam. Exam make-ups will be given only under extraordinary circumstances, such as documented health problems, family emergencies, and participation in official Seattle University athletic activities. Participation will be an explicit factor only in the extraordinary and unlikely case in which a student impacts learning and class discussions in a negative way (see note below).

The weight of each item in the final grade will be according to schemes I or II below, whichever gives you the highest grade.

	Scheme I	Scheme II
Homework	20%	20%
First Midterm	30%	15%
Second Midterm	30%	15%
Final Exam	20%	50%

The overall grade on both midterm exams will be the average of the two, or the grade on the second midterm only, whichever is higher. This recognizes effort in learning throughout the course, and rewards meeting the course's learning goals whenever that happens during the course.

Homework will be done and submitted by teams of 3-4 students (not 1, and not more than 4, but 2 is okay). We will try to form teams as soon as possible after the first class meeting. Team compositions should normally remain stable throughout the course, except when students drop or add the course. Late assignments **may** lose (depending on why your report is late) 20% of their full score per day or fraction of day late, until reaching zero.

I will not grade homework assignments or exam questions that show carelessness in presentation quality or that I have difficulty understanding. If your handwriting is difficult to read, prepare your homework solutions using Word and/or Excel. Assignments that I do not grade because of poor presentation quality cannot be resubmitted.

You should expect that 20% of your overall grade in homework assignments will be based on peer evaluations of your contributions. I will request peer evaluations if there is evidence that some students are not contributing their fair share. In that case I will request peer evaluations by all students so as not to single out any group.

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

< 50	≥ 50	≥ 60	≥ 70	≥ 75	≥ 85	≥ 90
F	D	C-,C,C+	B-	B	B+	A-, A

The correspondences in the table above are approximate because I wait for significant gaps in scores before changing letter grades. The splits between C-, and C, and then C and C+ are at 6.33 and 6.67 respectively. The default split between A- and A is 95, but it may be lower depending on the distribution of grades and gaps therein.

What about class participation? I hope that every student will contribute to class discussions. I do not assign a grade to positive class participation because it is both subjective and strongly correlated with grades in the exams. I do, however, deduct points for negative participation. Negative participation includes non-professional behavior during office hours, class, exams, and in communications with classmates or the instructor. **Checking email, browsing the web, and any other activity not related to class work will be considered non-professional, unless the student has obtained prior permission, or has a valid reason.** I will discuss any observed instance of negative participation with the student involved as soon as possible and will send him or her a written message. The first instance of negative participation reduces the final grade by 0-10 points. The second instance reduces the grade by another 10-20 points.

## 5. Honesty

I expect that all students 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." (See link to policies below.) If you are not sure about whether an action is acceptable per 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.

## 6. Class Conduct

I always expect the highest level of professional conduct. 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. Emailing, texting, or engaging in any type of communication with third parties is of course forbidden during exams.

## 7. Scheduling

I have prepared a 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 enough time for you to adjust.

My office hours are posted in the header of the syllabus. Office hours are opportunities 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. Office hour meetings are on a first-come first-served basis. There is no need to make an appointment to meet with me during regularly scheduled office hours.

## 8. Notice for Students Concerning 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 located in Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

## 9. Office of Institutional Equity (Title IX)

Title IX of the Education Amendments of 1972 (Title IX) prohibits discrimination based on sex in educational programs or activities that receive Federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle University remains committed to providing a safe and equitable learning, living, and working environment. Seattle University offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct.

Seattle University requires all faculty and staff to notify the University's Title IX Coordinator if they become aware of any incident of sexual misconduct experienced by a student.

For more information, please visit <https://www.seattleu.edu/equity/>. If you have any questions or concerns, you may also directly contact the Title IX Coordinator in the Office of Institutional Equity (email: [oiie@seattleu.edu](mailto:oiie@seattleu.edu); phone: 206.296.2824)

## 10. Academic Resources and Policies

### Resources:

- Library and Learning Commons (<http://www.seattleu.edu/learningcommons/>)  
(This includes: Learning Assistance Programs, Library Research Services, Writing Center, and the Math Lab.)
- Academic Integrity Tutorial (found on Canvas and SU Online)

Policies:

You will find the following important policies on the Registrar's website, here:

<https://www.seattleu.edu/redhawk-axis/academic-policies/>

- Academic Integrity Policy
- Academic Grading Grievance Policy
- Professional Conduct Policies (program-specific)

## **11. Online Communications**

I expect that you will check Seattle University's email frequently. Please use Seattle University email instead of Canvas mail, as it is easier for me to follow the thread of the conversation. Also, avoid communicating with me by means of the multiple text messaging windows available within Canvas, as it becomes very difficult to monitor multiple sources of messages. I cannot guarantee replying to messages sent by any means other than SU email.

Online communications are not meant to substitute for class attendance. Some materials may be distributed only in class, and many course-related announcements will be made only in class. The fact that you did not receive materials by electronic means is not an acceptable reason for failing to meet assignment deadlines if those materials were distributed in class.

I plan to check email daily on weekdays and will reply to your messages within 24 hours except during weekends and holidays. *Do* write to me if you must miss class. *Please include the* course title in the subject line of your messages to me. Due to the threat of viruses, I often delete without reading messages without a subject, or with a subject that I find suspicious.

## **12. Tentative Class Schedule**

(Attached below.)

## 12. Tentative Class Schedule (#)

Date	Topic	To study	Homework due dates (*)
4/2 and 4/4	The Big Picture: Institutions and the mechanics of accounting.	Ch 1-3	
4/9 and 4/11	The Income Statement and the Balance Sheet	Ch 4-5	HW 1 due on 4/11
4/16 and 4/18	SoCF: Where's cash going to and coming from and why? (Indirect format)	Ch 5 (cont.) & notes	HW 2 due on 4/18
4/23	Review of materials covered in the first midterm exam.		
4/25	<b>FIRST MIDTERM EXAM</b>	Ch 1-5	HW 3 (non-deliverable) completed
4/30 and 5/2	Receivables (...and not so!)	Ch 7	HW 3 (deliverable) due on 5/2
5/7 and 5/9	Inventories I	Ch 8	HW 4 due on 5/9
5/14 and 5/16	Inventories II	Ch 9	HW 5 due on 5/16
5/21	Review of materials covered in the second midterm exam.		
5/23	<b>SECOND MIDTERM EXAM</b>	Ch 7, 8, 9	HW 6 (non-deliverable) completed
5/28 and 5/30	Revenue Recognition	Ch 18	HW 6 due on 5/30
6/4 and 6/6	SoCF under the direct format	Selections from Ch 23	HW 7 (deliverable) due on 6/6
6/11	<b>FINAL EXAM (Comprehensive) 12:00 to 1:50 PM</b>		

(#) Subject to change.

(\*) Check if you can answer the items labeled "questions", and "brief exercises" at the end of each chapter which are related to topics we covered. For example, at the end of Ch 2, the items on pages 61 through 65. Since they are relatively straightforward, and for most the answer can be found simply by studying the chapter carefully, I will not include them in homework assignments. But I assume you can answer them. Ask in class or office hours if you have difficulties with any of these.