



**DEPARTMENT OF ECONOMICS / THE RADY SCHOOL OF MANAGEMENT  
ECON/MGT 4: FINANCIAL ACCOUNTING**

**LOCATION: CSB 002**

**TIME: TUESDAYS & THURSDAYS, 3:30PM-4:50PM (A00) & 5PM-6:20PM(B00)**

**SPRING QUARTER 2022  
SYLLABUS**

**Instructor:** Dr. Steve Levkoff, PhD, CAP®

**E-mail:** [slevkoff@ucsd.edu](mailto:slevkoff@ucsd.edu)

**Instructor Webpage:** <http://stevelevkoff.com>

**Course Webpage:** <http://canvas.ucsd.edu>

**Office:** Economics Building 112 (no office hours in-person until after week 2)

**Office Hours:** Tuesdays & Thursdays, 12:50pm-1:50pm, open door, and by appointment

**Course Description:** This course will provide the framework in which to understand the fundamentals of financial accounting. The goal of a financial accounting manager is to provide an accurate description of the firm – the productive entity. In this course, we will develop an understanding of the three most critical financial statements: the balance sheet, the statement of income, and the statement of cash flows (along with the statement of shareholder equity). The roles of ratio and financial statement analysis are also investigated. The end of the course focuses on developing concepts related to the time value of money to be applied in valuation and finance in upper division courses later in your business/economics career.

**Prerequisites:** You should be familiar with basic algebra and arithmetic in being able to solve equations, compute fractions & percentages, and interpret growth rates. Otherwise, there are no formal course prerequisites.

**Readings:**

Required:

- [1] The standard textbook prescribed by the department is Financial Accounting – The Impact on Decision Makers, by Porter and Norton, Cengage. The book is provided with Inclusive Access via the RedShelf system at a significant discount.

**Technology Prerequisites:** It is your responsibility to make sure you are enrolled in the online course (Canvas) by registering for the class formally through the university. I will not provide access to the Canvas course if you are not already enrolled or on the wait list to avoid complications with the course roster and to routinely check it and your email for announcements and to access newly distributed material. *You must also make sure that your browser is compatible with the Canvas quiz assessment system.* In the past, some students had browsers that did not display the math text. Any questions regarding Canvas issues or general technology issues should be directed to [ITS@ucsd.edu](mailto:ITS@ucsd.edu).

**Discussion Sections:** Discussion sections will be primarily focused on going through solutions to problem sets, quizzes, and lecture review questions. There is no discussion section during the first week of the course.

**Location:** MANDE B-150

**Times:** Wednesdays: 2-2:50PM, 3-3:50PM, 4-4:50PM, 5-5:50PM

**Head Teaching Assistants:** Rohini Ray ([r3ray@ucsd.edu](mailto:r3ray@ucsd.edu)), Yanying (Sophie) Sheng ([yas107@ucsd.edu](mailto:yas107@ucsd.edu)), Wanchang Zhang ([waz024@ucsd.edu](mailto:waz024@ucsd.edu))

**Other Course Staff:** Charlie Ji ([l2ji@ucsd.edu](mailto:l2ji@ucsd.edu)) (UIA), Neil Sebti ([nsebti@ucsd.edu](mailto:nsebti@ucsd.edu)) (UIA), Vaishnavi Tamanekar (Reader) ([vtamanekar@ucsd.edu](mailto:vtamanekar@ucsd.edu))

**Problem Sets:** While not a formal part of the course grade, the problems worked in class and posted in the “worked problems” module will play a crucial role in developing your problem solving skills and should be taken *very seriously*, especially if you see accounting in your future. In the past, it has often been the case (and is no secret if you look at my course evaluations online) that students putting the most effort into the worked problems tend to perform best on the exams because *the worked problems tend to be much more difficult than exams*. Worked problems will be posted regularly to Canvas and will be used as constructive examples in the TA discussions.

## COURSE DELIVERABLES

**Lecture Survey Questions (LSQs):** At the beginning of each lecture (the first LSQ that will count towards your grade will start during the second week of class), I will ask a quiz-like question in Canvas related to reviewing material covered in a previous lecture or to motivate the material to come. While these questions are designed for the students attending the live-session, they can be submitted for credit anytime up until 11:59pm (PST) on Sunday for the current week’s lectures. These questions are graded on a participation basis only (full credit if you do it, none if you don’t) and cannot be “made up” for *any* reason in the event they are missed, which is why the time window is extended through Sunday. They are coded “LSQ -W#L#” where the # following W is the week and the # following L is the lecture number (1 or 2) of that week.

**Lecture Review Problems (LRPs):** There are five 5 of lecture review problems (20 questions each in the same format/spirit as quiz questions) to be completed approximately on a biweekly basis (slight exceptions to the recurring interval – see the schedule below for deliverable due dates). These problems will act to check your understanding of the lecture material and will be graded for correctness. You are encouraged to use your notes and digital resources to help yourself complete these review problems, and may consult with classmates and TAs on these problems. Review problems will be available be submitted any time before the Sunday at 11:59pm deadline outlined below. The LRPs are not time constrained otherwise and you may go back and forth between questions freely. They are coded “LRP -#” where the # following W is the week.

**Quizzes:** There will be 5 concept check quizzes administered (almost bi-weekly, but not quite) remotely (and asynchronously). The quizzes will involve applications and problem solving related to recently covered topics. The quizzes (usually 20 questions each) will be administered through Canvas, will consist of a variety of question types (multiple choice, numerical response, etc.). During the quizzes, you will only be able to see one question at a time, cannot move onto the next question until answering the current one, and cannot go back to past questions after answering them. Each student will effectively have a different quiz using randomized question variants from a question pool. The quizzes will be available during an 8 hour window starting at 4pm (PST) and will remain open until 11:59pm (PST) that night - you will have 60 minutes to complete the quiz after starting it (so don't start it if you're not ready to finish it!) and must submit it prior to 11:59pm that evening (you will be cut off). You may use your notes and digital resources to complete the quiz, but should not consult with any other individuals during the quiz - your answers should be your own per the academic integrity policy (see below). Note that Canvas provides many metrics to allow us to monitor your quiz activity (even in real time), so it is somewhat easy to note suspicious behavior quantitatively. The quizzes are coded “Quiz - #.”

**Examinations:** There will be two exams: a midterm (5/5/22) and a final examination scheduled by the registrar (see below). All exams are cumulative and in-person only – no exceptions. All students are expected to take the in-person assessments. You must take the exams in the section for which you are registered.

**Summary of Deliverable Deadlines:**

- LSQs – Available every lecture starting week 2 (2 per week, starting the second class) and can be submitted before each Sunday prior to 11:59pm.
- LRPs – Due on prior to 11:59pm on Sundays, 4/10/22, 4/24/22, 5/15/22, 5/22/22, and Thursday 6/2/22.
- Quizzes – Available from 4pm-midnight on Fridays, 4/15/22, 4/29/22, 5/20/22, 5/27/22, and Friday 6/3/22.

- Midterm Exam 5/5/22 in lecture
- Final Exam 6/6/22 from 3-6PM (A00); 6/9/22 7-10PM (B00) locations TBD

**Grading:**

Lecture Survey Questions (LSQs)	5% BONUS
Lecture Review Problems (LRPs)	5%
Quizzes	5%
Midterm Exam	40%
Final Exam	50%
Total	100%

In the *past*, a student could typically guarantee themselves some type of A by ranking in the top 25% of students in the course and some type of B by ranking in the top 60% of students in the course. The median grade for the course typically winds up being around a B-. In the past, scoring a course composite score of 90% or above typically puts students in the A range. Similarly, scoring a course composite score of at least 80% tends to put students somewhere in the B range. In the past, scoring at least a 60% composite score for the course was the required threshold to pass the class (with C-). The instructor reserves the final judgement in all grade assessment matters. *It is important to note that the Canvas grade center does not automatically apply these weights – you will need to compute this manually as outlined above.*

**Absences & Attendance:** The asynchronous assessments cannot be made up for any reason. Otherwise, absence from an exam assessment will be awarded a score of zero. The instructor reserves the right to re-weight the composite grading structure above to accommodate valid excused absences (ie: medical emergency, etc.). This could involve an oral exam or alternate format. To hedge risk, it is in the students’ best interest to complete as many of the course assessments as possible.

**Supplemental Material & Slides:** Throughout the course, the instructor may post supplemental readings and slides via Canvas. These materials are meant to be used in addition to the lecture and are not to be used as a substitute for going to lecture, reading the textbook, or watching required video content. The instructor reserves the right to remove access to this material if he feels that it has adversely affected attendance in the lecture.

**Classroom Decorum & Email:** To avoid distracting others in the classroom, please arrive on time. When class is in session. I use a “call-and-response” type lecture style, and you should feel encouraged to participate when queried by the instructor with a leading question. Please restrict the use of email to the minimally necessary volume, put the course number (ECON / MGT 4) in the subject of the email – I teach other classes and this is the fastest way for me to know who I’m responding to. Put your *full name* at the end of email messages as well. Email questions regarding *how to do a particular homework*

*problem set question* should be first directed to your TAs (so they have an opportunity to exercise their purview). Your email decorum should be professional. You should make sure you address the email formally and properly and use college level grammar (this isn't a text message, so save the emojis, LOLing, and WTFing for your informal communications with friends – not for communicating with course faculty and staff). The way to get the fastest response via email is to email me directly at [slevkoff@ucsd.edu](mailto:slevkoff@ucsd.edu). Messaging me through Canvas requires that I log into Canvas to reply, and this is more cumbersome. I also spend about 2 hours per day responding to emails, so if you don't get a reply immediately (I answer them in the order I get to them), please either follow up or wait. I should get back to you within no longer than three days at the most (especially if you ask over the weekend).

**Statement of Academic Integrity:** Integrity of scholarship is essential for an academic community. The University expects that both faculty and students will honor this principle and in so doing protect the validity of university intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

**Examination Policies:** Consistent with the University's mission to preserve academic integrity, there are several policies and procedures that must be adhered to by students during exams.

- 1) In order to be allowed into the exam, students must have:
  - A BASIC or SCIENTIFIC calculator (no graphing calculators, cell phones, or other mobile devices unless given prior approval by the instructor)
  - Your UCSD student ID
- 2) During the exam, the following policies will be enforced:
  - Your seat will be randomized for each exam. When you enter the lecture on exam day, find your name and assigned seat number on the projector and quickly and quietly sit. Once everyone is seated, the exam will be handed out.
  - NO BATHROOM BREAKS after the first 45 minutes following the exam start. Be sure to use the restrooms before the exam begins. Exams are less than an hour and a half long! You can make it!!!
  - No hats, hoodies, or sunglasses during the exam.
  - Turn cell phones off during the exam and leave them in your bag.
- 3) Violations of academic integrity will not be tolerated. For this course in particular, violations include, but are not limited to anything that may be perceived as the following actions:
  - looking at or copying from other students' exams
  - talking during an exam while exams are still out
  - looking at notes during an exam
  - taking the wrong version of an exam
  - removing an exam from the examination room
  - removing pages from an exam

- falsifying identification or an exam book during or after the exam
- sitting in the wrong seat during an exam (if applicable)
- using an unapproved device/item during an exam (ie: programmable calculator, cell phone, etc. - see above list)

**Violation (or perceived violation) of any of the abovementioned policies will be enforced via zero tolerance, will result in an automatic zero on the exam/assessment in question, and may be referred to the student conduct process through the AIO office, so don't do anything that would even come close to something that an observer would potentially interpret as academic dishonesty. NO EXCEPTIONS.**

### **Tentative Schedule of Topics (Subject to Change):**

#### **Weeks 1-2**

Introduction to Financial Accounting  
The Balance Sheet

#### **Weeks 3-4**

Accrual Accounting Principals  
The Income Statement

#### **Weeks 5-6**

The Statement of Cash Flows  
Ratio Analysis

#### **Weeks 7-8**

Statement of Shareholder's Equity  
Financial Statement Analysis

#### **Weeks 9-10**

Discounting and Present Values  
Asset Pricing and Valuation