

ACCT 6216
Seminar in Financial Reporting
Expanded Course Outline
Fall 2017

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| Instructor: | Dr. Michael Yu | Classroom: | Adamson Hall 227 |
| Office: | Adamson Hall 215 | Class Time: | W 7:00 - 9:30 PM |
| Phone: | 678-839-6517 | Office Hours: | M, W 12:30 - 2:00 |
| Email: | myu@westga.edu | | W 3:30 -7:00 |
| Course database: | https://westga.view.usg.edu/ | | F 9:00 - 12:30 |

I. Catalog Description

In-depth analysis of and research on current topics in accounting: theoretical analysis of recent accounting pronouncements and the study of current literature in accounting. Ethical issues in financial reporting are emphasized.

II. Required Background

- A. Prerequisites: ACCT 3213 – Financial Reporting II
- B. Prerequisite Justification: An in-depth knowledge of financial accounting and report concepts is required for this course.

III. AACSB Learning Objectives

<http://www.westga.edu/assetsDept/accfin/MPAccLearningGoals.pdf>

LG1 (LO1.3) Students will be able to prepare and deliver effective oral accounting presentations.

LG2 (LO2.1) Students will be able to identify the impact of international accounting standards on the accounting profession.

LG4 (LO4.6) Students will be able to identify standard setting policies and procedures and develop implications for the accounting profession.

IV. Text and References

A list of journal articles is included with this syllabus. All of the articles can be obtained from the UWG Library System. If you are having trouble finding an article, please consult one of the librarians. You should begin collecting articles immediately.

V. Special or Unique Student Materials/University Facilities

None

VI. Assignments

Instructions for Formatting Your Assignments

All assignments must be typed and double spaced in a professional form. Times New Roman, 12 pt. font must be used with 3/4" – 1" borders.

The completed assignment must have a single staple in the upper left hand corner (no binders) and a cover page that lists the name of the assignment and the student's name. **THE STUDENT'S NAME MUST NOT BE LISTED ON ANY PAGE EXCEPT THE COVER PAGE.** Pages must be numbered (except the cover page).

FAILURE TO FOLLOW THESE INSTRUCTIONS MAY RESULT IN A 5% ASSIGNMENT GRADE REDUCTION

Reading Summaries

Please read the assigned readings before each class, and prepare **one 2-3 page** summary of each assigned paper.

- Summaries are **individual** assignments. Turning in work other than your own is a violation of the Honor Code.
- Answers to questions, cases, etc. are not individual assignments. You may discuss the assignment with other students if you'd like.
- Be prepared to discuss your thoughts and opinions related to these questions.
- This discussion will count toward your participation grade.

Research Paper

- Students will be required to complete a research paper on an individual basis. The paper should focus on an accounting topic of a financial nature discussed in class. Details to be provided in class.
- Papers should be 12-15 typed pages before references and tables (about 3,500-5,000 words).

VII. Methods of Evaluation

| Assignment | Percentage |
|--------------------------------|-------------|
| Reading Summaries | 10% |
| Participation and Presentation | 20% |
| Research Paper | 30% |
| Final Exam | <u>40%</u> |
| Total | <u>100%</u> |

VIII. Other Policies

Changes to Syllabus

The schedule provided should be considered a general guideline. At times, we may deviate by deleting, adding, or modifying articles. If you are absent, you are responsible for knowing the current schedule.

Work from other Courses

Work submitted for credit in other courses will not be accepted for credit in this course.

IX. Academic Support

Accessibility Services: Students with a documented disability may work with UWG Accessibility Services to receive essential services specific to their disability. All entitlements to accommodations are based on documentation and USG Board of Regents standards. If a student needs course adaptations or accommodations because of a disability or chronic illness, or if he/she needs to make special arrangements in case the building must be evacuated, the student should notify his/her instructor in writing and provide a copy of his/her Student Accommodations Report (SAR), which is available only from Accessibility Services. Faculty cannot offer accommodations without timely receipt of the SAR; further, no retroactive accommodations will be given. For more information, please contact [Accessibility Services](#).

Center for Academic Success: The [Center for Academic Success](#) provides services, programs, and opportunities to help all undergraduate students succeed academically. For more information, contact them: 678-839-6280 or cas@westga.edu

University Writing Center: The [University Writing Center](#) assists students with all areas of the writing process. For more information, contact them: 678-839-6513 or writing@westga.edu

X. Wolf Pact

By enrolling and continuing in this course you agree to the following.

Having read the Honor Code for the University of West Georgia, I understand and accept my responsibility to uphold the values and beliefs described therein and to conduct myself in a manner that will reflect the values of the Institution and the Richards College of Business so as to respect the rights of all UWG community members. As a UWG student, **I will represent myself truthfully and complete all academic assignments honestly and within the parameters set by my instructor.** I understand and accept that if I am found guilty of violations (through processes due me as a UWG student and outlined in the UWG Student Handbook), penalties will be imposed. I also recognize that my responsibility includes willingness to confront members of the UWG community if I feel there has been a violation of the Honor Code. Ultimately, I will conduct myself in a manner that promotes UWG as the best place to work, learn, and succeed for my generation, and those to come!

XI. Honor Code

At the University of West Georgia, we believe that academic and personal integrity are based upon honesty, trust, fairness, respect, and responsibility. Students at West Georgia assume responsibility for upholding the honor code. West Georgia students pledge to refrain from engaging in acts that do not maintain academic and personal integrity. These include, but are not limited to, plagiarism, cheating, fabrication, aid of academic dishonesty, lying, bribery or threats, and stealing.

The University of West Georgia maintains and monitors a confidential Academic Dishonesty Tracking System. This database collects and reports patterns of repeated student violations across all the Colleges, the Ingram Library, and the School of Nursing. Each incidence of academic dishonesty is subject to review and consideration by the instructor, and is subject to a range of academic penalties including, but not limited to, failing the assignment and/or failing the course. Student conduct sanctions range from verbal warning to suspension or expulsion depending on the magnitude of the offense and/or number of offenses. The incident becomes part of the student's conduct record at UWG.

Additionally, the student is responsible for safeguarding his/her computer account. The student's account and network connection are for his/her individual use. A computer account is to be used only by the person to whom it has been issued. The student is responsible for all actions originating through his/her account or network connection. +Students must not impersonate others or misrepresent or conceal their identities in electronic messages and actions. For more information on the University of West Georgia Honor Code, please see the [Student Handbook](#).

XII. Credit Hour Policy

For approximately fifteen weeks, students in this class will generally spend 150 minutes with direct faculty instruction (either face-to-face or online) and work about 360 minutes outside of the classroom each week. This out-of-class work may include, but is not limited to, readings, assignments, projects, group work, research, and test preparation.

XIII. Student Rights and Responsibilities

Please carefully review the information at the following link:

http://www.westga.edu/assetsDept/vpaa/Common_Language_for_Course_Syllabi.pdf

The document at this link contains important information pertaining to your rights and responsibilities in this class. Because these statements are updated as federal, state, university, and accreditation standards change, you should review the information each semester.

XIV. Campus Carry Policy

CAMPUS CARRY AT UWG: Information concerning Georgia House Bill 280 may be found at: <https://www.westga.edu/police/campus-carry.php>.

TENTATIVE SCHEDULE AND ASSIGNMENT

| DATE | TOPIC | PRESENTERS |
|----------------|---|-------------------|
| 08/09 | INTRODUCTION | Dr. YU |
| 08/16 08/23 | <p>TOPIC 1 - FINANCIAL STATEMENTS</p> <p>Financial Reporting Manual - Topic 1: Registrant's Financial Statements.</p> <p>Regulation S-X - General instructions as to financial statements and consolidated and combined financial statements (210.3, 210.3A, 210.5, and 210.10).</p> <p>Regulation S-K - Financial information (229.301 - 229.302).</p> <p>Securities Exchange Commission. Introduction to forms.</p> <p>Securities Exchange Commission. Investor Bulletin: How to read an 8-K.</p> <p>Form 10-K, 10-Q, and 8-K.</p> | |
| 08/30 | <p>TOPIC 2 - PRO FORMA FINANCIAL INFORMATION</p> <p>Financial Reporting Manual - Topic 3: Pro forma financial information.</p> <p>Regulation S-X - Pro forma financial information (210.11-01 - 210.11-03).</p> | |

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| <p>09/06 09/13</p> | <p>TOPIC 3 - INDEPENDENT ACCOUNTANTS</p> <p>Financial Reporting Manual - Topic 4: Independent accountants' involvement.</p> <p>Regulation S-X - Qualifications and reports of accountants (210.2-01 - 210.2-07).</p> <p>Church, B. K. and L. B. Shefchik, 2012. PCAOB Inspections and Large Accounting Firms. Accounting Horizons Vol. 26, No. 1, pp. 43-63.</p> <p>Kinney, W. R., 2005. Twenty-five years of audit deregulation and re-regulation: What does it mean for 2005 and beyond. Auditing: A Journal of Practice & Theory 24 (Supplement): 89-109.</p> <p>Palmrose, Z., 2013. PCAOB Audit Regulation a decade after SOX: Where it stands and what the future holds. Accounting Horizons Vol. 27, No. 4, pp. 775-798.</p> <p>Houston, R. W., and C. M. Stefaniak, 2013. Audit Partner Perceptions of Post-Audit Review Mechanisms: An Examination of Internal Quality Reviews and PCAOB Inspections. Accounting Horizons Vol. 27, No. 1, pp. 23-49.</p> <p>Public Companies Accounting Oversight Board (PCAOB), 2014. In the matter of Randall A. Stone, CPA. PCAOB Release No. 105-2014-007.</p> | |
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| DATE | TOPIC | PRESENTERS |
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| 09/20 | <p>TOPIC 4 - SMALLER REPORTING COMPANIES AND EMERGING GROWTH COMPANIES</p> <p>Financial Reporting Manual - Topic 5: Smaller reporting companies.</p> <p>Regulation S-X - Financial statements of smaller reporting companies (210.8-01 - 210.8-08).</p> <p>Financial Reporting Manual - Topic 10: Emerging growth companies.</p> | |
| 09/27 10/04 | <p>TOPIC 5 - FOREIGN COMPANIES</p> <p>Financial Reporting Manual - Topic 6: Foreign private issuers & foreign businesses.</p> <p>Form 20-F, Form 6-K</p> <p>Nobes, C. and S. Zeff. 2008. Auditors' Affirmations of Compliance with IFRS Around the World: An Exploratory Study. <i>Accounting Perspectives</i> 7 (4), pp. 279 – 292.</p> <p>Elaine Henry, Stephen Lin, and Ya-wen Yang (2009) The European-U.S. "GAAP Gap": IFRS to U.S. GAAP Form 20-F Reconciliations. <i>Accounting Horizons</i>: June 2009, Vol. 23, No. 2, pp. 121-150.</p> <p>Office of the Chief Accountant (SEC), 2011. Work plan for the consideration of incorporating IFRS into the financial reporting system for U.S. issuers.</p> <p>Devrimi Kaya and Julian A. Pillhofer. (2013) Potential Adoption of IFRS by the United States: A Critical View. <i>Accounting Horizons</i> 27:2, 271-299.</p> <p>Richard D. Morris, Sidney J. Gray, Joanne Pickering and Sally Aisbitt, 2014. Preparers' Perceptions of the Costs and Benefits of IFRS: Evidence from Australia's Implementation Experience. <i>Accounting Horizons</i> 28:1, 143-173.</p> | |

| DATE | TOPIC | PRESENTERS |
|----------------|--|------------|
| 10/11 10/18 | <p data-bbox="302 220 992 254">TOPIC 6 - RELATED PARTY TRANSACTIONS</p> <p data-bbox="302 289 1040 359">Financial Reporting Manual - Topic 7: Related Party Matters.</p> <p data-bbox="302 401 1019 470">Regulation S-K - Transactions with related persons, promoters and certain control persons (229.404).</p> <p data-bbox="302 512 1143 625">Securities Exchange Commission, 2003. Final Rule: Disclosure in management's discussion and analysis about off-balance sheet arrangements and aggregate contractual obligations.</p> <p data-bbox="302 667 1024 766">Benston, G. J., A. L. Hartgraves, 2002. Enron: what happened and what we can learn from it. Journal of Accounting and Public Policy 21, pp. 05-127.</p> <p data-bbox="302 808 1062 947">E. A. Gordon, E. Henry, T. J. Louwers, and B. J. Reed, 2007. Auditing Related Party Transactions: A Literature Overview and Research Synthesis. Accounting Horizons, Vol. 21, No. 1, pp. 81-102.</p> <p data-bbox="302 989 1057 1127">Background Readings: Powers' Report, 2002. Report of investigation by the special investigative committee of the board of directors of Enron Corp.</p> | |

| DATE | TOPIC | PRESENTERS |
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| 10/25 11/01 | <p data-bbox="305 220 1149 252">TOPIC 7 - NON-GAAP MEASURES</p> <p data-bbox="305 283 1149 357">Financial Reporting Manual - Topic 8: Non-GAAP measures of financial performance, liquidity, and net worth.</p> <p data-bbox="305 388 1149 462">Securities Exchange Commission, 2002. First Pro forma financial Reporting Case: Trump Hotels Charged.</p> <p data-bbox="305 514 1149 588">Securities Exchange Commission, 2003. Final Rule: Conditions for Use of Non-GAAP Financial Measures.</p> <p data-bbox="305 640 1149 756">Securities Exchange Commission, 2016. Compliance & Disclosure Interpretations on the use of Non-GAAP Financial Measures.</p> <p data-bbox="305 808 1149 924">Securities Exchange Commission, 2001. Cautionary Advice Regarding the Use of “Pro Forma” Financial Information in Earnings Releases.</p> <p data-bbox="305 976 1149 1092">Nilabhra Bhattacharya, Ervin Black, Theodore Christensen, and Richard Mergenthaler, 2004. Empirical Evidence on Recent Trends in Pro Forma Reporting. Accounting Horizons.</p> <p data-bbox="305 1144 1149 1260">Colley, R. and K. S. Moffeit, 2003. The New Regulation G: Impact on Pro Forma Financial Information. Today's CPA, July/August 2003, p19-23.</p> <p data-bbox="305 1312 1149 1428">Rashty, J. and J. O'shaughnessy, 2014. Reporting and disclosures using non-GAAP financial measures. CPA Journal, March 2014, p36-39.</p> | |

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| 11/08 | <p>TOPIC 8 - MD&A</p> <p>Financial Reporting Manual - Topic 9: Management's discussion and analysis of financial position and results of operations.</p> <p>Securities Exchange Commission, 2003. Commission Guidance Regarding Management's Discussion and Analysis of Financial Condition and Results of Operations.</p> <p>Brown, S., and J. Tucker. 2011. Large-sample evidence on firms' year-over-year MD&A modifications. <i>Journal of Accounting Research</i> 49, 309-346.</p> <p>Sutton, S. G., V. Arnold, J. C. Bedard, J. R. Phillips, 2012. Enhancing and structuring the MD&A to aid investors when using interactive data. <i>Journal of Information Systems</i>. Vol. 26 (2), 167-188.</p> <p>Wheeler, S. W., S. J. Cereola, T. J. Louwers, 2014. MD&A disclosure tendencies: The case of LIFO liquidations. <i>Accounting Horizons</i>. Vol. 28 (4), 805-818.</p> | |
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| DATE | TOPIC | PRESENTERS |
|-------|---|------------|
| 11/15 | <p>TOPIC 9 - SUBSEQUENT EVENTS</p> <p>Financial Reporting Manual - Topic 13: Effects of subsequent events on financial statements required in filings.</p> <p>J. O. Y. Chung, C. P. Cullinan, M. Frank, J. H. Long, J. Mueller-Phillips, and D. M. O'Reilly, 2013. The Auditor's Approach to Subsequent Events: Insights from the Academic Literature. <i>AUDITING: A Journal of Practice & Theory</i>, Vol. 32(1), pp. 167-207.</p> <p>Janvrin, D. J., and C. G. Jeffrey, 2007. An investigation of auditor perceptions about subsequent events and factors that influence this audit task. <i>Accounting Horizons</i>, Vol. 21(3), p295-312.</p> <p>Pounder, B., 2010. The benefit of hindsight. <i>Strategic Finance</i>, Vol. 91 (10), p17-61.</p> <p>Rossi III, J. D., 2011. A look at subsequent events. <i>Pennsylvania CPA Journal</i>, Vol. 81 (4), p1-2.</p> <p>Choi, Y. C., and A. P. Fitzsimons, 2010. FASB changes fair-value disclosures, eliminates confusion on reporting for subsequent events. <i>Commercial Lending Review</i>, Vol. 25(1), p47-51.</p> | |
| 11/29 | <p>TOPIC 10 - STOCK BENEFIT PLANS</p> <p>Financial Reporting Manual - Topic 15: Employee stock benefit plans.</p> <p>Regulation S-X - Employee stock purchase, savings and similar plans (210.6A-01 - 210.6A-05).</p> <p>Codification of staff accounting bulletins - Share-based payment.</p> <p>Ellig, B. R., 2008. Here's what you need to know about employee stock plans. <i>Benefits & Compensation Digest</i>, Vol. 45(9), p1-14.</p> <p>Hodge, F.D., Rajgopal, S., Shevlin, T., 2009. Do managers value stock options and restricted stock consistent with economic theory? <i>Contemporary Accounting Research</i> 26, 899-932.</p> <p>Bergstein, W. M., W. Williams, 2013. The benefits of employee stock ownership plans. <i>CPA Journal</i>, Vol. 83(4), p54-57.</p> <p>McEnroe, J. E., Martens, S. C., and N. Du, 2013. Accounting for employee stock options. <i>CPA Journal</i>, Nov 2013, p10-13.</p> | |
| 12/06 | Final Exam | |