INSTRUCTOR INFORMATION
Instructor: Lijun (Gillian) Lei, Ph.D., CPA
Office: 339 Bryan
Email: l_lei2@uncg.edu
Phone: (336) 334-4527

OFFICE HOURS
Time: 3:30 p.m.-5:00 p.m., Wednesday, and 10:30 a.m.-12:00 p.m., Thursday
Location: Zoom
If a student would like to make an appointment during office hours, please send the instructor an email by 11:59 p.m. on the prior day. The instructor will send the student a Zoom meeting invitation link.

COURSE INFORMATION
Class time: NA
Location: NA
Credits: 3
Prerequisites: None

CATALOG DESCRIPTION
This course provides students with an introduction to financial and managerial accounting. Topics covered include financial statements, financial analysis of those statements, cost accounting, and accounting’s role in managerial decision-making.

TEXTBOOK

MyBusinessCourse WEBSITE ACCESS
The access code to the website should come with the textbook or can be purchased separately. The course ID is 1077-1602-3826. Go to https://mybusinesscourse.com?code=1077-1602-3826 to enroll in the course.
The learning management system used in this course is Canvas. Information about the course including the syllabus, tentative schedule, and instructor’s contact information can be found on Canvas.

STUDENT LEARNING OUTCOMES
Upon successful completion of this course students will be able to:

1. Calculate key financial ratios taken from financial statements in order to assess the liquidity, profitability, and solvency of private sector corporations.
2. Interpret key financial ratios taken from financial statements in order to assess the liquidity, profitability, and solvency of private sector corporations.
3. Explain key terms in accounting vocabulary.
4. Interpret accounting information in the context of the regulatory structure in which accounting and auditing operate.
5. Explain verbally and in writing the basic aspects of accounting’s role in corporate governance. These aspects include the provision of audits, the monitoring of performance, the budgetary planning process, and the structure of internal control systems.
6. Solve basic problems in costing.

TEACHING METHODS AND ASSIGNMENTS FOR ACHIEVING STUDENT LEARNING OUTCOMES
This course combines lectures delivered via short videos, independent study materials (e.g., notes), and a variety of tasks that students must perform well. The tasks include computational, conceptual, and case-based weekly homework assignments, quizzes, a project involving a company that is publicly traded in which students evaluate the accounting choices and policies of that company, and a budgeting project. I will upload videos and study materials on Tuesdays to Canvas. The homework assignment for each unit is due on the following Tuesday as indicated in the tentative course schedule attached. The public company project is due on October 26, 2022. The budgeting project is due on December 1, 2022.

EVALUATION AND GRADING:
The following criteria will apply to the grading of assignments.

A: Work that demonstrates not only a clear understanding of the material under study, but also a superior ability to utilize that material in the assignment. All criteria are met. The student’s work goes beyond the task and contains additional, unexpected or outstanding features.

B: Work that demonstrates a good understanding of the material under study, and utilizes the material well in the assignment. The student meets the assignment criteria, with few errors or omissions.
C: Work that minimally demonstrates a basic or technical understanding of the material under study, and uses some relevant material in the assignment. Work may not address one or more criteria or may not accomplish what was asked.

F: Work that is incomplete, inappropriate and/or shows little or no comprehension of the material under study.

Students who pass this course will have demonstrated to the instructor that they are in a position to both (1) master subsequent coursework in accounting, finance, and other areas which depend upon a basic though solid mastery of skills and concepts which are central to accounting at an introductory level; and, (2) be capable of entering the managerial workforce armed with the skills and understandings of accounting that managerial labor markets would expect of an entry-level holder of a post-baccalaureate degree, diploma, or certificate in a business-related field. The instructor’s satisfaction with these competencies will be measured through six quizzes as well as grading of the assignments. These exams and assignments will include quantitative measurement of student performance in computational, short-answer, and essay tasks. The type of task will be matched to the specifics of each learning objective. For example, financial ratios demand computational assessment, vocabulary mastery demands short-answer assessment, and institutional and conceptual issues lend themselves to essay-based assessment.

Grades will be assigned according to the following scale:

- 93-100% yields an A in the course;
- 90-92.99% yields an A- in the course;
- 87-89.99% yields a B+ in the course;
- 83-86.99% yields a B in the course;
- 80-82.99% yields a B- in the course;
- 70-79.99% yields a C in the course; and,
- 69.99% or less yields an F in the course.
(Note that no grades of D are given in graduate classes).

The final course grades indicated above will be calculated as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage of Final Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes</td>
<td>30%</td>
</tr>
<tr>
<td>Public company project</td>
<td>30%</td>
</tr>
<tr>
<td>Budgeting project</td>
<td>20%</td>
</tr>
<tr>
<td>Homework</td>
<td>20%</td>
</tr>
</tbody>
</table>

During the semester, test grades will be posted on the course site and homework grades are posted on the myBusinessCourse website as they are completed. If a student feels there has been an error in the recording of a grade, he/she has three days from the day the grade was posted to bring the error to my attention.
QUIZZES
There will be three quizzes administrated via Canvas. They will be available to you during the time window indicated below.

<table>
<thead>
<tr>
<th>Quiz</th>
<th>Date</th>
<th>Unit</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>September 15-September 18</td>
<td>1, 2, and 3</td>
<td>60 minutes</td>
</tr>
<tr>
<td>2</td>
<td>October 20-October 23</td>
<td>4, 5, and 6</td>
<td>60 minutes</td>
</tr>
<tr>
<td>3</td>
<td>November 17-November 20</td>
<td>7 and 8</td>
<td>45 minutes</td>
</tr>
</tbody>
</table>

If a student has a work-related commitment which conflicts with the quizzes, he/she MUST send an email to the instructor requesting an alternate time. The student must send the email within the first two weeks of the semester by August 31. After August 31, changes will be made ONLY for documented emergencies and illness.

MAKEUP QUIZ
Makeup quizzes will ONLY be given if a student is taking another class that meets during the scheduled exam time, a student is an athlete and has a required athletic event on the exam date, or a student has a documented family emergency or medical condition. Medical conditions or other circumstances that cause a student to miss a scheduled exam must be documented and approved by the Dean of Students Office. The instructor retains final authority to determine if the absence is justified and whether the student can take a makeup exam.

QUIZ POLICIES
1. Calculators will be allowed during quizzes.
2. Students are not allowed to copy, duplicate or photograph quizzes. Doing so will be considered a violation of the honor code.
3. Quiz grades are based on what students submit via the exam portal on Canvas only. A student will not get credit for a question answered correctly in other formats.
4. If a student believes there is an error in the grading of his/her quiz, he/she has one week from the date grades are available to request that the exam be re-graded. Quizzes will not be re-graded after a week.

SPECIAL ACCOMMODATIONS
Students who require special accommodations for exams should submit the Faculty Notification Letter no later than the second week of classes. All students requiring special accommodations for exams must take their exams at the Office of Accessibility Resources and Services (OARS). Initiating the testing accommodation procedure is the responsibility of the student.

HOMEWORK ASSIGNMENTS
There is homework for nine out of the 10 units listed in this syllabus. Some units may contain information from 2 modules (chapters). An online system called myBusinessCourse will be used to handle the submission and grading of all homework assignments. All homework must be submitted through the homework software site. Manual homework will not be accepted for grading. The dates on which assignments will be available for online completion are indicated
at the myBusinessCourse website. Because these assignment questions are auto-graded, students must format their responses precisely as instructed in each question. It is students’ responsibility to make sure that the homework is completed and submitted prior to the deadline presented below in the tentative course schedule. No work is accepted after the deadline. Students have unlimited attempts (“submits”) per homework assignment. Students also have unlimited opportunities to “check your work” over the five official attempts. The highest score earned on all attempts will be used to calculate the final homework grade. DO NOT wait until the evening the homework assignment is due to start working on it. Homework deadlines are strictly observed. Extensions on homework are not given to students who are having problems with their computers. Going out of town and not having access to a computer is also not a valid excuse for receiving an extension on a homework assignment.

ACADEMIC INTEGRITY POLICY
Students are responsible for becoming familiar with the Academic Integrity Policy in all its aspects and for indicating their knowledge and acceptance of the Policy by signing the Academic Integrity pledge on all major work submitted for the course. Specific information on the Academic Integrity Policy may be found on the UNCG web site at https://drive.google.com/file/d/0B0rFGGhJvbDHUExSZmFFaWFmb00/view. Students are responsible for knowing what plagiarism is and avoiding it. Please refer to the faculty and student guidelines for general expectations for this class:
http://bae.uncg.edu/assets/faculty_student_guidelines.pdf
## TENTATIVE COURSE OUTLINE AND ASSIGNMENTS

<table>
<thead>
<tr>
<th>Unit</th>
<th>Week</th>
<th>Topics</th>
<th>Homework Due</th>
</tr>
</thead>
</table>
| 1    | Aug 17 | Intro to Accounting for MBAs (Modules 1 and 2)  
1. Demand and supply for financial accounting information  
2. Introduction to financial statements | Aug 23       |
| 2    | Aug 24 | Constructing Financial Statements (Module 3)  
1. Basics of accounting  
2. Accounting cycle | Aug 30       |
| 3    | Aug 31 | Interpreting and Analyzing Financial Statements (Module 4 and 24)  
1. Return on equity (ROE)  
2. Return on assets (ROA)  
3. Operating asset ratios  
4. Operating efficiency ratios | Sep 13       |
| 3    | Sep 7  | Interpreting and Analyzing Financial Statements (Module 4 and 24)  
1. Liquidity ratios  
2. Solvency ratios  
3. Residual income | Sep 13       |
|      | Sep 14 | Quiz 1                                                                 |              |
| 4    | Sep 21 | Operating Income (Module 5)  
1. Revenue recognition  
2. Research and development expense  
3. Tax expense | Sep 27       |
| 5    | Sep 28 | Operating Assets (Module 5 and 6)  
1. Account receivables  
2. Inventory  
3. Property, plant and equipment | Oct 4        |
| 6    | Oct 5  | Nonowner and Owner Financing (Module 7 and 8)  
1. Account payable  
2. Accrued liabilities  
3. Short-term/long-term debt |              |
## TENTATIVE COURSE OUTLINE AND ASSIGNMENTS

<table>
<thead>
<tr>
<th>Unit</th>
<th>Week</th>
<th>Topics</th>
</tr>
</thead>
</table>
| 6    | Oct 12 | Nonowner and Owner Financing (Module 7 and 8)  
        4. Stockholder’s equity and classes of stock  
        5. Stock transactions  
        6. Dividends |
|      | Oct 18 |          |
| 7    | Oct 19 | Quiz 2  
        Public company project |
| 8    | Nov 2  | Cost Behavior and Cost-volume-profit Analysis (Module 15 and 16)  
        1. Cost behaviors  
        2. Cost estimation  
        3. Cost-Volume-Profit analysis  
        4. Contribution income statement  
        5. Break-even analysis |
|      | Nov 1  |          |
| 9    | Nov 9  | Quiz 3  |
| 10   | Nov 23 | Operation Budgeting and Profit Planning (Module 22)  
        1. Budgeting  
        2. Master budget  
        3. Cash budget  
        4. Variance analysis for direct material and direct labor |
|      | Nov 22 |          |
|      | Nov 23 | Performance evaluation and Analytics (Modules 23 and 24)  
        1. Behavioral issues in budgeting  
        2. Responsibility center  
        3. Investment center evaluation  
        4. Balanced scorecard |
Public Company Project

Objective

The project involves a team of one to three participants analyzing financial statements of one public company, preparing a written analysis, and then presenting their findings. Upon completion of the project, participants will be very familiar with the company and financial statement analysis techniques. This project will help participants develop the ability to understand, analyze, and make decisions based on financial information—these skills are essential to every professional business career. Students will also learn how to work effectively as a team.

Project Description

Each team is given the task of reviewing the financial and nonfinancial information of a public company to: (1) obtain in-depth understanding of the company’s business strategy, operating status, and financial performance; (2) discuss strengths of the company; and (3) identify strategies to improve firm performance and enhance shareholder value. The analyses should allow participants to (1) discuss the business strategies and performance of the company with sophisticated institutional shareholders as senior executives and (2) identify weaknesses and provide suggestions to improve firm performance as sophisticated institutional shareholders (e.g., hedge funds). The instructor will provide a google sheet with a list of public companies for you to choose from on the “first-come first-served” basis.

The required delivery is a written report and a peer evaluation.

The written report should include (1) a title page, (2) an executive summary, (3) company background, (4) financial statement analyses, (5) strengths and suggestions, and (6) conclusions. Teams can use financial information from any source (e.g., 10-K) and perform any analysis (e.g., horizontal, vertical) for financial statement analysis. All performance indicators, discussed in class or not, can be used, but teams are required to calculate the following performance indicators:

- Return on equity
- Return on assets
- Operating efficiency ratios
- Liquidity and solvency ratios

The written report must be limited to 25 pages, including the title page, tables, figures, exhibits, charts, graphs, etc. The title page is not numbered. The page following the title page will be numbered “2”. Body of the written report must be double-spaced. Title page, executive
summary, material in tables, figures, exhibits, charts, graphs, etc. may be single-spaced. The written report must be submitted by one team member via Canvas by 5:00 p.m., October 26, 2022, and will be graded by me as indicated below:

<table>
<thead>
<tr>
<th></th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td><strong>Content</strong></td>
<td>60</td>
</tr>
<tr>
<td><strong>Format</strong></td>
<td>20</td>
</tr>
<tr>
<td><strong>Clarity and Grammar</strong></td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

Four letters from hedge funds to boards of directors of public companies are available from Canvas. The letters could give you some idea of how to identify problems and make suggestions based on financial analyses.
MBA 702

Budget Project

1. The Viking Company is preparing budgets for the second quarter ending June 30. Last year's sales for the corresponding period were:

<table>
<thead>
<tr>
<th>Month</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>15,000</td>
</tr>
<tr>
<td>April</td>
<td>18,000</td>
</tr>
<tr>
<td>May</td>
<td>28,000</td>
</tr>
<tr>
<td>June</td>
<td>26,000</td>
</tr>
<tr>
<td>July</td>
<td>19,000</td>
</tr>
<tr>
<td>August</td>
<td>12,000</td>
</tr>
</tbody>
</table>

   The company expects this year's sales to increase by 25%. The selling price is $13 per unit. Prepare a Sales Budget for the Vikings.

2. The company desires to have finished inventory on hand at the end of each month equal to 30 percent of the following month's budgeted unit sales. On March 31, there were 3,000 units on hand. Prepare a Production budget.

3. Five pounds of material are required per unit of product. Management desires to have materials on hand at the end of each month equal to 10 percent of the following month's production needs. This policy was met on March 31st. The material costs $0.60 per lb. Prepare a Materials Purchases budget.

4. Each unit produced requires 0.05 hours of direct labor. Each hour of direct labor costs the company $15. No temporary employees or overtime may be scheduled. Prepare a Direct Labor budget.

5. Variable manufacturing overhead is $20 per direct labor hour. Fixed manufacturing overhead is $50,000 per month. This includes $20,000 of depreciation. Prepare a Manufacturing Overhead expense budget.
6. Variable selling and administrative expenses are $0.50 per unit sold. Fixed selling and administrative expenses are $80,000 per month and include $15,000 in depreciation. Prepare a Selling & Administrative Expense budget.

7. Prepare a cash collection schedule for June, July, and August. Viking’s cash sales are insignificant. They collect 40% of their sales in the month of sale, 30% in the month after, 10% two months after, and then the remainder is written off.

**Directions:**

Prepare your budgets using Excel. Please submit these to Canvas by the due date of the project, December 1, 2022.