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 and Economics

ACCT 3120: Intermediate Financial Accounting II

Instructor: Dennis B. Applegate, CPA, CMA, CIA, CFE, CFM
Office: Pigott 532
Office Hours: Tuesday, 4:00 – 5:00pm and by appointment
E-Mail: applegad@seattleu.edu

Class Session: Spring Quarter 2022
Class Time: T-Th., 1:30 – 3:35pm
Classroom: Pigott 200 (T), Online (Th)
Website: https://seattleu.instructure.com/

COURSE DESCRIPTION
The three intermediate financial accounting courses are designed to prepare students for a career in professional accounting or in corporate financial management. ACCT 3120 (the second course in the series) covers the accounting and reporting of property, plant and equipment, intangible assets, current liabilities, long-term liabilities, including corporate bonds and notes, contingent liabilities, and stockholders’ equity, including treasury stock, stock dividends, and stock splits, as well as various calculations that lead to earnings per share. ACCT 3110 contained an in-depth review of the conceptual foundation of accounting and the principal elements of the accounting model; namely, the accounting cycle and the basic financial statements including their internal linkages, and addressed new topics in connection with receivables, inventories, revenue recognition, and the statement of cash flows. Knowledge of these ACCT 3110 topics are necessary prerequisites for ACCT 3120.

REQUIRED TEXTBOOK / MATERIALS
- WileyPLUS software (included with your textbook or you may purchase it at www.wileyplus.com)
- FASB Accounting Standards Codification. Log-in details to be provided in class.

BASIS OF GRADE
- Midterm Exams (2) 200 points (40%)
- Final Exam 100 points (20%)
- Homework (9) 100 points (20%)
- Participation* 100 points (20%)

Grading Scale
A = 90% (90-91 = A-)
B = 80% (88-89 = B+; 80-81 = B-)
C = 70% (78-79 = C+; 70-71 = C-)
D= 60%

Students should purchase the “bundled version” of Wiley Plus and either the loose-leaf or e-book versions of the textbook.

*Participation to include Discussion Forums

EXAMS
The exams will be given on the days listed on the course calendar. Each exam will contain a combination of objective-format questions, short exercises similar to those worked in class, and analytical problems similar to those assigned as homework, though much abbreviated. Both quantitative and conceptual knowledge will be tested, but all will have been covered in class. Calculators, nonprogrammable, are permissible and recommended. The exams must be taken when scheduled. No points can be earned for a missed exam. The midterm exams will be returned for review at the next scheduled class and then collected. The results of the final exam may be reviewed in my office by appointment. No make-up exam can be granted unless your absence on the day of the exam was approved by your instructor in advance.
HOMEWORK
All homework (HW) assignments will be completed via the WileyPLUS student companion website. **HW for Ch. 10-13 is due on April 26th,** the day of the first midterm. **HW for Ch. 14-15 is due on May 24th,** the day of the second midterm. **HW for Ch. 16 is due on June 7th,** the day of the final. The assignments are intended to reinforce the concepts and techniques of the readings and lectures and are to be done on your own. Even though the due dates may have lapsed, the assigned homework will remain available for your review until the final exam. You will be allowed three attempts to answer each section or component of an assigned exercise or problem. Depending on your background, you may need to set aside as many as three-to-four hours a week to complete each HW assignment. Also included on the Wiley Plus website is free access to student practice problems and other resources to enhance your course performance. You are encouraged to complete the HW practice problems and HW assignments as soon as possible after the related chapter is covered in class. No extensions to the HW due dates can be provided.

PARTICIPATION
Participation will be assessed based on both class attendance and involvement, including your responses to at least two discussion forums via Canvas that will address current accounting topics related to the scope of the course. For class attendance, it is expected that students will come to class adequately prepared, pay attention to class lectures and discussions, not be distracted by electronic devices, and actively work assigned class exercises in their study teams, presenting their work to others as required. For class involvement, it is expected that students will prepare thoughtful reflections to the discussion forum topics and, in addition, work class exercises with assigned teams in a supportive and productive manner, ask relevant course-related questions, and respond appropriately to instructor questions. The table below correlates class involvement and attendance with the participation grade. While such criteria are subjective in nature, similar to what you will encounter throughout your professional career, you are welcome to seek feedback from me at any time during the course.

<table>
<thead>
<tr>
<th>Class Involvement</th>
<th>Attendance</th>
<th>Participation Grade*</th>
</tr>
</thead>
<tbody>
<tr>
<td>≥ 17 classes</td>
<td>≥ 19/20 classes</td>
<td>100 points</td>
</tr>
<tr>
<td>≥ 15 classes</td>
<td>≥ 17/20 classes</td>
<td>90 points</td>
</tr>
<tr>
<td>≥ 13 classes</td>
<td>≥ 15/20 classes</td>
<td>80 points</td>
</tr>
<tr>
<td>≥ 10 classes</td>
<td>≥ 13/20 classes</td>
<td>70 points</td>
</tr>
<tr>
<td>≥ 0 classes</td>
<td>≤ 10/20 classes</td>
<td>0 points</td>
</tr>
</tbody>
</table>

*Based on the highest that simultaneously meets the conditions of attendance and class involvement.

LEARNING OUTCOMES
To succeed in this course (and on the Uniform CPA Exam), students must satisfactorily demonstrate the ability to:

1. Determine the cost of property, plant, and equipment – purchased or self-constructed, improved or repaired, and subsequently retired, sold, or exchanged – particularly exchanges with and without commercial substance.
2. Apply various methods of fixed asset depreciation, both straight-line and accelerated; identify and account for any related fixed asset impairment; and similarly calculate the cost depletion of natural resources.
3. Identify the value of intangible assets, both definite and indefinite life, and how they are recorded in the books of account, including impairment losses and the amortization of the intangible asset cost.
4. Determine the price of a bond when not issued at par, including the proper accounting of the bond value and the amortization of the related premium or discount based on the effective interest method, as well as the associated gain or loss, given the redemption price, if the bond is redeemed before its maturity date.
5. Defined and apply GAAP-required criteria governing the accounting of common stock, preferred, stock, treasury stock, cash dividends, stock dividends, and stock splits, as well as preferred stock dividend preferences.
6. Account for and report the issuance, conversion, and redemption of convertible bonds and preferred stock, as well as stock warrants and employee compensation plans, using GAAP-required methods.
7. Calculate earnings per share for both a simple and a complex capital structure, focusing on the computation of weighted-average shares outstanding and taking into account any dilution from stock options and warrants.

Note: The foregoing learning outcomes are frequently tested in the Financial Accounting and Reporting section of the Uniform CPA Exam.

### CLASS SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Tentative Sequence of Topics</th>
<th>Textbook / ASC Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 29</td>
<td>PP&amp;E: Acquisition and Disposition</td>
<td>Kieso Ch. 10 / ASC 845-10-30-1 thru -10</td>
</tr>
<tr>
<td>March 31</td>
<td>PP&amp;E: Acquisition and Disposition</td>
<td>Kieso Ch. 10 / ASC 835-20-15-1 thru -5</td>
</tr>
<tr>
<td>April 05</td>
<td>PP&amp;E: Depreciation</td>
<td>Kieso Ch. 11 / ASC 360-10-35-1 thru -5</td>
</tr>
<tr>
<td>April 07</td>
<td>PP&amp;E: Depreciation</td>
<td>Kieso Ch. 11 / ASC 360-10-35-15 thru -49</td>
</tr>
<tr>
<td>April 12</td>
<td>Intangible Assets</td>
<td>Kieso Ch. 12 / ASC 350-20-35-1 thru -3</td>
</tr>
<tr>
<td>April 14</td>
<td>Intangible Assets</td>
<td>Kieso Ch. 12 / ASC 730-10-25-1 thru -4</td>
</tr>
<tr>
<td>April 19</td>
<td>Current Liabilities and Contingencies</td>
<td>Kieso Ch. 13 / ASC 450-20-05 thru -6</td>
</tr>
<tr>
<td>April 21</td>
<td>Current Liabilities and Contingencies</td>
<td>Kieso Ch. 13 / ASC 450-20-25-1 thru -7</td>
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<tr>
<td>April 26</td>
<td>First Midterm Exam</td>
<td>Kieso Ch. 10-13 HW due</td>
</tr>
<tr>
<td>April 28</td>
<td>Long-Term Liabilities</td>
<td>Kieso Ch. 14 / ASC 835-30-35-1 thru -4</td>
</tr>
<tr>
<td>May 03</td>
<td>Long-Term Liabilities</td>
<td>Kieso Ch. 14 / ASC 450-50-40-1, -2</td>
</tr>
<tr>
<td>May 05</td>
<td>Long-Term Liabilities</td>
<td>Kieso Ch. 14A / ASC 470-60-15-3 thru -12</td>
</tr>
<tr>
<td>May 10</td>
<td>Stockholders’ Equity</td>
<td>Kieso Ch. 15 / ASC 505-20-25-1 thru -6</td>
</tr>
<tr>
<td>May 12</td>
<td>Stockholders’ Equity</td>
<td>Kieso Ch. 15 / ASC 505-20-30-1 thru -6</td>
</tr>
<tr>
<td>May 17</td>
<td>Stockholders’ Equity</td>
<td>Kieso Ch. 15 / SAS 505-30-30-1 thru -10</td>
</tr>
<tr>
<td>May 19</td>
<td>Stockholders’ Equity</td>
<td>Kieso Ch. 15 / Same ASC</td>
</tr>
<tr>
<td>May 24</td>
<td>Second Midterm Exam</td>
<td>Kieso Ch. 14-15 HW due</td>
</tr>
<tr>
<td>May 26</td>
<td>Dilutive Securities / EPS</td>
<td>Kieso Ch. 16 / ASC 260-10-45-1 thru -27</td>
</tr>
<tr>
<td>May 31</td>
<td>Dilutive Securities / EPS</td>
<td>Kieso Ch. 16 / ASC 260-10-45-40 thru -42</td>
</tr>
<tr>
<td>June 02</td>
<td>Dilutive Securities / EPS</td>
<td>Kieso Ch. 16 / Same ASC</td>
</tr>
<tr>
<td>June 09</td>
<td>Final Exam (date may change based on finals week. schedule)</td>
<td>Kieso Ch. 16 HW due</td>
</tr>
</tbody>
</table>
CLASS SESSIONS
Each class will include a mix of teaching techniques designed to form a workshop environment; namely, short, relevant lectures on the key topics from the assigned readings, and in-class, analytical problem-solving sessions performed in teams and intended to prepare students, in part, for the homework/exams to follow. The first .5 hour of each class will be set aside for class questions, so that all students may benefit from the answers provided. Questions are expected and encouraged. Periodic practice quizzes will be administered and corrected in class, and course-relevant articles from professional journals will be distributed for discussion purposes if available and as time permits.

READINGS
Textbook chapters should be read prior to each class as assigned (see class schedule above), excluding appendices (except for Appendix 14A, 15 A, and 16A / 16B as shown in the Class Schedule above), and focusing only on the applicable chapter learning objectives. All learning objectives shall be covered unless I announce modifications to them during class.

SUPPLEMENTAL READINGS
None required. However, Journal of Accountancy, Wall Street Journal, and Strategic Finance are highly recommended.

ATTENDANCE
The expectation is that you attend every class, arriving on time and ready for each class session, having completed the assigned readings and coming prepared with well-thought-out questions.

TECHNOLOGY
To minimize distractions and disruptions in class, please limit use of electronic devices to classroom-related activities. Only nonprogrammable calculators will be allowed for the quizzes and the final exam.

ACCOUNTING TUTORS
Tutoring is provided through the Accounting Department. Contact information will be provided as it becomes available. You should use this tutoring program to the maximum possible extent when needed.

EXTRA CREDIT
In fairness to all students in the class, no extra credit can be provided under any circumstance.

WILEY PLUS
To register for your course simply go to www.wileyplus.com/go/login. Click “Sign up now” to create an account. You will be asked to enter your course section ID (B97480) for ACCT 3120 Intermediate Accounting SQ22 find your course and complete the registration process. If you already have a Wiley Plus account, just log in and click the yellow ‘Add more courses’ button. You will be asked to enter your course section ID (B97480) to find your course and complete the registration process.

Go to the New Wiley Plus support page and initiate a live chat if you are having trouble locating or registering for the course: https://hub.wiley.com/community/support/wileyplus-nextgen. Chat agents are available 24/7. Or, for any Wiley technical issue, contact Wiley Technical Support at 1 877-586-0192. Technicians are on duty 24/7.

UNIVERSITY RESOURCES AND POLICIES

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

Academic Policies on Registrar website
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.

Notice Regarding Religious Accommodations
It is the policy of Seattle University to reasonably accommodate students who, due to the observance of religious holidays, expect to be absent or endure a significant hardship during certain days of their academic course or program. Please see, Policy on Religious Accommodations for Students (https://www.seattleu.edu/media/policies/Policy-on-Religious-Accommodations-for-Students---FINAL.PDF).

Office of Institutional Equity
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 U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U 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 U 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: oie@seattleu.edu; phone: 206.296.2824) University Resources and Policies