Credit Hours: 2

Prerequisites: ACC 8303, Survey of Accounting or equivalent.

Classroom: The course is entirely online at http://mycourses.msstate.edu/
See the bottom of the syllabus for a preview of the website!

Class meetings: The course is entirely online with weekly deadlines.

Instructor: Noel Addy, Ph.D., CPA
Drawer EF, Mississippi State, MS 39762
662-341-5428 (cell), noel.addy (skype name), noel@nsaddy.net (facetime)

Use the mycourses e-mail. I will be certain to respond within 24 hours, and
generally much more quickly! I check email at least 4 times daily.
I’m available 5-7pm central time TWTh, or anytime working or nonworking
hours that we agree to talk! We can use email, telephone, skype, facetime,
or collaborate.

Course Website: mycourses.msstate.edu

Course Description: Analysis of financial statements and internal accounting reports to help
management make decisions.

Required Text: We use a custom text titled, Financial Reporting ACC8112.

ISBN thirteen digit: 978-1-12-185695-0

Other Materials: Microphone and software for constructing video presentations.
Class project presentations can be uploaded at:
youtube.com
login account: msu.mba.addy
password: msu_mba1234 (subject to change as necessary)
There will be two videos. The first is a brief biographical sketch, and the second will be the presentation. Please title the videos with this pattern:

Last_name.First_name.bio
Last_name.First_name.valuation

Course Goal: At the conclusion of the course you will be able to state the two uses of accounting. The two uses of accounting are (1) as a tool for helping evaluate best courses of action and (2) as a tool for evaluation or monitoring of what has already happened. The criteria we use for evaluating best courses of action is that the choice being made is better than the alternatives. We need expectations about the future for the choice being considered and the alternatives. Information that helps us develop expectations about the future can be different from information used to evaluate what has already happened.

Consider the first use of accounting! Consider a banker who receives a loan application. The banker is going to evaluate whether to make the loan, and may use accounting as part of the estimating whether the loan and interest are going to be repaid; and whether making this loan is a better idea than the alternative loans applications. This is an example of use (1), accounting as a tool for evaluating courses of action.

Consider the second use of accounting! Suppose now that the loan gets made, with the provision that the debtor not borrow too much more from other banks. The bank may require the debtor to continue to produce financial statements that will allow the banker to monitor how much debt the debtor has borrowed. This is an application of use (2), accounting as a tool to monitor what has happened.

My goal is that it become natural for you to recognize what information is needed for the decision and the extent to which accounting can play a role in that situation.

Course Content: A typical week will involve:

- reading the text,
- listening to lectures,
- taking quizzes
- solving homework problems, and
- participating in discussion questions
- project checkpoints!

We have three projects. These activities are intended to build knowledge and skills toward the course goal of being able to state the two uses of accounting.
**Assessment:** Grades will be determined by the number of points achieved out of a total of 400 points.

The distribution of possible points looks like this

<table>
<thead>
<tr>
<th>Source</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exam I (8am February 7 to February 8 midnight)</td>
<td>100</td>
</tr>
<tr>
<td>Exam II (8am March 2 to March 3 midnight)</td>
<td>100</td>
</tr>
<tr>
<td>Discussion papers</td>
<td>25</td>
</tr>
<tr>
<td>Homework</td>
<td>20</td>
</tr>
<tr>
<td>Quizzes</td>
<td>20</td>
</tr>
<tr>
<td>Beneish analysis</td>
<td>45</td>
</tr>
<tr>
<td>Valuation Project</td>
<td>45</td>
</tr>
<tr>
<td>Management Compensation Project</td>
<td>45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>400</strong></td>
</tr>
</tbody>
</table>

An A is 360 or more points. A B is 320 to 359. A C is 280 to 319. And so on. Grades will be available on the mycourses page.

**Exams** I and II are open book, entirely online, and include both multiple choice and open response questions. They are open book, which includes your text and notes. No other aid is appropriate.

You have two hours to complete an exam. Pick a two hour interval during the open time to take the exam. If something happens to the computer connection during the exam, don’t worry. Send me an email or call and I’ll reset the exam. I’ll see the email, but I probably won’t see the email instantly, so you’ll need to plan to take the exam later in the exam window.

To be successful on exams, you will need a comprehensive understanding of the material. Selected exercises and problems from the text and in the quizzes should expose you to representative material, but cannot cover the entire range of possible test situations.

**Discussion** questions for the papers will be posted on the mycourses site by Monday midnight of the week prior. You should post a discussion paper for your group by the next Monday at 8am. For example, the first discussion question will be posted by Monday, January 13, and your group should submit a response, by Monday, January 20, 8am.

We will split into several groups. Each group will have a discussion question per week. You will be responsible for participating in the discussion question for your group. You should also review the questions and responses for the other groups, because essay questions on the exam can be drawn from the discussion questions.
Homework. Success on tests will require routine attention to homework. Due dates for the homework from the text’s exercises and problems are intended to keep us moving forward and avoid having work pile up at the end. Every Monday morning, beginning on January 20, is a homework due date.

Submit the homework to the assignment box by 8am Central Time each Monday morning. I’ll put a single assignment box for each assignment/problem. You should be able to make multiple submissions to the assignment box because you may change your mind after submitting homework. Feel free to submit the homework in excel, a word document, or pdf.

I’m primarily interested in that you contemplate the homework item and make a thoughtful attempt at the solution. You get credit for a reasonable attempt at the solution, rather than whether you got it exactly correct. Solutions will be available after the due date.

There are a total of 20 points associated with homework, though there will probably be more than 20 homework problems, so each homework problem counts as less than 1 point.

Projects. The requirements for the Beneish project, valuation project, and management compensation project are set out separately. Your first requirement is to select a company to study. The company should be publically traded, so that you can be certain of getting the financial statements, and it should not be a bank or other financial intermediary, because their financial statements look odd. You should tell me your selection by January 20. I have set out a list of companies on a link on the front page to prompt your thinking. A project not completed reduces the course grade by one letter, and the grading rubric is available on each project assignment tool.

Honor Code

The honor code states “As a Mississippi State University student I will conduct myself with honor and integrity at all times. I will not lie, cheat, or steal, nor will I accept the actions of those who do.”

Your first assignment will be to sign the honor code statement! Upon accepting admission to Mississippi State University, you immediately assume a commitment to uphold the Honor Code, to accept responsibility for learning, and to follow the philosophy and rules of the Honor Code. You will be required to state your commitment to the Honor Code on examinations, research papers, and other academic work. Ignorance of the rules does not exclude any member of the MSU community from the requirements or the
processes of the Honor Code. For additional information please visit:
http://www.msstate.edu/dept/audit/1207.html

Before proceeding with your first regular assignment, copy the following to a document, read it, sign it, and submit it as the first assignment. This is a pass/fail assignment.

“I have read and understand the Honor Code. On my honor, as a Mississippi State University student, I will neither give nor receive unauthorized assistance on any academic work.”

Student Signature: ____________________________________________

Attendance: The course is entirely online. You will need to bring your full work ethic to staying up to date. The course deadlines are intended to keep us moving forward.

Campus Resources: If you find that you need administrative or technical assistance beyond the course content, you might wish to contact:

Technology assistance,
http://www.distance.msstate.edu/distance/technical_assistance

Support Services: Anyone who feels s/he may need an accommodation based on the impact of a disability should contact the instructor privately to discuss specific needs. Student Support Services is available to assist in determining classroom accommodations that are most appropriate for students with disabilities based on documentation of their disability. Examples of classroom accommodations are varied, but may include: Adapted testing arrangements, extended time on tests, assistance with ordering recorded texts, and access to special equipment. The Student Support Services Website is
http://www.sss.msstate.edu/

Course Schedule: We will follow a schedule of due dates like the following:

<table>
<thead>
<tr>
<th>Begin date</th>
<th>Due date</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 13</td>
<td>January 20</td>
<td>Module 1: Introduction</td>
</tr>
<tr>
<td>January 20</td>
<td>January 27</td>
<td>Module 2: The nature of costs</td>
</tr>
<tr>
<td>January 27</td>
<td>February 3</td>
<td>Module 3: Opportunity cost of capital and capital budgeting</td>
</tr>
<tr>
<td>February 3</td>
<td>February 10</td>
<td>Module 4: Organizational architecture</td>
</tr>
<tr>
<td><strong>February 7-8</strong></td>
<td></td>
<td><strong>Exam I</strong></td>
</tr>
<tr>
<td>February 10</td>
<td>February 17</td>
<td>Module 5: Essentials of Financial Statement Analysis</td>
</tr>
<tr>
<td>February 17</td>
<td>February 24</td>
<td>Module 6: The Role of Financial Information in Valuation and Credit Risk Assessment</td>
</tr>
</tbody>
</table>
February 24  March 3  Module 7: The Role of Financial Information in Contracting

March 2-3  Exam II
Due dates related to the projects

<table>
<thead>
<tr>
<th>Date</th>
<th>Beneish analysis</th>
<th>Valuation project</th>
<th>Management Compensation project</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 20</td>
<td>Choose your company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 27</td>
<td>Identify the (1) Comprehensive Income and (2) Cash dividends Written biography</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 10</td>
<td>Beneish project due</td>
<td></td>
<td>Video Biography</td>
</tr>
<tr>
<td>February 17</td>
<td></td>
<td>Tab 1: Changes in book values</td>
<td>List of performance factors</td>
</tr>
<tr>
<td>March 5</td>
<td></td>
<td>Final Valuation project due: written and video</td>
<td>Final Management Compensation project due</td>
</tr>
</tbody>
</table>

When the site becomes available you should first look at the ‘Look here first!’ page.