

THE OHIO STATE UNIVERSITY
Max M. Fisher College of Business

AMIS 7200 – Corporate Financial Reporting I
Spring 2016

INSTRUCTOR INFORMATION

Instructor: J. Richard (Dick) Dietrich
Office: 400 Fisher Hall
Office Phone: (614) 247-6299 Cell phone: (614) 657-2991
Office Hours: Mondays and Wednesdays, 10:15 am – 11:30 am and by appointment
e-mail: dietrich@fisher.osu.edu

CLASS INFORMATION:

<u>Section (Class)</u>	<u>Time</u>	<u>Room</u>
0010 (4135)	MoWe 3:00 pm – 4:30 pm	GE 355

REQUIRED COURSE MATERIALS:

Cases in Financial Reporting, by Michael Drake, Ellen Engel, Eric Hirst, and Mary Lea McAnnally, Cambridge Business Publishers, 8th edition, 2015, ISBN 978-1-61853-122-3. Available from OSU Barnes and Noble Bookstore. The book also is available from the publisher (www.cambridgepub.com).

I also will post materials on Carmen.

You also may want to use an intermediate accounting textbook for reference. There are several intermediate accounting textbooks that can be used. The textbook used for our undergraduate intermediate accounting courses is: *Intermediate Accounting* by Spiceland, Sepe, Nelson and Thomas (Irwin/McGraw-Hill, 8th edition). The 7th edition may be available at a substantially lower price; while authoritative accounting guidance changes over time, much of the guidance described in the 7th edition is current today.

COURSE OBJECTIVES AND APPROACH:

Corporate Financial Reporting helps you to acquire the ability to read and interpret corporate financial reports. Interpretation often requires a working knowledge of accounting methods used to prepare financial reports—Generally Accepted Accounting Principles (“GAAP”) in the US or International Financial Reporting Standards (“IFRS”) in many other nations.

This course presumes that you have studied financial accounting previously and that you have some familiarity with financial reporting. Because financial reporting often requires substantial knowledge of business transactions and accounting methods, it is quite possible that you will need to research business transactions and practices, and accounting methods used to report the effects of these transactions, outside of class. I will devote a portion of class time each week to describe details about a reporting issue; however, you may find that an intermediate accounting textbook can be helpful in describing both the accounting methods and the structure of a company’s business transactions.

SCHEDULE:

Monday classes will focus on discussion of assigned cases. Students must prepare and submit brief descriptions of each case at the beginning of class. (See below for more information.) On Wednesdays, I will present my analysis of a case (which may not be a case from the casebook) during a portion of the class session. I also will describe an accounting method during a portion of the class session.

CASES:

There are 5 cases assigned during the term. (Two cases are assigned each week; you will prepare one of the two cases.) For each case, you must prepare answers to the questions in the case. You also must be prepared to discuss the company, its business activities, and its financial statements during class. The written submissions will be graded for completeness and clarity. Note that, as with case discussions during class, fully answering a case question may require accessing information beyond that contained in the case book (e.g., full financial statements). You may complete the case individually or as a member of a team. You may choose your team members. In my opinion, teams of 2 or 3 students create effective learning teams, while teams of 5 or more students tend to be less effective. Teams with 4 or fewer students can operate without my approval; teams with 5 or more students must be approved by me. Each Wednesday, please submit the team members for the case that you will prepare for the following Monday. Only one form should be permitted for each team. Note that you may organize different teams each week.

Grading cases: In general, each member of the team will receive the same grade for team assignments. However, there may be times when one or more members of a team will “free ride” on the work of other members. The score of a free rider may be substantially reduced. To discover free riding, any member of a team may submit an individual Team Evaluation Form after each case is submitted. A student is not required to submit a team evaluation form; if a form is not submitted, I will assume that, from this student’s perspective at least, no free riding problem exists.

FINAL EXAMINATION:

A “final” examination will be administered to assess each student’s knowledge of the concepts and techniques studied in this course.

I expect you to take the examination at the scheduled or arranged time. Otherwise, you will receive a score of 0 unless you are ill or have an unforeseeable conflicting activity, such as a business or family emergency. You must provide evidence to support your assertion, e.g., a note from an employer or a statement from a physician. In the event of an unforeseeable conflicting activity, you should contact me prior to the exam, if practicable.

COURSE GRADE:

Components that will determine the course grade are:

Cases (5 @ 50 points)	250 points
Final Examination	<u>100</u> points
Total Possible	350 points

Expected Grade Distribution: Grades will be determined based on the overall achievement of the class. By policy, “all MBA courses will have, *at maximum*, an assigned grade average of 3.6.” Students will be

ranked by their overall percentage score for the required assignments and exams. The following grade distribution is an ex-ante **approximation** of the final grades to be assigned:

<u>Grade</u>	<u>Characterization</u>	<u>Approximate Distribution</u>
A	Exemplary performance	20%
A-	Strong performance	30%
B+	Good performance	35%
B	Adequate performance	10%
B-	Adequate performance but demonstrating some deficiencies	
C+	Weak performance, demonstrating serious deficiencies	<u>B- or below</u>
C	Poor performance, demonstrating pervasive serious deficiencies	5% across all
C-	Exceptionally poor performance demonstrating pervasive and acute serious deficiencies	grades
D+/D/E	Chronic lack of commitment and effort	

The final grade distribution **may differ** from this ex-ante distribution because of variations in performance within the class or because of the overall achievement level of the entire class.

STUDENTS WITH DISABILITIES:

Any student who feels s/he may need an accommodation based on the impact of a disability should contact the instructor privately to discuss your specific needs. Please contact the Office for Disability Services at (614) 292-3307 in Pomerene Hall Room 150 to coordinate reasonable accommodations for students with documented disabilities. Also see www.ods.ohio-state.edu for more information about the Office for Disability Services.

STANDARDS OF ACADEMIC INTEGRITY AND CONDUCT:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct*, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's *Code of Student Conduct* and this syllabus may constitute "Academic Misconduct."

The Ohio State University's *Code of Student Conduct* (Section 3335-23-04)¹ defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an "excuse" for academic misconduct; I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct. While I expect all students to have high standards and behave honorably, like every academic institution, sometimes cases of academic misconduct occur. It is expected that students will report suspected cases of academic and student misconduct; faculty members are obligated by University Rules to report suspicions to the Committee on Academic Misconduct. If COAM determines that a student has violated the University's *Code of Student Conduct* (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

¹ See: http://studentaffairs.osu.edu/resource_csc.asp

We also expect that each student will behave in a manner that is consistent with the Fisher Honor Statement, which reads as follows:

As a member of the Fisher College of Business Community, I am personally committed to the highest standards of behavior. Honesty and integrity are the foundations from which I will measure my actions. I will hold myself accountable to adhere to those standards. As a future leader in the community and business environment, I pledge to live by these principles and celebrate those who share these ideals.

If you have any questions about these policies or what constitutes academic misconduct in this course, please contact either of us.

Other sources of information on academic misconduct (integrity) to which you can refer include:

- The Committee on Academic Misconduct web pages (<http://oaa.osu.edu/coam.html>)
- *Ten Suggestions for Preserving Academic Integrity* (<http://oaa.osu.edu/coamtensuggestions.html>)
- *Eight Cardinal Rules of Academic Integrity* (www.northwestern.edu/uacc/8cards.html)

Permitted study materials: Use of inappropriate study materials, including previously prepared solutions to cases, compromises the concept of equal opportunity for all students and therefore is prohibited. You may use materials that generally are available to all students provided that they maintain the spirit of the learning objectives.

AMIS 7200 – Corporate Financial Reporting I Schedule: Spring 2016

Note: This schedule is subject to change. Please check for changes on Carmen or read e-mail messages with updated schedule.

Mon. Jan 11	(1)		Introduction; student expectations; discuss course policies
Wed. Jan. 13	(2)	Topic: Case analysis:	Introduction to corporate financial reporting Enron
Wed. Jan. 20	(3)	Topic: Case analysis:	Accounting Lecture—accounting fundamentals Enron (continued)
Mon. Jan. 25	(4)	Topic: Case analysis:	Accounting Lecture—Statement of Cash Flows TBD
Wed. Jan. 27	(5)	Topic: Case analysis:	Accounting Lecture—SCF continued; Ethan Allen problem Communications Systems Inc.
Mon. Feb. 1	(6)	Case 1 Case 2	Starbucks – understanding financial statements Golden Enterprises – Statement of Cash Flows
Wed. Feb. 3	(7)	Topic: Case analysis:	Accounting Lectures—Revenue Recognition; Equity method Communications Systems Inc. (continued)
Mon. Feb. 8	(8)	Case 3 Topic:	Apple—Revenue Recognition Comprehensive Income
Wed. Feb. 10	(9)	Topic: Case analysis:	TBD
Mon. Feb. 15	(10)	Case 4 Case 5	TBD
Wed. Feb. 17	(11)	Topic: Case analysis:	TBD
Mon. Feb. 22	(12)	Case 9 Case 10	TBD
Wed. Feb. 24	(13)	Topic: Case analysis:	TBD
Mon. Feb. 29	(14)	Exam	Final Examination 3:00 PM GE 355