

CONCORDIA COLLEGE™

Intermediate Accounting I

ACCT 355

Fall, 2009



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Associate Professor of Accounting



*be happy.
be an accountant.*

School of Business
Concordia College
Moorhead, MN

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Accounting can be
the key
to your future.



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Classes: 156 10:30 MWF 132 Old Main
355 11:50 MWF 232 Old Main
355 2:40 MWF 202 Old Main

Off Hrs: 1:05-2:35 MWF
Contact me for other times
Walk-ins are always welcome

Prerequisites & position in the accounting program

The prerequisites of this course for undergraduate students are (1) passing *Principles of Accounting I* (ACCT 155) or the equivalent, and (2) passing *Principles of Accounting II* (ACCT 156).

Undergraduate accounting students must take at least six accounting courses to graduate with an accounting degree. If you plan on taking the CPA exam in Minnesota or North Dakota, you can sit for it during the semester you are to reach 150 hours, or you can wait until after you complete 150 hours.



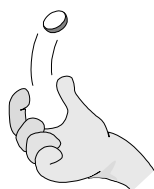
Who should take this course

All accounting majors. Every finance major. Possibly, everyone else.

ACCOUNTANCY
Live the dream!

What Intermediate Accounting is all about

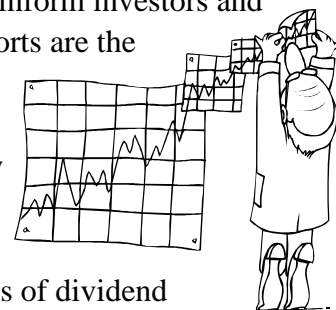
Financial accounting refers to the financial statements (and the entire process involved in creating the financial statements) published by a company for an audience of interested parties outside the company. It is very important to our economy because many people, such as investors and lenders, need information to help them make informed decisions. For example, an investor is a person with excess money who wants additional income. The investor sometimes has the opportunity to buy stock in a particular company. Many factors go into the investor's decision, such as:



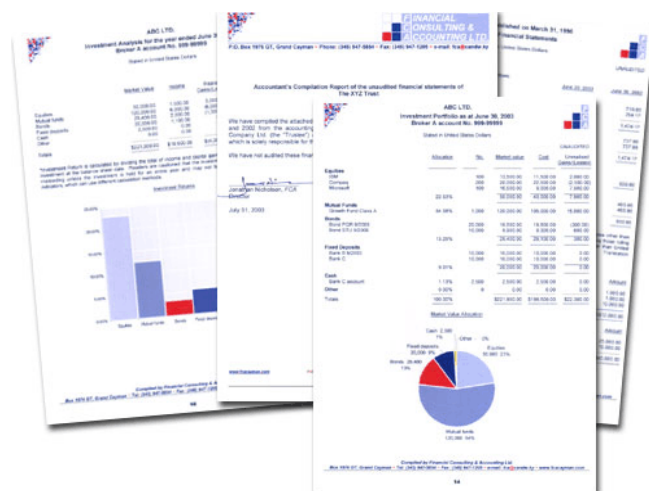
What to do?

- Is the person running the company capable?
- Is the manager someone I can trust?
- Can the business make money?
- How long before I can get my profits & money out of the investment?
- What are the chances of losing my investment?

A company prepares financial reports, financial accounting's product, to inform investors and other interested parties about its financial performance. The four financial reports are the income statement, balance sheet, statement of cash flows, and statement of changes in stockholders equity. For example, the investor looks at the income statement to see if the company has made a profit in the past. Past profitability is a factor in predicting future profitability. The investor can look at the balance sheet to see if the company owes others a lot of money. A small debt load lessens the investment's risk. The statement of cash flows reveals the rates of dividend payout in the past.



To help the investor, the manager hires a credible outsider (a Certified Public Accountant) to check on the truthfulness of the financial statements. This may not help the investor trust the manager, but it will enable the investor to trust the financial statements. Financial reports don't directly evaluate the manager, but they can be used by investors to help them form an opinion about the manager.



Why you should take this course

I believe that *Intermediate Accounting I* and *Intermediate Accounting II* are the most valuable courses in the undergraduate accounting program, and possibly the most valuable courses you will ever take. There are many reasons for this, however, I will focus on only four.

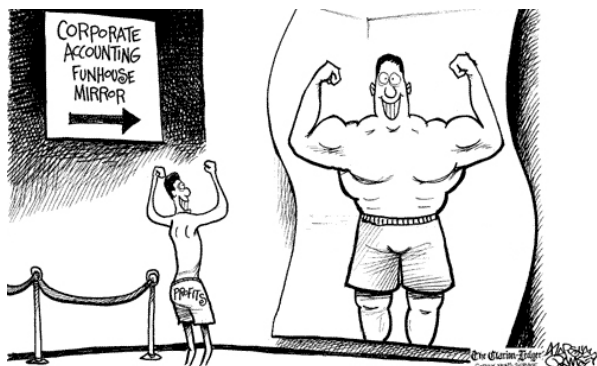
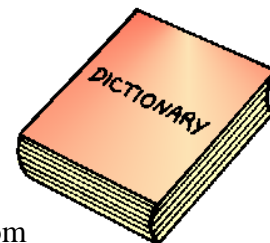
Accountant
I'm Kind Of A
Big Deal



Taking *Intermediate Accounting* now is more important than ever because the rules of financial accounting change all the time. Perhaps you knew something about the financial accounting rules in place two years ago. Well, they have changed so much that publishing houses are giving up on revising older texts that teach accounting. They are commissioning authors to start from scratch in explaining the current rules of accounting.

Second, American businesses are measured by the amount of profit they make. If ever you will be in a position to evaluate a business—for investing in it, selling to it on credit, lending money to it, auditing it—then you will need to know as much as you can about the primary evaluation criterion of profit. If you don't know about or understand profit, then any decision you will make would have to be suspect—a gamble in part or in whole. Well, the measurement of profit is net income, and net income is an accounting calculation. I don't know that calculating net income is as difficult as calculating the trajectory needed to take a space shuttle from launch pad to orbiting space station, but I think it is arguable. Net income is the most important number that financial accounting produces and reports. In the same way that the person guiding a space shuttle needs to know about trajectory, business people need to know about accounting's net income

Third, accounting is more than the calculation of net income. ***It is the language of business!*** This language is composed of vocabulary (business and accounting words), grammar (rules for constructing the equivalent of sentences and paragraphs) and idiom (expression of a given language that cannot be understood from the individual meanings of its elements). In the same way that you would need to know Chinese if you were going to emigrate to China, you should know accounting if you are going to work in business.



Finally, there are people who will try to dupe you when they communicate to you in accounting. There are subtle ways to influence the meaning of accounting reports. There are dozens of recent stories of corporate fraud, and the resulting coverup in which the financial statements have been deliberately misstated. Enron, for example, was a complex situation of infectious greed on the part of corporate management. Once their coverup in the financials was discovered, the company went bankrupt, its auditor (Arthur Andersen) was forced out

of business and the financial markets of the world crashed. WorldCom, another example, was a case of a company whose unprecedented growth suddenly stopped. As it turned out, its large, costly investments in additional capacity were unnecessary and bankrupted the company. It hid its losses by a simple (but effective) misstatement of the financials. Then, the truth came out.



In the past six years, there have been nearly 5,000 instances of corporations restating their previous financials to correct an error. In many cases, this has been the result of companies pushing the envelope of what is a reasonable disclosure and auditors now finally forcing better accounting.

The public outcry following Enron and WorldCom motivated Congress to pass the Sarbanes-Oxley Act of 2002, the most significant legislation pertaining to the financial markets since the Securities Act of 1933 and the Securities Exchange Act of 1934. We are in a new age where companies simply have to get the numbers right.

And if the companies don't get the numbers right? *It is the responsibility of auditors and users of financial information to be able to dig into the financial statements to discover what is really going on!*

Most of you hope to start a career in accounting, say as a CPA or a company accountant. Many of you are finance majors who anticipate needing to know about accounting in your future positions. All of you need to understand the precise composition of every financial statement item. We will therefore cover each of the financial statements in great detail.



Approach to the course

Knowledge of generally accepted accounting principles is the foundation of this course. Application of the rules and uses of accounting information cannot be understood until you have mastered the knowledge.

Accounting can be taught from two distinct approaches: learner centered or content/teacher centered. In a learner centered approach, students learn by *doing*. Content is only important to the extent that students can do something with it after the course is long over. In the content/teacher centered approach, students must learn what the professor knows—factual knowledge, concepts and applications..

The content/teacher centered approach is the traditional approach used in most college classrooms. In this approach the professor lectures (or at least is clearly in charge), the students learn to know what the professor wants them to, and there are tests of factual knowledge where students must show what they have memorized and know. Frequently, discussion and homework are included as part of the course grade. Professors are rated as good if they are organized, good speakers and friendly, and are rated as excellent if they are mesmerizing. Students are supposed to remember the knowledge through subsequent courses and into the real world, where they eventually will have to apply what is remembered. The conclusion from more than one thousand research studies is clear. Most knowledge that the professor wants students to know (i.e., memorize) will soon be forgotten (even if the teacher is rated as good or excellent). How soon? Much will be lost even by the end of the course. There is a rapid decline in retention to three months and by six months hardly anything is left. If the student doesn't put the knowledge to use quickly, 100% will be forgotten after one year.



“One should be able to do what one knows”

Milt Hakel, BGSU

The learner centered approach is in use when the course is structured to allow the student opportunities to apply (in realistic simulations) what is learned.

It has frequently been said that students learn best by doing. It's true. If a teacher is able to show a student what is possible to do with the

knowledge and concepts that have been taught, then that student is changed for a life-time. Without being able to do something with knowledge and concepts, the knowledge and concepts soon will be completely forgotten.

How can students be shown how to do things with what they have learned? First, students must be given a realistic context in which to operate. The realistic context should simulate the after-school world as much as possible. Second, in this realistic context, professors show



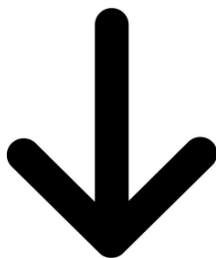
Learning by doing is a moo-ving experience.

students how to do things with what they have learned, and give them enough guidance and practice so they can learn how to do these things. When the student starts applying knowledge, a statement like “Oh that’s how it works. I see now,” is frequently heard. Class time is enhanced when students get an opportunity *to do* something during each class. This approach is called learning by doing.

I use the learner centered approach. Don’t get me wrong, learning what to know is still a major part of the course, but it isn’t the entirety.

Sometimes opportunities to learn by doing will take place in working a problem, either as homework or work in class. There also will be a major project where the focus will be you putting your knowledge to play in a simulated but realistic business setting. This will help you learn how to do it, and at the same time you’ll learn the knowledge better.

From teacher-centered



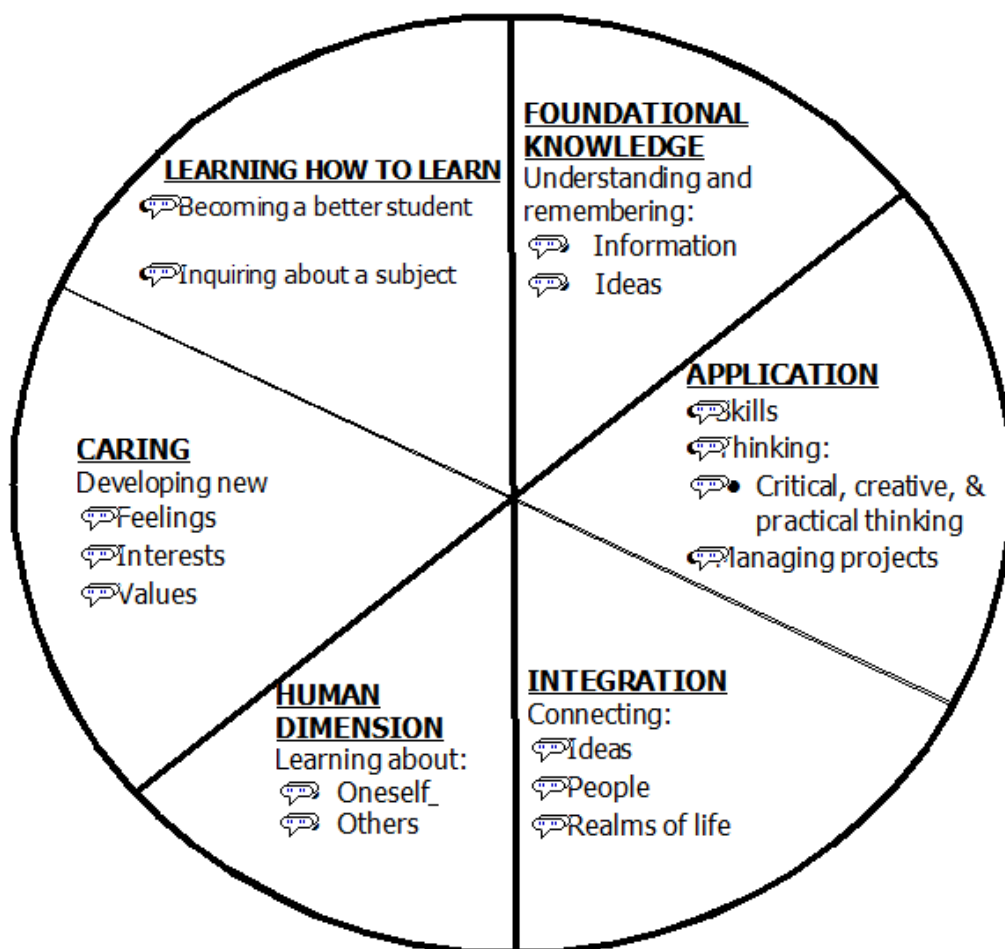
to learner-centered



Holistically educating the entire student

Dee Fink, author of *Creating Significant Learning Experiences: An Integrated Approach to Designing College Courses*, [San Francisco: Jossey-Bass, 2003] is the American guru of the learner-centered approach for collegiate education. He presents a taxonomy of significant learning. A taxonomy is an ordered classification scheme. His taxonomy has six levels, or stages, of learning. He starts off with a basic or foundational stage, and proceeds through other dimensions to the highest or ultimate stage. His taxonomy is:

A TAXONOMY OF SIGNIFICANT LEARNING



From "Self-Directed Guide to Designing Courses for Significant Learning", p. 10

Fink's approach to teach is holistic because it educates not only for cognition, but other aspects of personality and character that mark us as human being instead of primate. For many years my goal as a professor has been to change student lives. I have learned that a student should not only be able to acquire new knowledge, but to have new skills, be able to apply the skills when appropriate and not to apply them if not appropriate, have new understandings, a greater awareness of the world, a better understanding of their own character and how they will continue on the path to future personal growth.

Here is my thinking on applying the Fink taxonomy to an accounting course. It is my hope that different aspects of my course will have positive impacts on a student's life a few years in the future. Going through the Fink taxonomy, my course will educate the student for:

- (1) **Foundational knowledge.** This stage of the taxonomy deals with “the key information (e.g., facts, terms, formulae, concepts, principles, relationships, etc.) [that] is/are important for students to understand and remember in the future?” For intermediate accounting, identifying what needs to be learned is easy. It deals with all the concepts and rules of American generally accepted accounting principles.
- (2) **Application goals.** This stage in the taxonomy deals with “(A) What kinds of thinking are important for students to learn: Critical thinking (in which students analyze and evaluate) and/or creative thinking (in which students imagine and create) and/or practical thinking (in which students solve problems and make decisions), (B) What important skills do students need to gain? (C) Do students need to learn how to manage complex projects?” For intermediate accounting, identifying what needs to be learned is also straightforward. It deals primarily with practical thinking. There are many technical skills, such as working with accounts, debits and credits, amortization tables, present values, etc. Being able to manage projects is also good.
- (3) **Integration goals.** This stage in the taxonomy deals with making connections between knowledge and skills learned in this course and the underlying economic and societal factors that give need for the accounting. Fink explains that the connections are made “(A) among ideas within this course, (B) among the information, ideas, and perspectives in this course and those in other courses or areas, and (C) among material in this course and the students' own personal, social, and/or work life. Again, it is possible for to incorporate this into intermediate accounting by, for example, having students consider the real world ramifications of a society that permits excessive credit while simultaneously considering the accounting for credit transactions.
- (4) **Human dimension goals.** This stage in the taxonomy deals with what students could or should learn about themselves and what students could or should learn about understanding others and/or interacting with them. In intermediate accounting, a student could reflect on those aspects of his/her personality and set of talents that make the student a good or bad fit for becoming a professional accountant.
- (5) **Caring goals.** This stage in the taxonomy deals with the changes/values it is hoped students will adopt. The value changes that possibly could take place in intermediate accounting deal with a student developing a passion not only for accounting, but for being an accountant and for serving others.
- (6) **Learning-how-to-learn goals.** This stage of the taxonomy can deal with becoming a good student in the course, becoming a good student of the subject matter, or becoming a self-directed learning for the many years that follow the course and extend throughout a career of professional service.

Concordia College and holistic education

The faculty and administration intend for all students to receive an holistic education from Concordia College. It is generally recognized that Concordia does of excellent job of imparting this education through a liberal arts focus. It should be the primary reason for why you chose to come to Concordia. As a result of this education, you will be prepared to make a valuable impact on the world from a Christian perspective.

After considerable deliberation, Concordia College adopted its “Goals for Liberal Learning” on January 16, 2004. Its introductory paragraphs emphasize Concordia’s intention to provide an holistic education.

Concordia’s Statement of Purpose shows a clear dedication to educating whole persons to lead lives that are both mindful and intentional. The Goals for Liberal Learning are central to achieving that end, both in the Core and the Major. They are intended to facilitate learning in a variety of academic and experiential contexts. They enable our students to become life-long learners, humbly self-confident in mind, body, and spirit, aware of their gifts and of the need to share these gifts with their neighbor and the world.

The Goals engender in students the following: first, an understanding of the value and purpose of a liberal education as it was understood by Luther—as a means of freeing oneself from ignorance and prejudice in order to give freely of one’s knowledge and wisdom to benefit others, guided at all times by both an intellectual and spiritual understanding of justice and compassion; second, an understanding of the value of questioning, of debate and dialogue, of critically assessing the truth claims of a variety of perspectives and the values and assumptions they represent; third, an understanding of who they are as individuals and, as members of communities both large and small, the roles they may play as leaders and facilitators in the empowerment of others; and fourth, a passion for excellence—not as a static ideal, but as a call to do better and to be better.

The Goals, then, achieve distinction by being grounded in a tradition that emphasizes the religious and moral dimensions of learning and knowing, the profound relationship of belief and action, and the continual need to test the validity of one’s understanding—to leave no potential source of knowledge and truth unexamined.

The Goals should be understood as a means to an end, as a means of educating our students to embrace and embody those values and habits of mind that are foundational for leading lives of intellectual, physical, and spiritual well-being. They help students discover not only what potentials they possess, but also how those potentials may be realized. Ultimately, the Goals help them discover meaning and purpose for their actions, a philosophy of life, and a wisdom that comes only through the power of love and a curiosity born of an awareness of the essential mystery of all things.

I whole-heartedly agree with, believe in, and affirm this statement.

Specifically, Concordia Colleges goals for liberal education are:

- (1) Instill a love for learning.
- (2) Develop foundational skills and transferable intellectual capacities.
- (3) Develop an understanding of disciplinary, interdisciplinary, and intercultural perspectives, and their connections.
- (4) Cultivate an examined cultural, ethical, physical, and spiritual self-understanding.
- (5) Encourage responsible participation in the world.

The professor's goals for this course

After reading the preceding pages, you probably can figure them all out. Of course, I want you to learn about accounting and financial statements. But you are not just learning about them—you are learning to be an accountant and become a more capable human being. Here is my list of goals for this offering of the course:

- (1) To drill and train students in the form and structure of all four financial statements.
- (2) To train the student in the basic policies (rules) governing the preparation of financial accounting reports (especially the asset side of the balance sheet).
- (3) To show how external parties can use financial accounting information.
- (4) To show the link between specific accounting rules and the economic, societal, political and conceptual rationales for adopting certain accounting policies.
- (5) To show the student how to think like an accountant when doing the accounting for basic transactions.
- (6) To help the student reflect on the “think like an accountant” learning process so they can apply the accountant’s thought process to future life situations.
- (7) To help students learn to become better accounting students.

**I ♥ Accounting
and so will you**

Foundational knowledge and application learning outcomes and assessment for students

After taking this course, you will be able to:

- (1) Define and explain common accounting terminology without referring to the textbook, your notes or an accounting dictionary. The professor assesses your ability to do this through using vocabulary drills, working problems (formative), and knowledge oriented tests (summative).
- (2) Read, use and analyze accounting information using debits and credits, all three types of journal entries (transaction, adjusting, closing) and accounts. The professor assesses your ability to do this through working problems (formative), and knowledge oriented tests and the simulation game (summative).
- (3) Prepare financial statements (with notes) for a business with many types of activities. The professor assesses your ability to do this through using homework problems (formative), and projects and knowledge oriented tests (summative).

The DEBIT - CREDIT rule	
Debit	Credit
Left	Right

- (4) Apply appropriate generally accepted accounting principles for required disclosures related to current assets and long-term tangible assets. The professor assesses your ability to do this through using homework problems (formative), and knowledge oriented tests (summative).
- (5) Be able to “read” a set of financial statements for comprehension. The professor assesses your ability to do this through using homework problems (formative), and projects and knowledge oriented tests (summative).
- (6) Visually skim through a set of financial statements and form an initial impression as to how well the company is doing. The professor assesses your ability to do this through using homework problems (formative), and projects and knowledge oriented tests (summative).

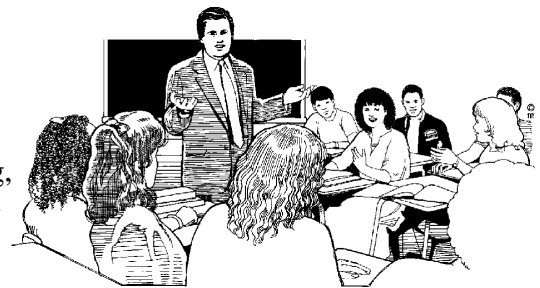
Learning outcomes and assessment for holistic education

After taking this course, you will be able to:

- (1) To explain your personal reaction to at least one link between specific accounting rules and the economic, societal, political and conceptual rationales for adopting certain accounting policies. The professor assesses your ability to do so through your reflection written in your learning notebook.
- (2) Understand and describe the degree of fit between yourself as a human being and accounting as a profession. The professor assesses your ability to do so through your reflection written in your learning notebook.
- (3) Understand and appreciate a typical “accountant” thought process, to think like an accountant when doing the accounting for basic transactions. The professor assesses your ability to do so through your reflection written in your learning notebook.
- (4) Show a passion for financial reporting. The professor assesses your ability to do so through your reflection written in your learning notebook.
- (5) To reflect on your learning process so you can decide for yourself how to learn what is necessary to future professional situations. The professor assesses your ability to do so through your reflection written in your learning notebook.

What each class is like

A fair portion of each class period is conducted in a lecture/clarification format. This doesn’t sound too appealing, but there is quite a bit of interaction. I have been working for 25 years on developing effective explanations on how to compute the numbers required by generally accepted accounting principles. Some of my explanations have spread to other schools. I *Come prepared to get involved.* am best known for teaching pensions, but my explanation of errors and leases have also gained some attention. It is to your advantage to work with me during every class.



Unless every student can get involved, little or no learning will take place. I'll frequently interact with various students while we go through the material. During this interactive portion, I usually ask several types of questions, including: "What is this?" "How is this done?" "Why is it done?" "What's next." "What if we did this?" "Define this." "Can you relate this to other concepts or principles we've talked about?" "Can you reconcile this accounting with the underlying economic event?" Can you explain how this accounting principle could be applied to this different issue?"



I know that!

I never bring a calculator to class. I rely on all students to compute the numbers for examples and homework. I'll lay out a problem in class, and students work it, step-by-step with me in the lead. Or, it might be that I'll stop and let everyone in the class do a problem on his/her own. I encourage students to work together in class, check answers with neighbors, and help others until everyone has it figured out. I think students should be able to talk with each other during class, as well as text each other.

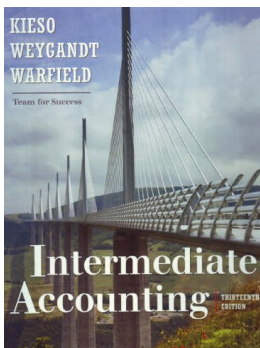
I rely on students to present problem solutions on the board and to walk the class through the solution.

Periodically, I'll bring to class financial statements from real companies. Perhaps they will be for a few companies in the same industry. Through analysis and interpretation, we should be able to see which one is doing the best job in one respect or another. Perhaps the financial statements will be for one company over time. Through analysis and interpretation we should be able to describe the stories being told.

I'm sure you will get your money's worth if you regularly come to class.



Required materials



Intermediate Accounting, Update, 13th Edition, (2009) by Kieso, Weygant & Warfield

Real Money: A Financial Accounting and Investment Simulation Game (2003 ed.) by W.D. Albrecht.

Calculator capable of performing present and future value computations.



Kieso's book is a tried and true textbook, and is used in a majority of accounting programs nation-wide.

Grading

Letter grades will be assigned according to relative class standing (in other words, students that score better on tests and projects will receive better grades). Rest assured that the goal is a fair assessment of student knowledge and understanding. ***When all is said and done, grade assignments remain the result of the professor's professional judgment.***

The grade of "A" requires excellent performance on tests and projects. Exam scores are perfect or nearly perfect. "B" means very good. Students really know their stuff, but make small errors. "C" stands for competent. Students sometimes really know their stuff, and other times make errors because they are only familiar with the material. Students who don't get it very well receive a "D." A grade of "F" is for those who don't get it at all.

Sanford Pinkster has an interesting way of explaining the difference in grades: An A+ is a touchdown that got the crowd to its feet -- a forty-yard pass play or a seventy-yard run from scrimmage. As color commentators like to put it, :so and so "took it to the house." Players like this get in the game's highlight films. An A is a touchdown that generates loud cheers but not necessarily a standing ovation. True, six points are six points but some touchdowns are simply more graceful than others ...



B grades are akin to field goals. The student got close but at the end had to settle for a good kick and three points. Granted, teams can win games with field goals but not nearly as many as they can win with touchdowns ...

C students are the sort who can get a first down, even a couple of first downs, but in the end, they punt the ball. ... The most positive thing one can say about C work is that field position is important and that a good punter can put the opposing team deep in its own territory. Eventually field position can win games, but field goals and touchdowns win them more often and more decisively.

D work might be likened to a team that cannot protect its quarterback and that thus suffers the big-time loss of yardage known as "sacks." When a team loses ground, punting the ball usually puts it in great field position for one's opponents. D papers lug around enough mechanical mistakes so that a teacher's red grading pencil gets a brisk workout. These can be equated to sacks, and they have the same bad consequences as do sacks on the football field.

F work is obvious. It can come as an interception or a fumble but, either way, you've given up the ball. Period.

Your course grade will be assigned on the professor's subjective evaluation of your tests and papers. The course grade will integrate these items:

Exams (two during term & final)	65%
Homework notebook	0%
Three minutes of cool	2%
Learning notebook	9%
Real Money project	15%
Financial statement analysis	9%
	<hr/>
	100%



Exams are scheduled to be taken at night. The primary reason for this is that it permits students an unlimited amount of time for taking the test. Exams are problem-oriented, and can contain problems, written response questions and case analysis. Exams are usually closed-book and closed-notes. Calculators should always be used. Approximately one week preceding the date of the

exam, each student will receive a copy of an *exam preview* (detailed description of content and format of test) as well as a copy of a test from a previous semester.

Projects are designed to give you an opportunity to work a real-world problem in a realistic setting. There is no second chance for resubmitting projects.

How to study for this course

<http://profalbrecht.wordpress.com/2008/12/30/ace-your-accounting-classes-12-hints-to-maximize-your-potential/>

Attendance policy

You should attend every class. However, I realize that interviews, work and family commitments sometimes get in the way. If you miss a class, please make arrangements with another student for a copy of their notes. If you know about an absence in advance, send a voice recorder of some type. Finally, if you need to miss a class, send me an e-mail letting me know of your absence. There is no penalty for missing a class. Please keep in mind that regular attendance is a requirement for retesting.

Assignments

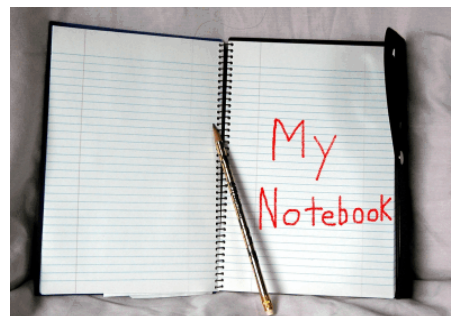
Will be announced on a daily basis. I'll make announcements far enough in advance for you to have adequate time to work the problems.



Homework

Completion of homework problems is a nongraded requirement of the class. Homework problems are assigned for most of the class periods. You will not have to hand in HW solutions on a daily basis throughout the term. However, you will be expected to be current for discussion purposes. If the class does not stay current on the HW assignments, then daily quizzes will be given. Solutions to the HW problems are e-mailed or distributed in class. Many homework problems are worked interactively in class.

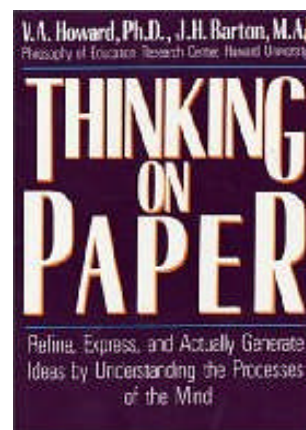
In addition, you must maintain a notebook or collection of your hand-written attempts to do the homework problems. This notebook should contain a table of contents listing all homework problems worked. By the date of the final exam for this course, you must turn in your notebook/collection for inspection by Dr. Albrecht. If your notebook does not contain your hand-written solutions for at least 75% of all problems assigned, then your course grade will be docked one letter.



Learning notebook

It has long been recognized that writing an essay forces the writer to come to grips with the issue being written about. Writers can actually firm up what they think by writing about the subject.

Your learning notebook is actually a journal for reflective thinking. You will write what you think about certain issues. The issues you write about have no correct or incorrect answer, because you are writing about your thoughts, opinions and feelings.



Your learning notebook will be graded on how well you accept the assignment to write about your thoughts and feelings. If your reflections are thorough, well justified, organized and sincere, you will receive higher marks than if your reflections are incomplete, haphazard, disorganized and brief.

Three minutes of cool

Students are expected to pay attention to the business world and accounting world. Each student will be required to make a presentation on some issue that struck him/her as “cool.” In addition to the presentation, the presenting student is to develop four to six discussion questions for the class to contemplate and discuss. Eventually your passion for cool will transfer over to accounting.

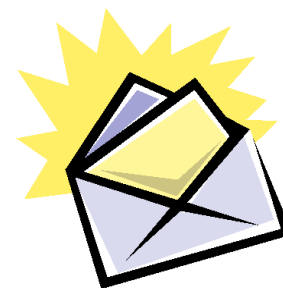


Class discussion

Everyone is expected to speak up in class. If I do not get adequate participation from each student, I will establish standards and a process to measure your participation.

Computers and e-mail

All students are required to regularly check their e-mail, whether it be Concordia or a private e-mail. I recommend free e-mail accounts on the Internet. Check your e-mail often, because I'm going to send out notes, assignments, etc., by e-mail. I assume that by 24 hours after I send out an e-mail, everyone has read it.



Accommodations for disability

In accordance with the Concordia policy, if a student has a documented disability and requires accommodations to obtain equal access in this course, he or she should contact the instructor at the

beginning of the semester and make this need known. Students with disability must verify their eligibility through the Counseling Center (218-299-3514).

I am committed to going the extra mile in making reasonable accommodations for a student's disability.

Religious Holidays

It is the policy of the College to make every reasonable effort allowing students to observe their religious holidays without academic penalty. In such cases, it is the obligation of the student to provide the instructor with reasonable notice of the dates of religious holidays on which he or she will be absent. Absence from classes or examinations does not relieve the student of responsibility for completing required work missed. Following the necessary notification, the student should consult with the instructor to determine what appropriate alternative opportunity will be provided, allowing the student to complete his or her academic responsibilities.

I am committed to going the extra mile to accommodate a student's religious beliefs. If you have decided to follow your religion's prescription to observe a certain day or date, I guarantee that you will not be penalized in this course.

Codes of Conduct and Academic Policy Statement

The instructor and students in this course will adhere to the College's general Codes of Conduct defined in the *Student Handbook*. It that students do not cheat, fabricate, plagiarize or facilitate academic dishonesty. For details, refer to:

➤ *Student Handbook* (<http://www.cord.edu/Studentlife/StudentHandbook/AcademicPolicies/academicintegrity.php>)

Academic honesty for ACCT 355

You are expected to adhere to Concordia College Academic Integrity policy. At various times, the professor will describe activities that constitute academic dishonesty. Violations will be dealt with according to policy. If you are academically dishonest on an exam, the penalty is score of zero on the exam and a grade of F for the course. If you are academically dishonest either the Real Money simulation game or the project, the penalty is a score of zero. If there are two or more violations by the same student on Real Money, then the penalty will include a grade of F for the course.



Two well written paragraphs, "What constitutes plagiarism" and "How can you avoid plagiarism" can be found on-line at www.liuedu/cws/cwp/library/exhibits/plagstudent.htm

Real Money Simulation Game

Real Money is a financial accounting and investment simulation game for use in financial accounting courses at the collegiate level.

The objectives of this simulation game are for the student to (1) apply the accounting cycle in a dynamic business environment, and (2) experience the financial statement and investment decision processes that follow from use of financial reports.

These objectives are accomplished through use of the game Monopoly®. The students in a class are divided into gaming groups with each game representing a distinct and separate local market. There are four companies in each market.

Students get together outside of class to play in their game of Monopoly. They play thirteen turns (one year) and then stop. They note all details of the game at this time because they will be returning to play year two in a couple of weeks.

Each student does the accounting for his or her experience using journal entries and a general ledger. They prepare an Annual Report to Stockholders including a CEO letter and a complete set of financial statements with notes. These are graded by the instructor and then published to all students.

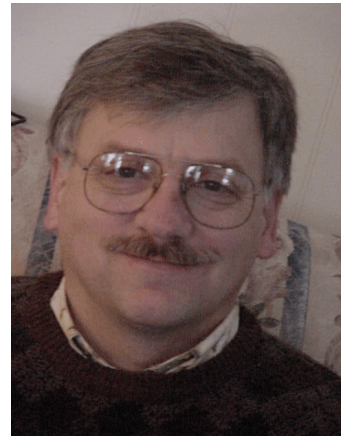
After the entire class has had an opportunity to read all the annual reports and perform financial statement analysis, then each student buys shares of stock in those companies expected to dominate or monopolize each local market. After students complete their investments, they are ready to return and play year two of their game.

As the simulation game continues, students add additional components to their annual report to shareholders, including financial highlights and a management discussion & analysis.

The simulation game continues until annual reports have been prepared for four years. Then, the play of the game and investment winners are declared and Real Money Lite is over.

About the Professor

As an undergraduate student at the University of Iowa, I majored in playing cards, foosball and pool (and political science). As you can imagine, I didn't make much progress toward getting a good start in life. After working for a while at making pizzas and then delivering mail, I saw the light and returned to school at Iowa to learn something worthwhile-accounting and business.



Subsequently, in no particular order, I married, fathered two sons, received a Ph.D. from Virginia Tech, and professed accounting at Andrews University, Virginia Tech, North Carolina-Chapel Hill, and Bowling Green State University. In 2009 I came to Concordia.

Helping students learn is very important to me. I have become a proponent of the learning-centered approach. Creating the "learn accounting while playing Monopoly" simulation game has earned me a reputation in accounting education. Increasingly adapting the learning-centered approach to my classes has resulted in much student acceptance.

I am actively involved in writing essays related to financial accounting and accounting education. These essays appear on my blog at <http://profalbrecht.wordpress.com/>. I have a national reputation as an accounting theorist, and my blog essays are read by many.

In my spare time I have several activities to keep me busy. Professionally, I read up to 100 articles per day about accounting from Internet newspapers and magazines. I am also putting my approach for Acct 155 into a textbook. Outside of the professional realm, I play bridge at several tournaments each year. I also view about 300 films per year. Usually people gang up against me in Monopoly and Boggle. In addition, I am always open to receiving your movie recommendations, favorite cartoons or jokes, and challenging sudoku puzzles.

Schedule of approximate due dates

Test one	beginning of week 6, evening
Test two	beginning of week 11, evening
Final exam	
Real Money simulation game	various dates
Financial statement	various dates

Topical content in 355

Introduction to financial accounting and review

Accounting cycle.

Financial accounting regulation and the accounting environment.

Theoretical structure of financial accounting.

Time value of money review.

Financial Ratio Analysis.

Income statement concepts

Income statement review.

Revenue recognition.

Statement of Cash Flows.

Statement of cash flows review

Statement of Changes in Stockholders Equity

Common Stock

Retained Earnings

Accumulated Items of Other Comprehensive Income

Treasury Stock

Balance sheet components

Balance sheet review.

Cash.

Accounts receivable.

Inventories.

Long term tangible assets.

Long term intangible assets

Other financial statement disclosures

Notes

Subsequent events

Interim financial statements.