ACCOUNTING THEORY
ACG 6135 SPRING 2016
Florida Gulf Coast University
Lutgert College of Business

COURSE INFORMATION

Professor  Deanna O. Burgess, PhD, Associate Professor
(CPA Certification in Indiana, license inactive)
Lutgert College of Business, Accounting Department
Florida Gulf Coast University
Office  Lutgert Hall 3330
Phone  239-590.7341 or 239.209.9123
Fax  239-590.7367
E-mail  dburgess@fgcu.edu
Office Hours  MW, 2:00 – 3:00 pm, MW 4:00 – 5:30 pm, LH 3330
Classes  CRN 10987, M 6:30-9:15 pm, Lutgert Hall 1206, 3 credit hours
Course Website  Canvas

COURSE OBJECTIVES

One of the primary goals of this course is to challenge the way you think. Leadership is problem solving, and problem solving is a risk-taking endeavor to change how others think and act. Too often, we think of leadership in terms of presidents, CEOs and quarterbacks (heroic leadership). I want you to think of leadership in a more modest way, i.e., think about the problems you solve on a day-to-day basis. Soon enough, you will find yourself either seeking or accepting leadership positions at work (providing on-the-job training for a new staff accountant) or in your personal life (volunteering at the Boys & Girls Club). As accounting professionals, you will bring unique problem-solving skills to these situations. This course focuses on problem solving in uncertain (messy) situations. (Timothy West, Northern Illinois University).

By the course catalog, this course explores the nature, formation and implementation of accounting theory. Participants will examine the origins and the current state of accounting theory while developing their abilities to articulate, explain, and defend their points of view on accounting issues. Such critical analysis should integrate concepts and techniques considered in earlier courses as well as provide a strong foundation for the development of professional judgment. Finally, the course will provide technical knowledge in the area of financial accounting and reporting that must be mastered to achieve success in the CPA examination. All students are expected to contribute significantly to each class discussion.

COURSE RESOURCES

Required Course Materials


Source of Authoritative GAAP
To simplify the task of researching an accounting topic, the FASB launched its *FASB Accounting Standards Codification* project which integrates and topically organizes all relevant accounting pronouncements comprising GAAP in a searchable online database. The codification became effective on July 1, 2009. It represents the single source of authoritative nongovernmental U.S. GAAP, except for rules and interpretive releases of the SEC which remain as sources of authoritative GAAP. All other literature is non-authoritative. To access the online codification database, go to: http://aaahq.org/ascLogin.cfm. To log in, students will need a user name and password which will be provided in class.

Library Resources
Business Librarian, Regina Beard (rmbeard@fgcu.edu), is available by appointment for assistance with business research questions. Additional online research guides:
Accounting & Tax - http://fgcu.libguides.com/accounting_and_tax
Company and Industry Research http://fgcu.libguides.com/company_information
Management http://fgcu.libguides.com/c.php?g=324470
Marketing http://fgcu.libguides.com/c.php?g=337745

COURSE POLICIES

Canvas: Student resources will be available on Canvas. Any class notes posted on Canvas aim to help students organize material, are not comprehensive and should not be viewed as a substitute for reading the text or attending class. To maximize success, students should read assigned material before attending class. The professor exclusively uses FGCU email accounts only (not Canvas). Students are responsible for checking their FGCU email accounts daily for course communication.

Cases and Research Paper: Students complete in-class cases in groups (randomly assigned by professor). Each student’s lowest case grade will be dropped from the grade computation. Missed attendance and active involvement in a case will result in an automatic grade of zero. Likewise, students that provide little credible input into a case as rated by classmates completing the case may receive a lower case grade than the rest of the group. Completed cases are retained by the professor. The research paper on earning management/revenue recognition will be completed in teams of three or four students (self-assigned) outside of class. A research paper grading rubric will be provided.

Additional Policies:

- Students are responsible for material/announcements provided in class, whether present or not, and for studying two to three times the hours spent in class. **Only those students present in-class may earn points for eligible class activities, and resulting outcomes.**
- Students should not anticipate curving of grades.
- Students experiencing problems affecting class attendance or the timely completion of assignments are expected to contact the professor immediately, and in all cases, prior to the due date.
- No late assignments, activities, homework, cases or papers are accepted. Students are expected to be present for all in-class assignments, activities, homework, cases, and papers submitted. Missed and/or late assignments, activities, homework, cases, and papers receive a grade of zero.
- Courses may be retaken; all course grades received (including duplications) are averaged in the grade point average. The highest course grade is counted toward the grade requirements.
- Incomplete grades are given at the discretion of the professor and are considered only in justified cases where the student has made passing, satisfactory, and near complete progress in the course at the time of the request.
- The last day to withdraw without academic penalty is March 22, 2016. The professor does not support petitions for late withdrawal.
Please contact the professor with any problems or help needed with the course. The professor works in and out of the office and checks messages during weekday work-hours.

**Performance Evaluation:** Grades for the course are determined as follows:

<table>
<thead>
<tr>
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<th>Points</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Research Paper</td>
<td>100</td>
<td>42%</td>
</tr>
<tr>
<td>Six Cases @ 15 pts each (lowest dropped)</td>
<td>90</td>
<td>37.5%</td>
</tr>
<tr>
<td>Debate/Presentation</td>
<td>30</td>
<td>12.5%</td>
</tr>
<tr>
<td>Class Participation/Preparation</td>
<td>20</td>
<td>8%</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>240</td>
<td><strong>100%</strong></td>
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**Grading Scale:** The following will be the cutoff points for each grade:

<table>
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<tr>
<th>Cutoff Points = Grade</th>
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<tbody>
<tr>
<td>90% and above = A</td>
<td>70% to 74% = C</td>
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<tr>
<td>85% to 89% = B+</td>
<td>Below 70% = F</td>
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<tr>
<td>80% to 84% = B</td>
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<tr>
<td>75% to 79% = C+</td>
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**DEPARTMENTAL POLICIES AND RESOURCES**

1. Texas Instruments BA II Plus calculator is the only electronic device allowed to be used in class. Unless permitted by the instructor, the use of all other electronic devices (phones, pads, laptop computers, etc.) is prohibited during class.

2. Schedules for upcoming years related to departmental courses offered (information on semester, day/night, other) are available on the College of Business website.

3. Planning for pre-registration and graduation is your responsibility: The above schedules and LCOB advisors, along with the course prerequisite sequences described in the FGCU Catalog and degree program sheets, should assist students in ensuring that plans are successfully implemented. Course substitutions and prerequisite exceptions will be granted only for exceptional circumstances that are clearly beyond the student’s control. Poor or lack of planning is not one of those circumstances.

4. Useful FGCU Resources:
   - Florida Gulf Coast University Catalog ([http://fgcu.edu/catalog/](http://fgcu.edu/catalog/))
   - Florida Gulf Coast University Code of Conduct ([http://studentservices.fgcu.edu/JudicialAffairs/](http://studentservices.fgcu.edu/JudicialAffairs/))

**DEPARTMENTAL STATEMENTS**

1. **Learning Outcome Assessment Methodology**

<table>
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<tr>
<th>Learning Objectives</th>
<th>Assessment Strategy</th>
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<tr>
<td>SLO1; ALC – C/DKS3: Have a strategic perspective. Develop strategies to achieve a desired accounting objective.</td>
<td>Research Paper</td>
</tr>
<tr>
<td>CLO1; ALC – C/DKS2: Be critical thinkers. Conduct research pertinent to tax and accounting issues and problems.</td>
<td>Research Paper</td>
</tr>
<tr>
<td>CLO2; ALC –CTS2: Be critical thinkers. Evaluate and revise accounting processes.</td>
<td>Research Paper</td>
</tr>
<tr>
<td>GLO1; ALC –CTS1: Have global awareness. Analyze the implications of global accounting.</td>
<td>Research Paper</td>
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When assessing learning outcomes, an “exceeds” result occurs if 90% of the students score 80% or above; “meets” occurs if 80% of the students score 80% or above; “below” occurs if 70% of the students score 80% or above; and “fails” occurs if less than 70% of the students score 80% or above.

UNIVERSITY STATEMENTS

1. Academic Dishonesty/Cheating Policy:
All students are expected to demonstrate honesty in their academic pursuits. The university policies regarding issues of honesty can be found under the "Student Code of Conduct", and under "Policies and Procedures" of the Student Guidebook. All students are expected to study this document which outlines their responsibilities and consequences for violations of the policy.

2. University Policy Confirming Student Attendance During First Week of Classes: E
Effective fall 2015, faculty are required to confirm student attendance during the first week of classes no later than the seventh calendar day of the semester. A student’s failure to confirm attendance in this class will result in a delay in the disbursement of the student’s financial aid. Confirmation of attendance is required for all students, not only those receiving financial aid. Students confirm attendance during the first week of classes in this course by completing a mandatory activity on canvas labeled “Mandatory First Week of Classes Attendance Activity.” Students completing this activity receive two extra credit points in this class.

3. Disability Accommodations Services:
Florida Gulf Coast University, in accordance with the Americans with Disabilities Act and the university’s guiding principles, will provide classroom and academic accommodations to students with documented disabilities. If you need to request an accommodation in this class due to a disability, or you suspect that your academic performance is affected by a disability, please see me or contact the Office of Adaptive Services. The Office of Adaptive Services is located in the Wellness Building. The phone number is 239-590-7956 or Video Phone (VP) 239-243-9453. In addition to classroom and campus accommodations, individuals with disabilities are encouraged to create their personal emergency evacuation plan and FGCU is committed to providing information on emergency notification procedures. You can find information on the emergency exits and Areas of Rescue Assistance for each building, as well as other emergency preparedness materials on the Environmental Health and Safety and University Police Department websites. If you will need assistance in the event of an emergency due to a disability, please contact Adaptive Services for available services and information.

4. Student Observance of Religious Holidays
All students at Florida Gulf Coast University have a right to expect that the University will reasonably accommodate their religious observances, practices, and beliefs. Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holy day of their faith. Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence. Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observances. Where practicable, major examinations, major assignments, and University ceremonies will not be scheduled on a major religious holy day. A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence. See: http://www.fgcu.edu/generalcounsel/policies-view.asp

5. Center for Academic Achievement
The Center for Academic Achievement (CAA) provides academic support services to all FGCU students. Students can take advantage of our free peer tutoring and Supplemental Instruction sessions for lower-level math and science courses, as well as workshops to facilitate the development of skills necessary for college success. If you would like to participate in any of our programs, learn about tutoring services, or meet with an Academic Retention Coordinator, please visit the CAA in Library 103 or call us at (239) 590-7906. Our website is www.fgcu.edu/caa.
6. FGCU Vision and Mission Statement
Vision: Florida Gulf Coast University will achieve national prominence in undergraduate education with expanding recognition for graduate programs. (Approved Jan 19, 2010 by BOT)
Mission: M1: Established on the verge of the 21st century, Florida Gulf Coast University infuses the strengths of the traditional public university with innovation and learning-centered spirit, its chief aim being to fulfill the academic, cultural, social, and career expectations of its constituents.
M2: Outstanding faculty uphold challenging academic standards and balance research, scholarly activities, and service expectations with their central responsibilities of teaching and mentoring. Working together, faculty and staff of the University transform students’ lives and the southwest Florida region.
M3: Florida Gulf Coast University continuously pursues academic excellence, practices and promotes environmental sustainability, embraces diversity, nurtures community partnerships, values public service, encourages civic responsibility, cultivates habits of lifelong learning, and keeps the advancement of knowledge and pursuit of truth as noble ideals at the heart of the university’s purpose. (Approved Jan 19, 2010 by BOT)

7. Lutgert College of Business Vision and Mission Statement
Vision: The AACSB accredited Lutgert College of Business will be nationally renowned in providing students with the education and capabilities to take leading roles in a diverse and global environment.
Mission: The Lutgert College of Business educates and prepares students to address local and global business challenges. Our faculty are dedicated to student learning, scholarship, and service that enhances our academic and business communities. We build relationships that foster entrepreneurship and economic growth in the Southwest Florida Region and beyond.

8. Accounting Department Vision and Mission Statement
Vision: Be the destination of choice for students who aim to establish mastery of subject matter and/or successful careers based on an accounting education.
Mission: Prepare students for mid-level careers in public accounting, service organizations, government, and industry by ensuring that graduates can effectively use technology in research and practice for life-long learning and maintaining professional competence, understand their ethical responsibilities, and can communicate effectively with stakeholders (colleagues, clients, and others) of diverse backgrounds. To implement the mission the faculty members employ cutting edge instructional methods and technologies, anchored by a balanced mix of applied/educational/basic research outcomes and institutional, professional, academic, and community service.

TENTATIVE SCHEDULE

Students are responsible for knowing about any changes announced in class, and submitting assignments when due, whether present in class or not. Late submissions count as zero.

<table>
<thead>
<tr>
<th>Date</th>
<th>Textbook Author Chapter</th>
<th>Submissions</th>
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<tbody>
<tr>
<td>Date</td>
<td>Course Topics</td>
<td>Cases</td>
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| 2/8, 2/15, 2/22 | **GAAP in the Margin: Profits, Earnings Management and Fraud**  
Schroeder Income Concepts, Financial Statement I and II  
McKee Chapters:  
(6) Research Earnings Management  
(9) Cookie Jar Reserve  
(12) Flushing the Investment Portfolio  
(15) Writing Off Long-Term Assets  
(16) Sale/Lease-back of Assets  
Schroeder LT Assets I and II  
McKee Chapters:  
(7) Quality of Earnings  
(8) Managing Earnings and Analyst Expectations  
(10) Big Bath  
(11) Big Bet on the Future  
(17) Above the Line or Below the Line  
Schroeder LT Liabilities  
Research Paper Applications/Reviews | Case Two  
Case Three  
Case Four  
Case Five  
Case Six  
Case Seven  
Papers Due |
| 2/29, 3/14/, 3/21 |  
Schroeder LT Assets I and II  
McKee Chapters:  
(7) Quality of Earnings  
(8) Managing Earnings and Analyst Expectations  
(10) Big Bath  
(11) Big Bet on the Future  
(17) Above the Line or Below the Line  
Schroeder LT Liabilities  
Research Paper Applications/Reviews |  
| 3/28, 4/4 | **GAAP Expectations and Reactions: Analysis of Trends and Action**  
Schroeder Equity and Financial Reporting and Ethical Responsibilities  
McKee Chapters:  
(14) Change GAAP  
(19) Shrink the Ship |  
| 4/11, 4/18 |  
| 4/25 | **Research Paper Debates** |  |