**Professor:** Megan Burke, Ph.D., CPA (VA)  
**Office:** BA 122 (in the first floor accounting department suite)  
**Email:** Megan.Burke@tamuc.edu  
**Office Hours:** before class on Wednesdays at the Dallas campus and by appointment at the Commerce campus

Specifically, I have office hours at UCD 201 on Wednesdays from 5:00 – 6:00 p.m. and on Thursdays at Commerce BA 113 from 11:00 – noon.

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**Course Description**

This course takes a user-oriented approach to the study of financial statements with an emphasis on for-profit public companies. Students will study the role of the income statement, balance sheet, statement of cash flows, footnotes, and the annual report in the financial reporting and analysis process. Topics include:

- Examination of firms’ past performance via analysis of efficiency, financial condition, profitability, liquidity, solvency, and risk using various analyses including vertical and horizontal common-size analysis, trend analysis, ratios, and industry comparisons;
- Effects of differing accounting methods on financial statement analysis;
- Application of general purpose financial statements and related data to derive estimates, and develop inferences useful in business decisions;
- Information needs of different users (e.g., lenders’, investors’); and
- Analyses for specialized industries.

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**Course Embedded Assessment Objectives**

Your achievement level for each objective will be measured by your ability to perform the following tasks:

- Explain the basic principles of accounting and the assumptions of the financial accounting model.
- Read and analyze basic financial statements including the income statement, balance sheet, statement of cash flows, shareholder’s equity, and footnotes.
- Use vertical and horizontal common-size analysis, trend analysis, and ratio analysis, industry comparisons to analyze and interpret a company’s financial health in areas such as efficiency, profitability, liquidity, solvency, and investor attractiveness.
- Analyze and interpret the effects of differing accounting methods and management disclosures on financial statement analysis.

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**Textbooks and Materials**


**Suggested Textbooks:** Any current text on Intermediate Accounting (as a reference)
Suggested Resources: Purdue Online Writing Lab (OWL) at
http://owl.english.purdue.edu/owl/section/2/10/

The Khan Academy at http://www.khanacademy.org

Access to Internet, eCollege and the TAMUC Library’s database: Connectivity, hardware and software are your responsibility. Completing the Student Tutorial in eCollege is highly recommended.

Student Responsibilities
Learning is every student’s responsibility. My role as your professor is to facilitate your learning process. Each student is required to:

- Read assigned material on schedule.
- Review other published material each week.
- Attend and participate in class sessions.
- Complete assignments within the posted time frames.
- Participate in the class online forum (Virtual Office) by posting questions and answering questions posted by classmates and/or myself.
- Prepare diligently for weekly assignments.
- Respect the learning environment by being prepared and observing classroom etiquette.

Graduate level expectations

- Writing – Graduate students should be able to demonstrate critical thinking skills. Graduate-level writing must demonstrate an ability to evaluate arguments from various perspectives, be able to formulate well-articulated conclusions based on facts and deductive reasoning, and be able to provide a well-reasoned discussion that reflects comprehension beyond an undergraduate level.

- Responsibility – Graduate students should demonstrate self-motivation, organization, time management skills, and discipline. It is your responsibility to know when assignments, exams, quizzes, etc. are due. Due dates are communicated on the syllabus. If changes are made, the changes are provided via email. I will NOT provide daily or weekly reminders for you. You are responsible for submitting the appropriate files on time and in the required format.

- Learning – Graduate studies are designed for more discipline-specific focused learning. I assume you want to learn. My goal is not to solely teach you information that is covered on my exam, but to teach you accounting concepts and the application of accounting concepts. If you only want to know what is on the exam, you are robbing yourself of the value of learning.

- Late work – Due dates are posted on our syllabus and in our eCollege course. Assignments, exams, quizzes, etc. must be submitted no later than the date outlined in our course. Absent extenuating circumstances, late work is not accepted. Extenuating circumstances do NOT include forgetting, technical difficulties or running out of time. The evaluation of an extenuating circumstance is judged on a case-by-case basis. Documentation MUST be provided in a timely manner. A 30% late penalty may apply even if an extenuating circumstance exists.

- Exams/ quizzes – The content and format of the exam/quiz will vary, but may include any of the following: multiple choice questions, problems, matching, or essays. The exam/quiz will be
administered on the date outlined in our course. You must plan to take the exam/quiz on or before its due date. Make-up exams/quizzes are given ONLY under extenuating conditions. The following are considered extenuating conditions: hospitalization, medical emergency, physical injury, or death of an immediate family member. You MUST bring proof of the extenuating circumstance in order to facilitate an exam/quiz make-up. Proof of the extenuating circumstance must be received in a timely manner. For extenuating conditions make-up exams/quizzes must be taken within three days of release or recovery. A 30% late penalty may apply even if an extenuating circumstance exists. Students attending university sponsored events must provide necessary documentation in order to accommodate any make-up exam/quiz.

- Cheating, plagiarism, academic dishonesty – Academic integrity is a serious issue. If any portion of your work (exam, quiz, research assignment, homework, etc.) is copied, plagiarized, purchased, stolen or lacks authenticity, the ENTIRE body of work will receive a zero. The Dean will be notified of any breach in academic integrity. Additional academic sanctions may include failure of the course, dismissal from the program and/or dismissal from the university.

- Graded work – There are several issues regarding grading/scoring: 1) I do NOT re-grade work. Once an assignment is returned with a grade/score it cannot be resubmitted. 2) If you disagree with the posted grade/score on an assignment, you must email me with the specific discrepancy no more than three (3) days after the grade/score is posted. 3) You are NOT permitted to submit an assignment used in a previous course.

**Evaluation**

Grades are based upon total points received.

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Exam 1</td>
<td>100</td>
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<tr>
<td>Exam 2</td>
<td>100</td>
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<tr>
<td>Quizzes</td>
<td>100</td>
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<tr>
<td>Research Paper</td>
<td>100</td>
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<td><strong>Total</strong></td>
<td><strong>400</strong></td>
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The levels of mastery are:

- 90 – 100% A
- 80 – 89% B
- 70 – 79% C
- 60 – 69% D
- <60% F
### Course Grading Rubric

<table>
<thead>
<tr>
<th>Criteria</th>
<th>3 (Exceeds Expectations)</th>
<th>2 (Meets Expectations)</th>
<th>1 (Does Not Meet Expectations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demonstrate an understanding of the basic principles of accounting and the assumptions of the financial accounting model.</td>
<td>Student demonstrates excellent understanding of the basic principles of accounting and the assumptions of the financial accounting model.</td>
<td>Student demonstrates an understanding of the basic principles of accounting and the assumptions of the financial accounting model.</td>
<td>Student cannot demonstrate an understanding of the basic principles of accounting and the assumptions of the financial accounting model.</td>
</tr>
<tr>
<td>Analyze the basic financial statements and footnotes.</td>
<td>Student demonstrates excellence in the ability to analyze the basic financial statements and footnotes.</td>
<td>Student demonstrates an ability to analyze the basic financial statements and footnotes.</td>
<td>Student is not able to analyze the basic financial statements and footnotes.</td>
</tr>
<tr>
<td>Understand and utilize analysis and industry comparisons to interpret a company’s financial health.</td>
<td>Student demonstrates excellent ability to understand and utilize analysis and industry comparisons to interpret a company’s financial health.</td>
<td>Student demonstrates an ability to understand and utilize analysis and industry comparisons to interpret a company’s financial health.</td>
<td>Student demonstrates no clear ability to understand and utilize analysis and industry comparisons to interpret a company’s financial health.</td>
</tr>
<tr>
<td>Analyze and interpret the effects of differing accounting methods and management disclosures on financial statement analysis.</td>
<td>Student demonstrates excellent ability to analyze and interpret the effects of differing accounting methods and management disclosures on financial statement analysis.</td>
<td>Student demonstrates an ability to analyze and interpret the effects of differing accounting methods and management disclosures on financial statement analysis.</td>
<td>Student demonstrates no clear ability to analyze and interpret the effects of differing accounting methods and management disclosures on financial statement analysis.</td>
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**Email**

Emails are typically the best way to contact me. I will try to respond to all emails within 24 hours during the week. Emails received Friday evening or during the weekend may not receive a response until Monday. If you do not receive a response in that timeframe, please re-send the email.
**Attendance/Participation**

You are expected to attend classes and be engaged in discussions. Most class sessions will begin with a quiz. You are expected to arrive on time.

**Assignments**

**Quizzes:** After chapter 1, coverage of each chapter will begin with an individual quiz followed by a group quiz. Before each class, you should read the assigned chapter. Class will begin with a discussion/review amongst your group. After group discussion, there will be time to ask the instructor for clarification of the material. You will then take a five question quiz individually. The questions will be multiple choice, true/false, or fill-in-the-blank and cover general information from the chapter. After taking the quiz individually, your group will answer the same questions. Both quizzes are graded. I will drop your two lowest individual and two lowest group quiz grades.

**Exams:** There are two examinations in this course. These exams will test your understanding of the material covered. The final exam is cumulative. Details of the exam coverage are provided during class.

**Paper:** You will perform a comprehensive financial statement analysis on two publicly traded companies in the same industry of your choice. Further details will be provided in class and posted to eCollege.

**Technology Requirements**

The following information has been provided to assist you in preparing to use technology successfully in this course.

- Internet access/connection – high speed recommended (not dial-up)
- Headset/microphone
- Computer Camera
- Word Processor (e.g. MS Word or Word Perfect)

Additionally, the following hardware and software are necessary to use eCollege:

Our campus is optimized to work in a Microsoft Windows environment. This means our courses work best if you are using a Windows operating system (XP or newer) and a recent version of Microsoft Internet Explorer (8.0 or higher).

Your courses will also work with Macintosh OS X along with a recent version of Safari 2.0 or better. Along with Internet Explorer and Safari, eCollege also supports the Firefox browser (3.0) on both Windows and Mac operating systems.

It is strongly recommended that you perform a “Browser Test” prior to the start of your course. To launch a browser test, login to eCollege, click on the “myCourses” tab and then select the “Browser Test” link under Support Services.

**Communication and Support**

Texas A&M University – Commerce provides students technical support in the use of eCollege. The student help desk may be reached by the following means 24 hours a day, seven days a week.

- Chat Support: Click on “Live Support” on the tool bar within your course to chat with an eCollege Representative.
Integrity is the hallmark of the accounting profession and will be stressed throughout the course. Any type of student breach of ethics, including, but not limited to: illegal activity, dishonest conduct, cheating, plagiarism, or collusion will result in failure on the assignment and/or further academic sanctions (i.e. failure of the course, dismissal from class and/or referral to the Dean of the College of Business). You will be required to sign the Academic Honesty Policy and submit it within the first week of class. **Failure to submit a signed Academic Honesty Policy will cause a 50 point deduction from your overall score for the class.**

**Academic Honesty Policy**

The College of Business at Texas A & M University-Commerce will strive to be recognized as a community with legal, ethical, and moral principles and to practice professionalism in all that we do. Failure to abide by these principles will result in sanctions up to and including dismissal. Five different types of activities that will bring sanctions are as follows:

- **Illegal activity** – Violation of any local, state, or federal laws that prohibit the offender from performance of his or her duty.
- **Dishonest Conduct**: Seeking or obtaining unfair advantage by stealing or receiving copies of tests or intentionally preventing others from completing their work. In addition, falsifying of records to enter or complete a program will also be considered dishonest conduct.
- **Cheating**: The unauthorized use of another’s work and reporting it as your own.
- **Plagiarism**: Using someone else’s ideas and not giving proper credit.
- **Collusion**: Acting with others to perpetrate any of the above actions regardless of personal gain.

**Student Conduct**

All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. (See Code of Student Conduct from Student Guide Handbook).

A&M-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.
Students with Disabilities

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

Office of Student Disability Resources and Services
Texas A&M University – Commerce
Gee Library
Room 132
Phone (903) 886-5150 or (903) 886-5835
Fax (903) 468-8148
StudentDisabilityServices@tamuc.edu

Other

University policy will be followed in regards to withdrawals during the semester. It is the student’s responsibility to conform with the university rules relating to dropping or withdrawing from the course.

NOTE: This syllabus is subject to change as needed to meet the objectives or administration of the course at the discretion of the professor. It is not anticipated that there will be any substantive changes.
### Class Schedule & Assignments:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/21/15</td>
<td>Ch 1. Introduction to Financial Reporting</td>
<td><strong>Suggested Problems:</strong> P: 1-5; C: 10</td>
</tr>
<tr>
<td>1/28/15</td>
<td>Ch 2. Introduction to Financial Statements and Other Financial Reporting Topics</td>
<td><strong>Suggested Problems:</strong> P: 5-11; C: 3, 4, 6; Academic Honesty Policy due 2/1; Student Info sheet due 2/1; <strong>Chapter 2 Quiz</strong>; <strong>Deadline to select company February 1st.</strong></td>
</tr>
<tr>
<td>2/4/15</td>
<td>Ch 3. Balance Sheet</td>
<td><strong>Suggested Problems:</strong> P: 1, 7-9, 14; C: 2; <strong>Chapter 3 Quiz</strong></td>
</tr>
<tr>
<td>2/11/15</td>
<td>Ch 4. Income Statement</td>
<td><strong>Suggested Problems:</strong> P: 5, 11, 15-17; C: 2; <strong>Chapter 4 Quiz</strong></td>
</tr>
<tr>
<td>2/18/15</td>
<td>Ch 5. Basics of Analysis</td>
<td><strong>Suggested Problems:</strong> P: 1, 2, 7; <strong>Chapter 5 Quiz</strong></td>
</tr>
<tr>
<td>2/25/15</td>
<td>Exam 1: Chapters 1-5</td>
<td></td>
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<tr>
<td>3/4/15</td>
<td>Project Information/Tips</td>
<td></td>
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<tr>
<td>3/11/15</td>
<td>Ch 6. Liquidity of Short-term Assets; Related Debt-paying Ability</td>
<td><strong>Suggested Problems:</strong> P: 3, 8, 11, 13, 20, 24; C: 1; <strong>Chapter 6 Quiz</strong></td>
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<tr>
<td>3/18/15</td>
<td>Spring Break</td>
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<tr>
<td>3/25/15</td>
<td>Ch 7. Long-term Debt-paying Ability</td>
<td><strong>Suggested Problems:</strong> P: 5-8, 10-11; C: 1; <strong>Chapter 7 Quiz</strong></td>
</tr>
<tr>
<td>4/1/15</td>
<td>Ch 8. Profitability</td>
<td><strong>Suggested Problems:</strong> P: 5, 11, 13; C: 3; <strong>Chapter 8 Quiz</strong></td>
</tr>
<tr>
<td>4/8/15</td>
<td>Ch 9. For the Investor</td>
<td><strong>Suggested Problems:</strong> P: 1, 2, 3, 14; C: 1, 3; <strong>Chapter 9 Quiz</strong></td>
</tr>
<tr>
<td>4/15/15</td>
<td>Ch 10. Statement of Cash Flows</td>
<td><strong>Suggested Problems:</strong> P: 2, 8, 11; C: 1; <strong>Chapter 10 Quiz</strong></td>
</tr>
<tr>
<td>4/22/15</td>
<td>Ch 11. Expanded Analysis</td>
<td><strong>Suggested Problems:</strong> P: 1-5, 11; <strong>Chapter 11 Quiz</strong></td>
</tr>
<tr>
<td>4/29/15</td>
<td>Ch 12. Special Industries</td>
<td>**Research Paper due no later than 11:59 p.m. central time on May 3rd. <strong>Suggested Problems:</strong> P: 5, 7-9; C: 4; <strong>Chapter 12 Quiz</strong></td>
</tr>
<tr>
<td>5/6/15</td>
<td>Ch 13. Personal Financial Statements and Accounting for Governments and Not-for-Profit Organizations</td>
<td><strong>Suggested Problems:</strong> P: 1, 5, 12-14; <strong>Chapter 13 Quiz</strong></td>
</tr>
<tr>
<td>5/13/15</td>
<td>Final Exam: Cumulative Exam</td>
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