

**University of North Carolina at Greensboro
Bryan School of Business and Economics
Department of Accounting and Finance**

**MBA 702: Financial and Managerial Accounting for MBA's
Fall 2022**

INSTRUCTOR INFORMATION

Instructor: Lijun (Gillian) Lei, Ph.D., CPA

Office: 339 Bryan

Email: l Lei2@uncg.edu

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: 6:30-9:20 p.m., Wednesday

Location: Zoom

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

Easton, Peter E., Robert F. Halsey, Mary Lea McAnally. *Financial & Managerial Accounting for MBAs* (Sixth edition). Cambridge Business Publishers, 2021.

MyBusinessCourse WEBSITE ACCESS

The access code to the website should come with the textbook. The course ID is 1077-1602-3825. Go to <https://mybusinesscourse.com?code=1077-1602-3825> to enroll in the course.

CANVAS

The learning management system used in this course is Canvas. Information about the course including the syllabus, tentative schedule, and instructor's office hours 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 with a variety of tasks that students must perform well. These tasks include computational, conceptual, and case-based homework assignments, examinations, 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.

Assigned homework is to be completed according to the date schedule presented below. There is homework for each of the 10 units listed in this syllabus. Some units may contain information from 2 modules (chapters). All homework must be submitted through the homework software site. Manual homework will not be accepted for grading.

For the public company project, the company chosen must be a public company. A student's evaluation will be based primarily on financial statement analyses performed based on information that the company provides in its 10-K report, its annual financial statement filing with the Securities and Exchange Commission, or other sources. Students can learn how to access this filing by reading the tutorial available at <http://www.sec.gov/edgar/quickedar.htm>

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 three quizzes as well as grading of the assignments indicated previously. 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:

Quiz 1 (online)	10% of final grade
Quiz 2 (online)	10% of final grade
Quiz 3 (online)	10% of final grade
Final exam (online)	20% of final grade
Public company project	25% of final grade
Budgeting project	10% of final grade
Homework	15% of final grade

During the semester, quiz and project 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.

ATTENDANCE

Classes are delivered in a synchronized manner via Zoom which provide online students the opportunity to interact with the instructor and the classmates during scheduled class time. To facilitate learning flexibility, class sessions will be recorded whenever technology allows. Student can access the recordings during the fall semester. Please note that the quality of recordings could vary based on the nature of class sessions and classroom technology availability.

EXAMS/QUIZZES

Quiz 1 will be given between September 11, 2022 and September 13, 2022 online via Canvas (60 minutes). Quiz 2 will be given between October 13, 2022 and October 16, 2022 online via Canvas (60 minutes). Quiz 3 will be given between November 9, 2022 and November 12, 2022 online via Canvas (45 minutes). The final exam will be given between December 5, 2022 and December 7, 2022 online via Canvas. You will have 120 minutes to complete the final exam.

If a student has a regularly scheduled class which conflicts with the exams/quizzes, he/she **MUST** send an email to the instructor requesting an alternate time. In the email, the student must specify the name of the conflicting course and the time it is held. 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

Makeup exams/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.

EXAM/QUIZ POLICIES

1. Quizzes and exams are open book.
2. Students are not allowed to copy, duplicate or photograph exams/quizzes. Doing so will be considered a violation of the honor code.
3. Exam and quiz grades are based on what students input in Canvas.
4. If a student believes there is an error in the grading of his/her exam/quiz, he/she has one week from the date grades are available to request that the quiz be re-graded. Exams/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.

PUBLIC COMPANY AND BUDGET PROJECTS

The project involves a team of 2 to 3 participants analyzing financial statements of one public company, preparing a written analysis, and then presenting their findings. The written report is due by 11:59 p.m. on October 11, 2022. The presentation is scheduled to be on October 12, 2022 and October 19, 2022. The budget project is an individual project that requires students to prepare a master budget based on the information provided in the case. The budget project is due on November 29, 2022. Detailed instructions for both projects are available on Canvas.

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: <https://drive.google.com/file/d/0B0rFGGhJvbDHUExSZmFFaWFmb00/view>

REQUIRED UNCG COVID-19 SYLLABUS STATEMENT

As we return for Fall 2022, all students, faculty, and staff and all visitors to campus are required to uphold UNCG's culture of care by actively engaging in behaviors that limit the spread of COVID-19. While face-coverings are optional in most areas on campus, individuals are encouraged to wear masks. All individuals and visitors to campus are asked to follow the following actions:

- Engaging in proper hand-washing hygiene.
- Self-monitoring for symptoms of COVID-19.
- Staying home when ill.
- Complying with directions from health care providers or public health officials to quarantine or isolate if ill or exposed to someone who is ill.
- Completing a self-report when experiencing COVID-19 symptoms, testing positive for COVID-19, or being identified as a close contact of someone who has tested positive.
- Staying informed about the University's policies and announcements via the COVID-19 website.

Students who are ill, quarantining, or isolating should not attend in-person class meetings, but should instead contact their instructor(s) so alternative arrangements for learning and the submission of assignments can be made where possible.

As we continue to manage COVID-19 on our campus, we are following the lead of the local health department and we will adjust our plans to balance student success, instructional requirements, and the hallmarks of the collegiate experience with the safety and wellbeing of our campus community.

TENTATIVE COURSE OUTLINE AND ASSIGNMENTS

Unit	Date	Topics	Homework Due
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	
3	Sep 7	Interpreting and Analyzing Financial Statements (Module 4 and 24) 1. Liquidity ratios 2. Solvency ratios 3. Residual income	Sep 10
4	Sep 14	Operating Income (Module 5) 1. Revenue recognition 2. Research and development expense 3. Tax expense	Sep 20
5	Sep 21	Operating Assets (Module 5 and 6) 1. Account receivables 2. Inventory 3. Property, plant and equipment	Sep 27
6	Sep 28	Nonowner and Owner Financing (Module 7 and 8) 1. Account payable 2. Accrued liabilities 3. Short-term/long-term debt	
6	Oct 5	Nonowner and Owner Financing (Module 7 and 8) 4. Account payable 5. Accrued liabilities 6. Short-term/long-term debt	Oct 11

TENTATIVE COURSE OUTLINE AND ASSIGNMENTS

Unit	Date	Topics	Homework Due
	Oct 12	Public company project preparation	
	Oct 19	Public company project presentation	
	Oct 26	Public company project presentation	
7	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 8
8	Nov 9	Costs for Decision Making (Module 17) 1. Relevant costs 2. Special orders 3. Make or buy decisions 4. Constrained resource	Nov 15
9	Nov 16	Operation Budgeting and Profit Planning (Module 22 and 23) 1. Budgeting 2. Master budget 3. Cash budget 4. Variance analysis for direct material and direct labor	Nov 29
10	Nov 30	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 two 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 deliveries include a written report, a presentation, and a peer evaluation.

Written report	15
Presentation	10
Total	25

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 11:59 p.m., October 11, 2022, and will be graded by me as indicated below:

Content	60%
Format	20%
Clarity and Grammar	20%
Total	100%

The presentation should be 25-30 minutes long and consists of three parts. First, at least one team member will be acting as a senior executive of the company who introduces the company, explains business strategies, and highlights strengths and success of the company. Second, at least one team member will be acting as an analyst of a hedge fund owning a large stake of the company who explains their concerns about the company's performance and strategies and identifies strategies for shareholder value enhancement. Third, the senior executive can rebut the analyst. Not all team members are required to give the presentation. The tentative dates for presentation is October 12, 2022 and Oct 19, 2022. The slides of the presentation must be submitted by one team member via Canvas by 5:00 p.m., October 21, 2021. The presentation will be evaluated by three of your classmates (randomly chosen by me) plus me as indicated below:

Content	70%
Clarity	15%
Visual Aid	10%
Time management	5%
Total	100%

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:

March	15,000 units
April	18,000 units
May	28,000 units
June	26,000 units
July	19,000 units
August	12,000 units

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.