

MIDSTATE COLLEGE
411 W. NORTHMOOR RD. PEORIA, IL 61614
(309) 692-4092 (800) 251-4299
Summer 2019

Course: ACC 322 Intermediate Accounting II

Credit: 4 Quarter Hours **Method of Delivery:** Flex learning; classroom, with an on-line component

Course Description: Includes a detailed study of inventories, long-term assets acquisition, impairment & disposition, investments, short-term liabilities and long-term liabilities. The course starts with a review of the different Inventory valuation concepts like LIFO, FIFO, Retail Inventories, Dollar-value LIFO and Lower of Cost or Market. The course then, moves to Operational Assets acquisition, impairment & disposition along with various methodologies for depreciation and recording depletion. Investments like Held-to-Maturity, Trading and Available for Sale Securities are covered along with any recognition of income. Short-term liabilities, payroll & contingent liabilities are then reviewed followed by Long-Term Liabilities - Long-term Bonds Payable and premium/discount amortization as well as refinancing arrangements/accounting.

Prerequisite: ACC 321 Intermediate Accounting I with a C or higher or consent of department director.

Text(s) & Manual(s): Intermediate Accounting 8th edition

Author(s): Spiceland, Sepe, & Nelsom

Publisher: McGraw-Hill

Materials needed for this course: Microsoft Excel & Word

Topics:

- Inventory valuation concepts FIFO, LIFO, Retail & Dollar-value LIFO
- LIFO liquidation & LCM
- Dollar Value & Retail LIFO methodologies
- Depreciation, Amortization & Depreciation methods along with retirements and Impairment
- Investments presentation & classification
- Current & noncurrent liabilities, including bonds sold by the company
- US & International GAAP (throughout the text focus will be on GAAP)

Learning Objectives: Upon completion of this course, the student will be able to:

1. Continue to interpret many financial reports and primary financial statements in accordance with US GAAP (& selected non-U.S. reporting standards)
2. Analyze the various Inventory Valuation Measurements (FIFO, LIFO, Average Cost, Dollar Value LIFO are a few) & present in proper format and be able to utilize Excel worksheets to present proper account balances
3. Analyze & prepare reports to calculate Lower of Cost or Market (LCM) valuations, inventory estimation techniques, Dollar Value LIFO Retail and prepare proper disclosure for Inventory errors & Changes in methods.
4. Prepare advanced depreciation/depletion schedules and record disposition/exchanges of assets
5. Present Impairment of value disclosures and changes in depreciation/amortization/depletion along with error corrections.
6. Prepare & classify various Investments into Held-to-Maturity, Trading and Available for Sale Securities and understand Income Statement implications of each.
7. Understand proper classifications and presentations of Current, Noncurrent and Contingent Liabilities.
8. Record sale, retirement & exchanges of Corporate Bonds and their proper valuations.

Midstate Grading scale:

- 90 - 100A
- 80 - 89B
- 70 - 79C
- 60 - 69D
- 0 - 59F

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In courses containing writing assignments, the College promotes the use of an electronic resource which compares the student's writing against previously submitted papers, journals, periodicals, books, and web pages. Students and instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

Student Success:

The Office of Student Success is available to students seeking tutoring for individual classes or who need assistance with writing assignments. Information is also available on test taking techniques, how to take notes, developing good study skills, etc. Contact Student Success in Room 217 (in person); (309) 692-4092, extension 2170 (phone); studentsuccess@midstate.edu (email).

Instructor: Chris Peck

Phone: 692-4092

e-mail: dcpeck@midstate.edu

Hours: By Appointment

Policies and Procedures:

Homework, quizzes and exams must be submitted as one attached document using EXCEL as appropriate. Regular attendance is strongly urged, as once a student falls behind it is very difficult to catch up. The instructor will not have the time to catch-up students who fall behind. It will be solely the obligation of the student to do so. Please do not use red as a font color. I reserve the use of red in all of my classes to differentiate my comments, corrections and suggestions from those of the student. You may use any other font color that you wish, but not red.

Participation Requirements:

This class is designed to prepare students for careers in accounting and/or as preparation for writing the CPA exam. As such, the workload will be heavy, and the students will be expected to perform at a professional level each and every class. If students are not willing or prepared to work to this level, it is recommended that the student reconsider participating in this class.

Please note that for a student to be counted as attending in an on-line class *gradable* work must be submitted for that week. All late assignments will receive a **10%** grade reduction for each day late.

Methods of evaluating student performance:

Summaries and Discussion Questions are opportunities for the students and the instructor to communicate and interact regarding the accounting topics. Credit will be given for this portion of the grade as posts are submitted on a regular basis. The posts will be graded for substantial writing (a simple "I agree" will not meet requirements). A substantial post should be at least 5 sentences and provide content. The posts will be responded to and evaluated for content.

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Homework will be assigned as necessary. The homework will be reviewed, and graded. The homework is there for the student's benefit, and if done will show up on the quizzes and tests. If the homework is not done, that too will show on the quizzes and tests. Answer keys will be provided for each chapter so that the student can check his or her work to see how accurate it is. **All homework should be done in EXCEL.**

Instructor's Grading Scale:

Summaries and Discussions	20
Quizzes	70
Homework	80
Mid-term exam	100
Final exam	<u>100</u>
Total points	370

Schedule

WEEK	CHAPTER	TOPIC	OBJECTIVE	ASSIGNMENT
1	8	Inventories: Measurement	1	
				Weekly Summary and Discussions
2	8	Inventories: Measurement	1 & 2	Ch 8: Exercises 8-2, 8-4, 8-7, 8-11, 8-14
				Quiz 1 over chapter 8
				Weekly Summary and Discussions
3	9	Inventories: Additional Issues	2 & 3	Ch 9: Exercises 9-1, 9-5, 9-10, 9-19, 9-20, 9-23, 9-24
				Quiz 2 over chapter 9
				Weekly Summary and Discussions
4	10	PP&E, Intangible Assets: Acquisition & Disposition	2, 3 & 4	Ch. 10: Exercises 10-2, 10-5, 10-11, 10-12, 10-21, 10-24
				Quiz 3 over chapter 10
				Weekly Summary and Discussions
5	11	PP&E, Intangible Assets: Utilization and Impairment	4 & 5	Ch 11: Exercises 11-1, 11-10, 11-11, 11-16, 11-22, 11-24, 11-29
				Quiz 4 over chapter 11
				Weekly Summary and Discussions
6		Mid-term exam over chapters 8-11		Mid-term
7	12	Investments	5 & 6	Ch. 12: Exercises 12-2, 12-3, 12-4, 12-8, 12-9, 12-11, 12-15, 12-25
				Weekly Summary and Discussions
8	12	Investments	5 & 6	Ch 12: Exercises 12-2, 12-4, 12-8, 12-9, 12-11, 12-15, 12-20, 12-24
				Quiz 5 over chapter 12
				Weekly Summary and Discussions
9	13	Current Liabilities and Contingencies	4 & 5	Ch 13: Exercises 13-1, 13-4, 13-6, 13-8, 13-11, 13-14

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				Quiz 6 over chapter 13
				Weekly Summary and Discussions
10	14	Bonds and Long-Term Notes	5 & 6	Ch 14: Exercises 14-2, 14-3, 14-6, 14-10, 14-18, 14-22, 14-28, 14-33
				Quiz 7 over chapter 14
				Weekly Summary and Discussions
11	14	Review for final exam; the student will be expected to e-mail questions concerning the final exam to the instructor.		Weekly Summary and Discussions
12		Final Exam		Final Exam

The instructor reserves the right to modify the syllabus at any time should that action be deemed necessary.