

ACG 6138

Advanced Financial Reporting and Concepts

Professor: William S. Hopwood, PhD

Contact me: See "Communicate" under Course **Required Texts:**

Required

Advanced Accounting, 4th Edition, [Debra C. Jeter](#), [Paul Chaney](#), ISBN: 978-0-470-50698-1 (Older editions are out of date and can't substitute for the 4th Edition.)

Also to be available soon in downloadable eBook ("Desktop Edition") format at: <http://he-cda.wiley.com/WileyCDA/Section/id-131148.html>.

Also available in web edition via www.coursesmart.com. The Desktop Edition costs more than the web edition, but the web edition expires whereas the Desktop edition never expires.

Recommended Texts

You are not required to purchase recommended texts. These are for reference purposes only.

Either of the following Intermediate Texts: 1) Intermediate Accounting: Principles and Analysis, 2nd Edition, Terry D. Warfield, University of Wisconsin, Madison, USA, Jerry J. Weygandt, University of Wisconsin, Madison, USA, Donald E. Kieso, Northern Illinois University, USA., ISBN: 978-0-471-73793-3, ©2008, 1136 page, or 2) Intermediate Accounting, 13th Edition, Donald E. Kieso, Northern Illinois University, Jerry J. Weygandt, University of Wisconsin, Madison, Terry D. Warfield, University of Wisconsin, Madison, ISBN: 978-0-470-37494-8, ©2010, 1440 pages . The second text is available in both www.coursesmart.com and in eBook format via <http://he-cda.wiley.com/WileyCDA/Section/id-131148.html> .

Accounting for Derivatives and Hedging

Mark Trombley, McGraw-Hill (current edition: <http://catalogs.mhhe.com/mhhe/home.do>)

Risk Takers: Uses and Abuses of Financial Derivatives, Second Edition,

by John E. Marthinsen, Prentice Hall, 2009

eText ISBN-10: 0-321-55120-6

eText ISBN-13: 978-0-321-55120-7

Print ISBN-10: 0-321-54256-8

Print ISBN-13: 978-0-321-54256-4

Options, Futures, and Other Derivatives, Seventh Edition, by John C. Hull

Publisher: Prentice Hall, 2009

eText ISBN-10: 0-13-601590-5

eText ISBN-13: 978-0-13-601590-1

Print ISBN-10: 0-13-601586-7

Print ISBN-13: 978-0-13-601586-4

Introduction to Derivatives and Risk Management, 8th Edition, by Chance; Brooks

Publisher: South-Western, Cengage Learning, 2010

Print ISBN-10: 0-324-60121-2

Print ISBN-13: 978-0-324-60121-3

eText ISBN-10: 1-111-11061-1

eText ISBN-13: 978-1-111-11061-1

Required Subscription to Stocktrak Global Portfolio Simulator (for derivatives trading):

Subscription to Stocktrak Global Portfolio Simulator (<http://www.stocktrak.com/>) . This will cost you approximately \$25.00 and require a debit or credit card. If you do not have a debit or credit card you can purchase a pre-paid visa card from many familiar locations that include some Office Depots, CVS pharmacies, Blockbuster stores, and various banks. Enter your zip code into the following link to find locations near you: http://usa.visa.com/personal/cards/prepaid/visa_gift_card.html . These cards can also be ordered online through some banks by direct charges to your bank account. See <http://usa.visa.com/personal/cards/prepaid/gift-card-online.jsp> for more information. Please remember that there are typically small fees associated with the use of pre-paid cards, so you might need to purchase a card for slightly more than the cost of the subscription. Consult the card's terms and conditions for details on any fees charged.

Please do not subscribe to Stocktrak until I make an announcement to do so. I will need to give you a specific web link that you will need to click on to make sure that your subscription is linked to this section of ACG 6318. I will post an announcement that includes this link somewhere around the 4th or 5th week of classes. In the mean time, if you are interested you can explore Stocktrak's educational materials (http://stocktrak.com/research_resources.php) regarding futures and options and how they are traded.

We will use the Stocktrak simulator to simulate various types of hedging transactions.

Required Readings

This course involves very large amounts of reading and research. You will be required to read most of the required text and over 300 articles and publications. A preview of the complete readings list is located at <http://www.whopwood.com/acg6138/readings> . This list is subject to change on a day by day basis. Specific reading assignments will be posted to the weekly lesson section in our eCollege course site.

Course objectives:

The course involves an in-depth study of financial reporting in 3 broad areas: (1) The financial reporting regulatory environment, (2) Financial reporting regulations, standards, and issues, (3) Emerging issues and the future of financial reporting. The first area includes issues such as the role of accounting, its historical development, regulation mechanisms, conceptual frameworks, the expectations gap (including ethics, manipulation, and transparency), the impact of financial crises, and rule-making issues. The second area includes a close look at some of the major post-Enron U.S. accounting standards (e.g., SFASs 133-derivatives, SFAS 140—special purpose entities, SFAS 141-business combinations, and SFAS 157-fair value, as well as areas such as sustainability accounting and GDP accounting. The third area includes emerging issues such as the AICPA Enhanced Business Reporting Framework, forward looking information, real-time reporting, and increased emphasis on soft assets.

The course is not designed for CPA examination preparation, although some parts of it might be helpful for that purpose.

Class participation: You will be graded on your participation in the online discussion group. This includes regular weekly discussions, participation in the derivatives trading simulation, and participation in any group projects that may be assigned.

Participation Logs. As part of the class participation you are required to maintain a weekly participation log that summarizes both what you learn in each weekly lesson and what you contribute to each weekly lesson. Your log must be submitted at the end of the semester along with your final exam. Do not submit your log before I post instructions on how to submit it. You may use any format you like (even simple outline format in bullet points) for your log subject to the following restrictions: 1) it must be 100% in your own words. Do not use quotations, references, web links, bibliographies, cover pages, executive summaries, or a table of contents. 2) a maximum of 1 page (single-spaced, 12 point Word with standard margins) may be devoted to each week. 3) use clear bold-faced headings for each week's entry.

You may exchange information with other students to help with logs. Please do so in the Board Student Lounge section of the Class Discussion Board. Just remember that your log must be 100% in your own words.

The Participation Log counts 10% of your class participation grade. I don't assign number or letter grades to Participation Logs. If you submit a satisfactory Log you will receive the full 10%. If the Log is not satisfactory you will receive 0%. To be satisfactory your Log must be complete and demonstrate your generally familiarity with the **main ideas** of each week's readings and discussions. It does not need to contain extensive details, only a general weekly summary of what you learn and contribute.

I do not provide interim evaluations of logs, but you are encouraged to share ideas with other students in the Student Lounge of the class Discussion Board.

Since each discussion period lasts for a full week, there are no makeups for missing a week's discussions. Further, since discussions are interactive and participatory it is impossible to participate in a discussion that is closed. That said, however, you should include a summary of what you learn for any missed weeks in your participation log. Please do not email me discussion comments after a week's discussion is closed; such comments will be ignored.

Quizzes: There will be between 3 and 6 online quizzes. They will be administered through the course's eCollege site. They will be open-book, timed quizzes (with 4 hours or more to complete each quiz, once started) with you having approximately a one week window to take each quiz. The specific details of the quizzes (e.g., the number and type of questions, and the material covered will be announced at the time of the quizzes). Quiz content may be based on assigned readings and class discussion.

Grading: There will be a total of 100 points available.

Portion	Percent
Term Paper	25
Class Participation	25
Quizzes	25
Final Exam	25
Total	100

Grading Scheme

A 93+

A- 90+
B+ 87+
B 83+
B - 80+
C+ 77+
C 73+
C- 70+
D+ 67+
D 63+
D- 60+
F 0+

Important Notes

- It is essential that you keep your email address up to date in your eCollege AND discussion board profiles. (See below for information on the discussion board) You will be responsible for announcements sent to both these addresses and posted to the announcements section of the eCollege course site or the announcements section of the discussion board.)
- If you change your email address in the discussion board, you will receive an automated message at your OLD email address. Until you respond to the automated message you won't be able to access the discussion board. Please remember this if you change your email address in the discussion board.
- If at any time the discussion board is down from more than 12 hours, you should visit this web site for further information. Don't be concerned if the discussion board is down for a few hours. Lesson closing dates will be automatically extended for any prolonged outages that occur on Sunday evenings. If you are unable to post to the discussion board, either because of an outage or because the lesson is closed, *please do not email your comments to me*. This is because it's a discussion, not homework, and discussions can only take place in a group.
- The home page of our eCollege course site may contain an email tab. Do not use the email function to email the entire class. The email function is reserved for instructor announcements. All announcements sent by email require prior approval. Sending unapproved and unsolicited email to the class violates members' privacy.

Class Participation -- How to

See "Communicate" on the Course Home menu. This is essential to getting started in the course. You are responsible for all announcements posted to the announcements section of the class discussion board. See "Communicate for more information."

Tips on class participation are provided in the announcements section of the discussion board. Class participation includes following instructions relating to class discussion and personal conduct.

Term Paper

The term paper will be on any topic covered in the class discussion or in the text. No approval for your topic is required. The maximum length permissible will be 6 typewritten pages, double-spaced with standard margins and a 12-point proportional font, including tables, figures, exhibits, and, and

appendices. The cover page and bibliography do not count towards the page limit; all other pages count towards the limit. Towards the end of the semester I will announce instructions for submitting your paper. You should follow the specific instructions I post on the discussion board, and any instructions that may I post on the instruction board have precedence over those given here. Please do not submit your paper until I post the submission instructions.

The term paper must meet the requirements of a GEB 6215 “portfolio piece.” Consult with your GEB 6215 instructor if you are not familiar with the requirements of a portfolio piece. Throughout this syllabus and the discussion board, the terms “portfolio piece” and “term paper” will be used interchangeably to refer to a portfolio piece that satisfies the requirements of GEB 6215.

Presentation

You are required to submit a video presentation that complies with the GEB 6215 presentation requirements. Consult your GEB 6215 professor if you have any questions regarding the requirements. Presentations must be submitted by all students whether or not already GEB certified. The presentation counts 5% of your class participation grade. I don't assign number or letter grades to presentations. If you submit a satisfactory presentation you will receive the full 5%. If the presentation is not satisfactory you will receive 0%. To be satisfactory, presentations must comply with GEB 6215 guidelines, be recorded with clear audio and video, and be presented in an organized manner. I don't intend to nitpick grade the videos. If you do a reasonable job you will get full credit. If you are unsure as to what constitutes a reasonable job, ask your GEB 6215 instructor. I don't provide technical support or consulting on video production, and I don't review videos before they are submitted, since video presentations are covered in GEB 6215 and not in this class.

Presentations will be due at the end of the semester with final exams. When I post the final exam, I will give guidelines for submitting videos. Please do not submit videos until I post guidelines.

Your video can be on the same topic as your term papers unless your GEB 6215 instructor tells you otherwise.

Attendance

The course is taught asynchronously via the web. Physical Attendance is not required.

Class Participation Verbal communication skills and following instructions are an essential part of the course. Therefore, you should do your best to communicate clearly and with good spelling and grammar, and to always read and follow instructions. That said, I understand, there are no penalties for typographic errors in discussion board posts, and the general tenor of the discussion board will be informal.

Grading of Term Papers

General Style (30%)

- visual appeal, format
- spelling
- uniformity and consistency
- grammar

Content (70%)

- Scope/organization, originality
- Currentness and interest

Total (100%)

Format All projects, cases, term papers, and other documents must be submitted according to the electronic format that will be announced later in the semester.

Assigned Readings

This readings schedule is approximate and subject to any changes needed to adapt to the progress of the class. **You will be assigned various articles and text readings each week to discuss in the online discussion board.**

Getting Started

- Make sure you meet all computer-related requirements listed under the Course Home of this web site. If you do not meet these requirements you may need to attend all on-campus class session. Please discuss it with me if you are in doubt.
- Make sure you have the course textbooks.
- Study this entire web site. You are responsible for all content in this web site and related web sites and discussion lists. Be sure to check back regularly for updates, as changes may appear on a regular basis.
- Familiarize yourself with all policies published on the FAU [School of Accounting Web Site](#). You are also responsible for any policies that may be posted to the [College of Business Web site](#). Make sure you have an Owl Card. You may apply [online](#) (Click on the link for Student). You will need the Owl Card to access the FAU on-line library collection, which you will need to complete the term paper and participate in class assignments.

Note: We will not be using the eCollege calendar and email tools. Visit the discussion board for information on when lessons are due and for messages; send personal email to me at the address indicated under the Communicate section of the Course Home menu.

Discussion Board

In order to give you a better class discussion environment, will be using the vBulletin discussion board system instead of the eCollege discussion tool. The vBulletin discussion board has the following advantages:

- It's much, much faster. vBulletin stores all the class messages in a MySQL Database. This means relatively no waiting after you click on a link. vBulletin runs fast even with 100,000 messages in the message database.
- Substantially fewer keystrokes are required to read and respond to messages. Just logging into eCollege and getting into the messages requires a series of keystrokes, with server waits between each keystroke. With vBulletin you jump immediately into the messages.

- vBulletin supports "remember me" logon cookies, so that you don't have to logon every time you want to check for new discussion posts. You can set your profile to logon no-cookies if you are sharing a PC.
- vBulletin is much more powerful and feature rich. Some of the extra features supported include student photo-icons (avatars) in all posts, integrated polls, direct jump from one topic to another, view all messages in a thread (in reverse chronological order) when replying, and email subscription/notification by thread.

FIRST CLICK ON COMMUNICATE on Course Home, then visit our Class Discussion Board at the following location: <http://www.whopwood.com/acg6138>. You won't need to register with the discussion board to view messages, but you will be prompted to register when you attempt to post a message. For the first 2 weeks of class, you will be able to view all the content of the discussion board without registering, but after that time only registered users and members of this class will be able to view the message board content. You must be registered in the course to be registered in the discussion board. Anyone not registered in the course will be removed from the discussion board, subject to a grace period in the first week of class.

Important note: When you register for the discussion board, you will be required to supply an email address. An automated verification message will then be sent to the email address you supply. You won't be able to post messages to the discussion board until you respond to this verification message. So it's important that you provide a good email address.

If you later change email addresses in your discussion board profile, a similar verification message will be sent to your old account. You will no longer be able to access the discussion board until you respond to this verification message!

Weekly reading and case assignments will be posted here in eCollege. Weekly discussions and other communications will take place on the discussion board.

As with any discussion board, it is recommended that you prepare long messages in something like Windows Notepad and then post them into the discussion board. This will protect you against losing your post in the event of a rare communication problem or server failure. *Please note that messages prepared in Microsoft Word might not be accepted by the discussion board, as MS Word documents can include hidden graphics.*

Future Lesson Assignments

Lessons assignments may be posted ahead or for the entire semester, just to give you a heads up on what might lie ahead, but all future lessons are subject to change before they become current. So please don't work on the lesson assignments before the week in which they are current and due.

General Course Policies

Technical Support. We won't provide advice on purchasing computers or software, the choice of Internet Service Providers, or technical support for hardware or software problems. It is assumed that you will have access to the web and e-mail on a daily basis. So make sure that you have a good reliable computer and Internet connection. Consult your software or hardware vendor, or Internet Service Provider for technical support. The FAU IRM help desk provides limited support for FAU e-mail accounts, on-campus computer labs, and certain IRM-supported software. IRM support is available via telephone (561-297-

3999) or via the web through [IRM's Online Helpdesk](#). Contact helpdesk@faumba.net for help with course access issues.

Questions and Comments for the Instructor. Questions should only be addressed privately to the instructor when the matter is strictly personal. This allows other students to benefit from your discussions with the instructor, and it eliminates unnecessary duplication in responding privately to multiple questions and comments with similar responses.

E-mail. All course-related e-mail addressed to instructor should contain the word "ACG6138" in the subject so that I can properly filter their incoming mail. However, the more reliable and secure way to send email to the instructor is through the private messaging feature of the Vbulletin Discussion board.

Netiquette: Always fill in the subject field when addressing a message. Change subject fields, as appropriate, when responding to messages in the discussion lists. Use the same type of language and manners that you would in a brick-and-mortar class.

Academic Honesty

A fundamental principle of academic, business and community life is honesty. Violation of this ethical concept will result in penalties ranging from a grade of 'F' in the course to dismissal from the university. In all penalties, a letter of fact will be included in the student's file.

Students are expected to work independently unless an assignment specifically requests otherwise, and all written work must be developed for this course alone and may not have been submitted in a previous course, and many not be concurrently submitted in another course.

This course requires academic honesty consistent with Chapter 6C5-4.001 of the Student Handbook entitled Honor Code, Academic Irregularities, and Students Grievances. It is the policy of the School of Accounting at Florida Atlantic University to adhere to the provisions of this section.

Students are reminded that plagiarism guidelines that apply to printed materials also apply to materials accessed via the internet. Various types of search engines and/or software may be used to verify the originality of any work submitted.

A portion of the 2000 Honor Code follows:

As part of our pledge to foster intellectual and personal growth, we shall uphold the highest standards of honesty and integrity as they pertain to our academic life. We expect that every Honors College student will support the goal of creating an environment of academic integrity, academic freedom, and mutual respect.

To promote this goal, students hereby agree not to cheat on exams, tests, quizzes; plagiarize; receive or provide unpermitted aid on any exam or any class work used by an instructor as a basis for grading; interfere with the educational mission of the College; or conspire to commit any of the above actions.

In support of the mission statement and honor code, we acknowledge an expectation to report violations of this code, and that doing so, while not obligatory, is not to be looked down on as betraying trust, but rather is to be regarded as maintaining the academic integrity of the Honors College and supporting a community of mutual trust.

We encourage and acknowledge an expectation of active participation inside and outside of the classroom in contributing to the academic life of the College community. Forms of active participation include attendance, discussion within the classroom, discussion on academic topics outside of the classroom, participation in study groups, turning in assignments, seeking help when needed, and performing assigned work in group projects.

By signing the honor code, we the students acknowledge that we have entered into an agreement with the faculty in which we uphold the above principles and will not weaken the foundation of trust upon which the Honors College is built by violating them. In return, we expect the faculty to show trust in us. Faculty are encouraged not to proctor exams or to take unreasonable precautions to prevent dishonesty.

The current version of the full honor code is located on [FAU's Web Site](#) .

Weekly Readings and Assignments

As indicated above, there are over 300 articles to read. So the list of readings is too long to include here. It can be viewed on the web at <http://www.whopwood.com/readings>. Specific weekly reading assignments (including both articles and related text materials) will be assigned in our eCollege course site. The master list of readings is tentative, as some links may become out of date, and other readings may be added or substituted.

Weeks 1-4

- [PART A: Financial Reporting Environment](http://www.whopwood.com/acg6138/readings) (<http://www.whopwood.com/acg6138/readings>)

Weeks 5-10

- [PART B: Rules and Issues](http://www.whopwood.com/acg6138/readings) (<http://www.whopwood.com/acg6138/readings>)

Weeks 11-15

[PART C: Financial Reporting Future](http://www.whopwood.com/acg6138/readings) (<http://www.whopwood.com/acg6138/readings>)