ACCT 810 - Theory of External Reporting
Spring 2017

Faculty Information:
Course Instructor: Professor Nerissa C. Brown
Office Location: Purnell 257
Office Phone: 302-831-0209
Class Schedule: Tuesdays 2:00PM – 4:45PM; Location: #120 One South Main
Office Hours: Thursdays 2:00pm – 4:00pm
E-mail: ncbrown@udel.edu
Course website: www.udel.edu/sakai

Purpose of the Course
This course is designed to provide you with an understanding of some of the conceptual issues that shape the way accounting and financial reporting is conducted. These conceptual issues are discussed and framed within the context of the political and economic framework in which they were/are created and applied.

Prerequisites
Student proficiency in financial accounting is assumed.

Course Materials:
- Instructor assigned readings as posted on Sakai
- Harvard Business Publishing (HBP) Case Coursepack
  - http://cb.hbsp.harvard.edu/cbmp/access/61400942
  - Click on the URL link to purchase the cases in the coursepack. You will need to register and login to the HBP website to access the course pack.
- Other short cases provided by instructor

Textbook: The text will provide basic knowledge for in-class lectures and discussion. Specific chapters to be covered are indicated in the course schedule at the end of this syllabus. Chapters are not covered sequentially but are ordered according to the learning objectives of the course. The Kieso, Weygandt, and Warfield (2016) Intermediate Accounting textbook is an optional resource. You can refer to this textbook to refresh your memory about the basic treatment of certain accounting issues.

Assigned Readings: These readings will include business press articles and discussion papers on relevant and cutting-edge accounting issues. All readings will be posted on Sakai.

HBP Case Coursepack: The coursepack includes cases for in-class discussion plus required cases for the three group case projects (see course schedule for assigned group cases). Questions for in-class case discussions will be handed out at least one week before the case is covered in class.
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Other Cases: All other cases will be handed out in class and posted on Sakai. These cases are designed to be read in class, followed by open class discussion. The discussion questions for these cases will be attached to the class hand-out.

FASB Accounting Standards Codification: Accounting professionals must be able to research the authoritative literature. As you will learn in this course, the main source of the authoritative accounting literature is the FASB Codification. You can access the FASB Codification through a portal at the American Accounting Association: http://www2.aaahq.org/ascLogin.cfm. Upon accessing this link, use the following username and password:

Username – AAA51981, Password – 2ExZr8V

CPA Letter Daily: This is a daily email from the AICPA that is a snapshot of recent news items relating to the accounting world. This is an excellent tool to stay current on issues that should be of interest to financial professionals. Sign-up is at: https://www.smartbrief.com/signupSystem/subscribe.action?pageSequence=1&briefName=cpa

Lectures
Class lectures will use a combination of Powerpoint slides, handouts, and in-class case discussions. The case discussions will be conducted using small-group discussions as well as open in-class discussions. Each student is expected to participate in the case discussions.

Grading
There are two exams in this course. They are both in class and consist of short case analyses and a variety of essay type questions. There are also three group research projects with additional weighting placed on each person’s contribution to group work. Your contribution to group work will be assessed based on peer evaluations completed by your team members. The course will be graded out of a total of 500 points as follows:

<table>
<thead>
<tr>
<th></th>
<th>Points</th>
<th>Percent</th>
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<tbody>
<tr>
<td>Exam I</td>
<td>125</td>
<td>25%</td>
</tr>
<tr>
<td>Exam II</td>
<td>125</td>
<td>25%</td>
</tr>
<tr>
<td>Group Case Project 1</td>
<td>80</td>
<td>16%</td>
</tr>
<tr>
<td>Group Case Project 2</td>
<td>80</td>
<td>16%</td>
</tr>
<tr>
<td>Group Case Project 3</td>
<td>60</td>
<td>12%</td>
</tr>
<tr>
<td>Peer Evaluations</td>
<td>30</td>
<td>6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>500</strong></td>
<td><strong>100%</strong></td>
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Exams
All exams are in class and will consist of short case analyses and brief essay questions. Make-up exams will be given only in the event of a true, documented emergency. Make-up exams will not be given due to conflicts with personal activities and/or holiday travel plans. Please consult the course schedule before booking travel and other personal activities.

Group Case Assignments
You will work in a team of 3 or 4 students for the completion of group case assignments. Each group should appoint a group coordinator who is responsible for scheduling group meetings and for keeping the group on track and focused on completing the case assignments. It is also the group’s responsibility to notify the instructor of any member(s) who is unresponsive after being contacted several times by group members, or who contributes minimal to zero effort on assignments. These students, upon the instructor’s discretion, will be awarded zero points for the relevant assignment and will be asked to complete all other case assignments on their own.
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Your group will complete three case assignments during the semester. Your group will prepare a **written typed report** for each case assignment. Guidelines for preparing the written reports will be provided. The **written case reports are due on the dates indicated on the class schedule**. Any case report that is not turned in on the due date will result in a grade of zero for all group members.

**Peer Evaluations**

Employers who recruit new hires seek individuals who have developed team skills for the work place. Your group’s grade depends on each member’s efforts. Thirty points (6%) of your course grade will be based on your individual contribution to the team’s overall work. A **confidential peer evaluation** will be solicited asking each member of your group to evaluate the contribution of the other members to the team’s efforts. The **group peer evaluations are due on the same date as the final case report** (May 9th due date).

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### ACCT 810  Spring 2017  Course Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Text Chapters &amp; Other Readings</th>
<th>Case Discussion</th>
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| Feb 7    | Syllabus & Course Overview  
The Case Research Process | Ch 1 (p. 1-2), Ch 4  
Kieso Ch 1 & 2                                                   | Mini-case – eBay Motors                                      |
| Feb 14   | Accounting Theory & Economics of Financial Reporting       | Ch 1 (p. 2-31), Ch 2, Ch 17  
Kieso Ch 1 & 2  
Allee, Maines & Wood (2009)  
Mini-Case – Valeant Pharmaceuticals                              |
| Feb 21   | Conceptual Framework & Financial Reporting Requirements    | Ch 6, 7                                                        | FASB Cases – Frequent Flier Lottery Ticket Part I & 3  
The Gasoline Tank                                                |
| Feb 28   | Elements of Financial Statements                           | Ch 5   
Kieso Ch 18  
WSJ Rapoport (May 28, 2014)                                      | HBP Case – Accounting for the iPhone at Apple                 |
| Mar 7    | No Class; Codification Project Due  
Submit by 6PM via Sakai                                       | Ch 1, 2, 4, 5-7, 17                                           |                                                      |
| Mar 14   | Income Concepts & Revenue Recognition  
Wrap-Up and Exam Review                                        | Ch 9, Ch 10 (p. 300 – 311)  
Kieso Ch 10 & 11  
Ramanna (2013)                                                   | Mini-case – MacCloud Winery                                  |
<p>| Mar 21   | Exam I                                                      |                                                              |                                                      |
| Mar 28   | SPRING BREAK – No Class                                    |                                                              |                                                      |
| Apr 4    | Long-Term Assets: PPE &amp; Investments                        | Ch 11                                          | Mini-Case – Hearts R Us                                 |
| Apr 11   | Intangible Assets                                          |                                                              |                                                      |
| Apr 18   | Long-Term Liabilities &amp; Hybrid Financial Instruments      |                                                              |                                                      |</p>
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<thead>
<tr>
<th>Date</th>
<th>Course Activity</th>
<th>Chapter(s)</th>
<th>Reading/Assignments</th>
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<tbody>
<tr>
<td>Apr 18</td>
<td>Long-Term Liabilities &amp; Hybrid Financial Instruments</td>
<td>Ch 11</td>
<td>Mini-Case – <em>Hearts R Us</em></td>
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| Apr 25 | **No Class; Group Case Report Due**  
*HBP Case: Accounting for Virtual Goods at Zynga*  
Submit by 6PM via Sakai |            |                                                                                     |
| May 2  | Lease Accounting                                                                 | Ch 13      | Mini-case – *Analysis of Lease Standard Update*                                      |
|        |                                                                                   | Kieso Ch 21|                                                                                     |
|        |                                                                                   | Gross, Huston & Huston (2014) |                                                                                     |
| May 9  | Wrap-Up and Exam Review  
*Peer Evals & Case Report Due*  
*HBP Case: Leasing Decision at Magnet Beauty*  
Submit by 6PM via Sakai |            |                                                                                     |
| May 16 | Exam II                                                                          | Ch 9-11, 13|                                                                                     |