Financial Reporting I
ACCT IS 301/701 – Fall 2017

Section Information:	Instructor	#	Course	Day	Time	GH
	Terry Warfield	4	42152	MW	9:30 AM	2180
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Office Hours:	M/W 11 a.m. – 12:30 p.m. T/R Noon – 1:30 pm. Others by appointment					

Prerequisite – Introductory Financial Accounting (ACCT IS 100)

AIS 301/701 Required Course Materials: Text and WileyPLUS
The text for the course is: Intermediate Accounting, 16th Edition, by Kieso, Weygandt, and Warfield. 2016. John Wiley & Sons, Inc. You will be required to complete and submit the assigned homework on-line through the WileyPLUS system, an online teaching aid linked to the textbook. In order to receive grades for the assigned homework you will need access to WileyPLUS.

Your purchase options for the textbook and WileyPLUS access are:
1. **New hardcopy of the textbook.** If purchased new at the University Bookstore or the Underground Textbook Exchange, the required WileyPLUS access code should be automatically included. Be careful if you purchase the textbook elsewhere. The bookstores above have a special arrangement to "bundle" WileyPLUS with the textbook. The access code is typically not included and if you purchase the textbook without the access code, you would need to make a separate purchase to obtain the access code. If you purchase the textbook without the WileyPLUS access code, see option 2 below to purchase the WileyPLUS access code.

2. **Electronic option.** You can purchase the WileyPLUS access code at: wileyplus.com. Once at this page, under the heading 'Register for a New Class', either enter the 6 digit Course ID that corresponds to the class section you are enrolled in (See WileyPlus Log-in section below) OR enter "University of Wisconsin Madison", then select the class section for which you are registering. Follow the prompts to log in or to create a WileyPLUS account. Once logged in you can make your WileyPLUS purchase. Please note that you will have 3 purchase options:
Your purchase options for the textbook and WileyPLUS access are:

- WileyPLUS Instant Access only: includes on-line version of textbook and related supplementary materials;
- WileyPLUS Instant Access + BRV: includes on-line version of textbook, related supplementary materials and Binder Ready Version (BRV) of textbook; and
- WileyPLUS Instant Access + eBook: includes on-line version of textbook, related supplementary materials and eBook (a downloadable version of the text).

Your access to WileyPLUS will be available to you for as long as it takes to complete the 2-semester AIS 301/302 sequence. For most, this sequence will be in consecutive semesters but it doesn't have to be – your registration is valid until you complete AIS 302.

3. Used hardcopy text with electronic option (Option 2).
ISBN numbers:

- Hard-copy text only ISBN: 9781118743201
- Hard-copy text and WileyPLUS ISBN: 978-1-119-23153-0
- Binder Ready Version (BRV) (loose-leaf) of the text available at www.wileyplus.com
    - BRV text only ISBN: 9781118742976
- BRV text and WileyPLUS ISBN: 978-1-119-28984-5 (The BRV is less costly than the hard-copy text.)
- WileyPLUS Instant access with e-text embedded within. ISBN: 9781119283348
- All Access Pack (Downloadable e-text, supplementary materials, and WileyPLUS). ISBN: 9781119260868

WileyPLUS Log-in

You must register and log in to WileyPLUS with your access code. **Make sure to register using the URL number that corresponds to the lecture/section that you are registered in!**

Instructor	Section			WileyPlus course ID#	WileyPlus URL
Terry Warfield	4	MW	9:30	578456	www.wileyplus.com/class/578456

Useful links:

WileyPLUS home page at: https://edugen.wiley.com/edugen/secure/index.uni
Included is a tutorial under the WileyPLUS Quick Start tab. This would be helpful for you to review.

Wiley Tech Support: http://wileyplus.custhelp.com/

FASB 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 will gain access to the FASB Codification through a portal at the American Accounting Association: http://aaahq.org/ascLogin.cfm. Upon accessing this link, use the following username and password: **Username – AAA51228 Password – wgY4T6K.**

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

Please note that the University of Wisconsin-Madison is not responsible for technical problems with WileyPLUS or the FASB Codification.

Electronic Communication

Communications outside of class and office hours will rely heavily on email, Moodle, Canvas and/or WileyPLUS. **It is expected that you will maintain a current email address account registration with the university and that you will check your email daily.**

Course Objectives

This course provides the foundation for all upper level accounting courses. The course builds on, and expects knowledge of, all topics introduced in Introductory Financial Accounting (AIS 100). This course goes beyond to focus on more complex issues of corporate reporting theory and techniques such as the Conceptual Framework, financial statements, valuation techniques, long-lived assets (including intangibles) and impairments, short-term and long-term liabilities, stockholders' equity, and long-term obligations, and revenue recognition. While some emphasis is placed on analysis, interpretation, and use of accounting data for investing, credit, and management decisions, the reporting function of accounting to external users (investors and creditors) will be stressed. This will not only entail the study of current financial reporting and disclosure requirements, but will include controversial and emerging practices.

The Accounting Department and the School of Business articulates learning outcomes for our curriculum in terms of the following elements.

Knowing (K)	My conceptual expertise and awareness of facts, frameworks and theories
Doing (D)	My ability to execute and what I have experienced
Being (B)	My understanding of who I am and how I match with the values of the university and my profession

Inspiring (I)	My understanding of who I could be and how I could inspire others
Networking (N)	Who I interact with and how I relate to others

With respect to AIS 301/701, the following outcomes have been identified:

Element	Course Outcome
K	Students will understand the measurement and valuation methods of the financial statement elements, including fair value concepts.
K	Students will understand that transactions are triggered by business purposes and that understanding the business purpose is important for the application of the Generally Accepted Accounting Principles (GAAP).
I	Students will identify and analyze certain fundamental economic events, conduct research, and apply relevant accounting standards to these events.
D	Students will demonstrate proper presentation and reporting of financial statement elements and transactions.
D	Students will demonstrate how financial statements effectively communicate the financial results of an economic entity. This communication includes the understanding and use of financial statements from the perspective of the users of the financial statements.

In this course, students will also need to develop and demonstrate:

Critical Thinking and Communication Skills

- Develop critical thinking skills by completing research tasks, group learning and interaction tasks, and communication tasks (oral, written, and spreadsheet-based).
- Critical thinking is a rational response to questions that cannot be answered definitively and for which all the relevant information may not be available. Critical thinking is an investigation whose purpose is to 1) analyze a problem, 2) arrive at a conclusion that integrates all available information, and 3) justify the conclusion convincingly to others. Thus, qualified accounting graduates must develop certain professional competencies, including the ability to integrate accounting knowledge across other business disciplines, communication skills (both oral and written), and the ability to work in teams.

Learning Activities

To achieve these instructional objectives, we will use various class formats and activities (a mixture of lecture, discussion, and text-based homework problems) in this course to develop students' understanding of the accounting concepts and technical accounting content. Regular class sessions will consist of both lecture and discussion which will examine accounting issues and controversies related to the course content. In addition, the content of each lecture **presumes and expects that you have *carefully read* and studied the assigned readings before the class session during which a particular topic will be discussed.** Lectures will emphasize the major topics and readings, and you are responsible for **all** assigned text material plus any additional materials covered in class. If you have engaged in proper pre-class preparation you will be better able to process the material in class lecture and discussion. **Slides useful for note-taking during class will be posted to Course Webpage (under each chapter module approximately 2 to 3 days prior to class.** Thus, regular class attendance is important -- missed lectures, discussion, etc. will seriously impede your performance. You are encouraged to ask questions and to stimulate discussion on topics which you have difficulty understanding.

Most chapters in the text have a Section titled ***IFRS Insights.*** The two topical areas in that section that you are responsible for are the **RELEVANT FACTS** and **ON THE HORIZON.**

Group Work: Several of the class-periods during the semester will be partly devoted to small group activities organized around material that is assigned for that class period. The purpose of these activities is to more actively involve students in the learning process and to develop teamwork competencies. Students will be assigned to groups early in the semester; to engender continuity, these groups will remain intact throughout the semester. Activities in these sessions comprise the following sequence:

1. Individual Study (students prepare on their own **before class** for the material to be covered for that day).
2. Individual Quiz (5 - 10 questions over assigned readings and/or problems).
3. Group Test (same questions / problems as the individual test) -- groups will be given immediate feedback on the correct answers.
4. Instructor input / Class discussion.

Individual and group quizzes are closed book / note. The instructor will provide advance notice of class periods that will be devoted to group activities -- these class sessions are indicated as "Quiz/Group" on the course schedule.

The effectiveness of these group activities depends on how well students are prepared individually to contribute to group discussions of the assigned material. Such preparation (reading and studying assigned material before class) should enhance group and class discussions and improve both individual and group performance on quizzes. Ten percent (10%) of the total grade will be based on performance in these group activities (individual quizzes, group quizzes, and peer evaluations). The group will do well only if all members come to class prepared. Because the effectiveness of these activities will be determined by individual and group efforts, (as a starting point), equal weight will be given to individual tests, group tests and peer evaluations. Weights among the different elements may be open to negotiation at a later date.

Grading

The following table summarizes each component of your grade for this course and the weight assigned to each component. **There are no opportunities for extra credit.**

Component	Points	Percent
First exam (Chapters 1 – 7/7B)	120	24%
Second exam (Chapters 8 – 12)	120	24%
Third exam (Chapters 13, 14, 15/15A, 18/18A)	120	24%
Cases	60	12%
WileyPLUS homework, quizzes/groupwork, Participation/Professionalism	80	16%
Total	500	100%

Letter grades are only relevant with regard to your final point total earned. Historically, typically 20-25 percent of students in AIS 301 sections have earned A's, 50-55 percent have earned AB's or B's, 20-25 percent have earned BC's or C's, and up to 5 percent have earned a D or F (thus, the average G.P.A. for sections of AIS 301 historically has been about 3.2). Periodically throughout the semester, you may receive feedback on where you stand in terms of your total points earned and relative to your classmates (i.e. class rank). Per the University's academic policies and procedures for non-core classes "…the mean grade should be no higher than 3.3 and the maximum percentage of As is 30%."

Exams. You must take the third exam to pass this course. The exams are designed to extend your thinking through analysis and applications of these concepts in new or unique situations. The exam format may include multiple choice, problems, and short answer. The exams are "closed book/notes." Note that the examinations will be demanding of both your efficiency and effectiveness in addressing corporate accounting measurement and reporting issues. Calculators may be used during the exams and you are encouraged to use a non-programmable financial calculator. If you only have access to a programmable calculator you may use it provided 1) all memory relating to any of this class material is erased and, 2) you sit in the front rows of the exam room and/or be willing to have your calculator checked. Cell phone calculators will not be allowed. Be sure your calculator works since no allowances can be made if a calculator fails during an exam. Backup calculators are allowed. Calculators may not be shared during an exam. Any violation of appropriate integrity relating to this will result in loss of calculator use for the reminder of the exam and a 30 point reduction in your exam score. The exams will be collected promptly at the end of the exam period. Students will not be allowed to ask any questions regarding interpretation of the exam questions during the exam. If a question seems ambiguous, you should state any assumption you feel is necessary to answer the question and proceed to solve the question.

There will be three exams on the dates indicated on the course schedule. A review packet will be made available to you prior to each exam. The first and second exams will be administered in two-hour evening sessions per the course schedule.

If you miss an exam, a zero exam grade and no re-weighting of the remaining exams may result. If the instructor is notified *in advance* of the regularly scheduled exam, a make-up exam *may* be given for valid, well-documented, reasons (medical emergency, family emergency, university-scheduled events, or class conflicts). Instead of providing a make-up exam for an excused absence, the instructor has the option of re-weighting the remaining exams accordingly.

Please review the exam schedule now and email me by the end of the fourth class stating any conflicts (for example class or work conflicts) with any of the three exams. Also, email me the first week of classes if you are a McBurney student and need accommodations.

Cases. The Case assignments are part of the Accounting Department's initiative to assist in the development of professional competencies, in this case, your analysis and writing skill competencies.

The Cases will be assigned during the semester and should be completed on an individual basis outside of class. Case due dates are noted in the Schedule and Assignments page (see attached). You may submit your Case write-up(s) early if you know you will be absent from class on the due date. However, please do not ask me to review early drafts of your work asking for feedback. Providing feedback on drafts can, and has, turned into pre-grading which can create potential equity problems across individuals. The Cases will be graded on the quality of the writing in addition to the quality of discussion and strength of analysis of the accounting issues presented. Additional information about the cases, submission and grading will be discussed in class and posted on the AIS 301/701 Cases online website.

You are not permitted to work with others in preparing your solution to the Case.

Homework; Quizzes/Groupwork; Professionalism. The total points for this element of the grading scheme is 80. The specific allocation of these points will be explained in class.
Quizzes. An online online quiz covering key ideas in the syllabus and chapter 1 should be completed BEFORE the first class, but certainly before the second class. **See below for quizzes/groupwork** during the semester.
WileyPLUS Homework. Chapter problems/exercises are assigned in order to reinforce the chapter material. The assignments are designed to help you prepare for class; in many cases, we will expand on the WileyPLUS assignments during class. Your preparation and completion of homework assignments will directly affect your ability to participate in the class discussions and to perform on the exams.

The Schedule and Assignments (attached) shows the assigned exercises by chapter. As in AIS100, there are two types of WileyPlus (WP) assignments – pre-and post. Pre-assignments (with no prefix in the schedule) are to be completed and submitted before class. The due date of each pre-assignment, indicated at the WP site is 30 minutes before class starts. Post assignments (indicated with a "Post" prefix) will be submitted after we have finished class discussion of the chapter topic (due date a couple of days after class. Points allocation to pre- and post-WP homework will be approximately 50%.

It is important that you are diligent in managing your schedule in order to stay up-to-date on WP homework. As discussed in AIS 100 the idea to have both pre-class and post-class WileyPlus Questions is inspired by research presented in the book, *Make it Stick (2014)*. Drawing on recent discoveries in cognitive psychology and other disciplines, *Make it Stick* suggests many common study habits and practice routines turn out to be counterproductive. Rather, more complex durable learning come from self-testing, introducing certain difficulties in practice and waiting to re-study new material until a little forgetting has set in. The idea of pre-class as well as post-class WileyPlus assignments is designed to do just that—give you a chance to test yourself while introducing certain complexities to the problems all while spacing the assignments out to allow for a little bit of healthy forgetting. Below is the citation for the book for your reference (***NOT REQUIRED READING*: Brown, P. C., Roediger, H. L., & McDaniel, M. A. (2014). *Make it stick*. Harvard University Press.)**

Caution: An "assignment" is made up of a group of problems and if one of the problems is submitted late, the entire assignment is considered late. Any attempt of a problem after the due date will result in the entire assignment being deemed late. In addition, if you have completed a problem without using all 3 attempts, and you go in to a problem after the due date (for exam review, perhaps) WileyPLUS will think that you are making another attempt at the solution and will consider the problem and assignment late.

As in AIS 100, it is a good idea to print out the WP question and record the answers to the question prior to entering the answer on WP. This will decrease the likelihood of errors and timing out on WileyPLUS.

Collaboratively working on and discussing WileyPlus exercises with classmates is NOT considered academic dishonesty, but your submission should reflect your individual work and understanding. You are welcome and encouraged to seek assistance during office hours (or at another time) with any WileyPLUS exercises but only provide **after the due date**.

Participation/Professionalism. The Accounting Department feels that you should begin the process of developing the attributes of a professional and should activate those attributes in your attitude and conduct as a student.

Your participation in class discussions as well as other class participation will be part of the basis for this 20 point allocation. You should expect to be called on any assigned class topic at any time (i.e. "cold calling"). Being tardy to class will directly negatively affect this point allocation. If there is a reason for being tardy to class that you would like considered feel free to email it to me. **Missing the first class after an exam without a pre-approved reason will result in a reduction in Participation/Professionalism points.** These points will be assigned at the instructor's discretion.

To foster a more professional learning environment and to develop habits that lead to success in the business world, all participants in each AIS class must engage in professional behavior. Please view each class session as equivalent to an important business meeting. The professional conduct policy includes but is not limited to:

1. Attending each class session, including arriving promptly and leaving at the designated time; notifying instructor prior to class should an exception be needed.
2. Being attentive and an active participant in group activity and class discussions.
3. Respecting diversity in the classroom and treating everyone involved in the class in a civil manner.
4. Planning outside activities to avoid conflicts with the activities outlined in the syllabus.
5. Abiding by the academic misconduct rules and procedures and code of ethics discussed below.
6. Turning off cell phones and stowing them away during class is required. No use of cell phones for any reason during class is permitted.
7. Arranging laptop use in advance.
8. During class time, work only on matters pertaining to this class.

Grade Appeals

Challenges to a grade on an exam, case, assignment or quiz will be considered if an appeal is submitted to the instructor **by the beginning of class on the seventh calendar day after the graded item is handed back to the class**. The originally graded work (if the appeal relates to a Case) must be submitted with a detailed written explanation of the reason for re-evaluation request. The written explanation **must** provide detailed basis for the appeal and justification of the position taken. **If a written appeal is not made within the time deadline mentioned above or if it is not sufficiently detailed, no grade re-evaluation will take place.** Upon receipt of a re-evaluation request, the instructor reserves the right to re-evaluate the entire exam, case, or assignment.

Additional Requirement for Graduate Students

In addition to the course requirements listed above on the syllabus, AIS 701 students will also be required to complete a paper.

Academic Misconduct

UW conduct rules describe academic misconduct as "... an act in which a student: (a) Seeks to claim credit for the work or efforts of another without authorization or citation; (b) Uses unauthorized materials or fabricated data in any academic exercise; (c) Forges or falsifies academic documents or records; (d) Intentionally impedes or damages the academic work of others; (e) Engages in conduct aimed at making false representation of a student's academic performance; or (f) Assists other students in any of these acts." Charges of academic misconduct are taken seriously and actions that can be taken against a student include failure in the course and permanent record in the student's file. See: http://www.students.wisc.edu/doso/academic-integrity/. Please review the UW Academic Misconduct Policy and ask your instructor if you have any questions. The Department of Accounting has endorsed a statement of values developed by students and candidates for the Masters of Accountancy Programs. Additional information on the statement of values and the student-developed Ethics and Professionalism Program can be accessed at the following link: http://bus.wisc.edu/knowledge-expertise/academic-departments/accounting/beyond-degrees/ethics-professionalism

Failure to follow the standards of academic integrity expected of you will result in disciplinary action determined at the discretion of your instructor.

Use of Technology

If you choose to use a laptop, iPad, etc. during class, please be respectful and only use it for class related purposes. Use of technology for activities unrelated to this class is disrespectful to the instructor and can be distracting for students sitting behind or next to you. If a student's use of technology is a distraction to you please inform your instructor (your notification will be held in complete confidence/confidentiality). Once notified, your instructor will provide a warning to the class to help reduce/eliminate any further technological distractions. Should the distraction(s) persist all technology will be prohibited during class for all students. The length of this prohibition is at the discretion of the instructor. Cell phone use is not permitted during class. Taking pictures of slides discussed during class is prohibited.

FALL 2017 (Section 4 – ***Some elements may change – Schedule at Coursepage/WileyPlus is final***)

	MW Due:	***Day***	**C*h***	**Topic Fall 2017**	**Reading 16th edition**	**WileyPLUS Assignment**
1	9/6	W	1	Standards, Conceptual Framework	Chapter 1, 2	
2	9/11	M	2	Conceptual framework	Chapter 2	E2-4, E2-5, E2-6
3	9/13	W	3	Accounting System	Chapter 3	E3-5, E3-13, P3-1; Post-E3-12 **Quiz/Group**
4	9/18	M	4	Income Statement	Chapter 4	E4-3, E4-5, E4-15
5	9/20	W	4	Income Statement	Chapter 4	E4-7, E4-13, E4-14
6	9/25	M	5	Balance Sheet, Statement of Cash Flows.	Chapter 5	E5-2, E5-6, E5-17; Post-E5-16
7	9/27	W	6	Time Value of Money	Chapter 6	E6-1, E6-6, E6-18, E6-22, P6-1 **Quiz/Group**
8	10/2	M	7 7B	Receivables and Impairment of Receivables	Chapter 7 and Appendix 7B	E7-5, E7-7, E7-16 Post-TBA
9	10/4	W	7 7B	Receivables and Impairment of Receivables	Chapter 7 and Appendix 7B	E7-14, E7-27
10	**10/9**	**M**		**First Exam 7:15 – 9:15pm**	**Location TBA**	**MON EVE EXAM**
11	10/11	W	8	Review Exam, Valuation of Inventories. Exclude Dollar-Value LIFO calculation	Chapter 8 Exclude pp. 406-409.	BE8-23, E8-1, E8-9
12	10/16	M	9	Additional Inventory Valuation Issues	Chapter 9	E9-2, E9-8, E9-15, E9-22 **Quiz/Group** Post-TBA
13	10/18	W	10	Property, Plant and Equipment	Chapter 10	E10-1, E10-6, E10-7
14	10/23	M	10	Property, Plant and Equipment **Case #1 due**	Chapter 10	E10-8, E10-17, E10-19
15	10/25	W	11	Peer review. Depreciation, Depletion, Impairments	Chapter 11	E11-2, E11-12
16	10/30	M	11	Depreciation, Depletion, Impairments	Chapter 11	E11-17, E11-18, E11-22 Post-TBA
17	11/1	W	12	Intangible Assets	Chapter 12	E12-4, E12-12
18	11/6	M	12	Intangible Assets, Review	Chapter 12	E12-13, E12-14; Post-TBA
19	**11/8**	**W**		**Second Exam 7:15 – 9:15 pm**	**Location TBA**	**WED EVE EXAM**
20	11/13	M	13	Return Exam Current Liabilities, Contingencies	Chapter 13	E13-9, E13-3, E13-14
21	11/15	W	13	Current Liabilities, Contingencies	Chapter 13	E13-11, E13-10, E13-19 **Quiz/Group**
22	11/20	M	14	Long Term Liabilities	Chapter 14	E14-3, E14-5, E14-8; Post-TBA
23	**11/22**	**W**		**THANKSGIVING**		
24	11/27	M	14	Long Term Liabilities	Chapter 14	**E14-9, E14-12, E14-16, P14-1**
25	11/29	W	15, 15A	Stockholders' Equity **Case #2 due --** Peer Review	Chapter 15, Appendix 15A	E15-2, E15-7, E15-8
26	12/4	M	15, 15A	Stockholders' Equity	Chapter 15, Appendix 15A	**Quiz/Group** E15-11, E15-14, E15-16, E15-21; Post-TBA
27	12/6	W	18, 18A	Revenue Recognition	Ch. 18 – pp 978-996	**Course Evals** E18-1, BE18-4, BE18-5, E18-15
28	12/11	M	18, 18A	Revenue Recognition	pp. 997-1023	E18-20, BE18-25, E18-26
29	12/13	W		Extra day for M/W only – Expanded office hours on 12/18		
	12/21	R		Final Exam 5:05-7:05	3650 Humanities	