GBUS 613 DL1/P01
Financial Reporting & Decision Making
Fall 2020 T 7:20-10:00

Professor: Gnanakumar Visvanathan
Office: ENT 229
Email: gvisvana@gmu.edu
Phone: 703-993-4236
Office Hours: Tuesday prior to class & by email other times; Friday 7:30-9:00PM TA hours

Course Description
This course will provide students with an understanding of the principles of financial accounting and reporting. Students will gain knowledge and skills needed to prepare the financial statements of a business and to conduct analysis of financial statements to assist in business decisions. To this end, the course explores the informativeness of accounting numbers and the contexts in which these numbers are more (or less) informative.

Text and Required Materials

Course Websites
1. Blackboard 9.1: http://mymason.gmu.edu
2. Connect Accounting website: https://connect.mheducation.com/class/g-visvanathan-gbus-spring2020_1

Course delivery: Through Blackboard Collaborate on Tuesdays 7:20-10:00PM (see weekly schedule at the end of this document). Both viewing the video lectures prior to class (posted on Blackboard) and attending class sessions are important to keep up with the material.

Helpful Resources
- Resource Guide on Safe Return to Campus: https://www2.gmu.edu/Safe-Return-Campus
- Strategies for Online Learning Success https://masononline.gmu.edu/success/
- Learning Services Support: https://learningservices.gmu.edu/keeplearning/
- MyMason Support: https://its.gmu.edu/service/mymason/
- Writing Support: https://writingcenter.gmu.edu/
- Counseling and Psychological Services (CAPS) Support: http://caps.gmu.edu
Program Learning Goals

Knowledge of Functional Business Disciplines: Demonstrate knowledge of all core functional areas of business and an ability to integrate them into a meaningful firm level perspective.

Analytical Decision Making: Demonstrate the ability to analyze uncertain complex management situations using appropriate tools, techniques, and information systems for decision making.

Ethics and Responsibility: Demonstrate knowledge of ethical decision making considerations, corporate social responsibilities and sustainability practices.

Course Objectives

- To provide students a framework to understand how financial reporting depicts underlying economic events
- To enable students to prepare financial statements for a business
- To enable students to conduct financial statement analysis to assess profitability, liquidity, and solvency of a business
- To provide students with an understanding of how different accounting methods impact financial statements
- To allow students to recognize the role of ethical decision making in an accounting context

Online Course Conduct:

All Course materials posted to Blackboard or other course site are private to this class; by federal law, any materials that identify specific students (via their name, voice, or image) must not be shared with anyone not enrolled in this class.

- Videorecordings — whether made by instructors or students — of class meetings that include audio, visual, or textual information from other students are private and must not be shared outside the class
- Live video conference meetings (e.g. Collaborate or Zoom) that include audio, textual, or visual information from other students must be viewed privately and not shared with others in your household or recorded and shared outside the class
- Some/All of our synchronous meetings in this class will be recorded to provide necessary information for students in this class. Recordings will be stored on Blackboard [or other secure site] and will only be accessible to students taking this course during this semester.

Exams: During Exams students must leave the camera on (in their computer).

Grading

Letter grades are assigned based on total points earned by students completing all course requirements as follows:
<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>40%</td>
</tr>
<tr>
<td>Weekly Blackboard exercises</td>
<td>12%</td>
</tr>
<tr>
<td>Financial Statement Analysis</td>
<td>8%</td>
</tr>
<tr>
<td>Connect Homework Assignments</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
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The final grade is based on the following scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>% Earned</th>
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<tbody>
<tr>
<td>A</td>
<td>93 -100</td>
</tr>
<tr>
<td>A-</td>
<td>90-92</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
</tr>
<tr>
<td>B</td>
<td>84–86</td>
</tr>
<tr>
<td>B-</td>
<td>80-83</td>
</tr>
<tr>
<td>C</td>
<td>70-80</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td><strong>Below 70</strong></td>
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**Connect Homework Assignments (and Financial Statement Analysis questions)** are to be completed and submitted by the due date through Blackboard (this has links to Connect)– this is individual and not group work. Usually these dates are set after the week in which the material is covered in class. They are scored automatically. Solutions to Connect Assignments are available only after the due date. Due Sunday night.

**Weekly Blackboard Exercises** are problems and exercises that students will submit on Blackboard (due Sunday night). These are based on chapter material covered earlier in that class or in prior class.

**Additional Problems on Connect** are not required to be submitted. If you need more practice with the homework type of problems, these are the ones to try. Solutions will be posted for these problems.

**Pre Class (recorded) Lectures:** Every week will have an assigned pre-class lecture material (audio or video file) posted on Blackboard. It is important to listen/view this material prior to class as it will not be covered in class and the class discussion will build on that material.

**Grade Expectations**
To attain an “A” grade, a good performance in exams is required. A good approach to exams would be to attain mastery of:
- Problems solved in lectures
- Assignments for each chapter in the text book and additional problems
- Relevant examples and other material in the text
**Student Expectations:**
- Read the assigned chapters before we discuss the material in class.
- Be professional and respectful at all times.
- Ensure you are receiving email to your GMU address.

**Extra Credit**
No provisions exist for obtaining extra credit in GBUS 613.

**Missed Exam**
Make-up exams are not given. In the event of an extraordinary circumstance, notify your instructor by email prior to the scheduled exam time. A make-up exam may be administered with documented support of an extraordinary circumstance.

**Connect Website**
The McGraw-Hill Connect website contains Connect Assignments to submit and LearnSmart. LearnSmart is an interactive and adaptive learning module which students may use to help in understanding the textbook material. Use of LearnSmart is optional.

Connect assignments are completed and submitted by all students prior to the due date. To register for Connect Accounting, the URL for McGraw-Hill Connect for this class [https://connect.mheducation.com/class/g-visvanathan-gbus-spring2020_1](https://connect.mheducation.com/class/g-visvanathan-gbus-spring2020_1)

If you experience problems when working with the Connect website, please contact Connect Technical Support at 800-331-5094.

**Professor Contact:**
To contact the instructor, Email is the preferred communication method. Please communicate with me using only your GMU email address.

**Behavioral Expectations**

**Honor System and Code:** The Honor System and Code adopted by George Mason University will be enforced in this class. In your work on all written assignments, keep in mind that you may not present as your own the words, the work, or the opinions of someone else without proper acknowledgement. You also may not borrow the sequence of ideas, the arrangement of material, or the pattern of thought of someone else without proper acknowledgement. Please note: Faculty are obligated to submit any Honor code violations or suspected violations to the Honor Committee without exception. Note that consultation with fellow students is permitted only in In class exercises and case studies. Any communication with a fellow student or anyone else during exams is deemed a violation of the Honor Code.

**School of Business Recommendations for Honor Code Violations**

<table>
<thead>
<tr>
<th>Type of Violation</th>
<th>First Offense</th>
<th>Second Offense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plagiarism, lying, cheating on an assignment, homework, or an assignment, homework, or assignment</td>
<td>An F in the class</td>
<td>An F in the class and dismissal from program</td>
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</tbody>
</table>
including other’s work as your own
Egregious Violation [e.g., stealing an exam; passing on confidential course material; cheating on an exam, project, or otherwise violating specified rules for an exam or project; etc.]

To read the entire academic honor code, go to https://oai.gmu.edu/mason-honor-code/

School of Business Standards of behavior: The mission of the School of Business at George Mason University is to create and deliver high quality educational programs and research. Students, faculty, staff, and alumni who participate in these educational programs contribute to the well-being of society. High quality educational programs require an environment of trust and mutual respect, free expression and inquiry, and a commitment to truth, excellence, and lifelong learning. Students, program participants, faculty, staff, and alumni accept these principles when they join the School of Business community. In doing so, they agree to abide by the following standards of behavior:

- **Respect** for the rights, differences, and dignity of others
- **Honesty** and integrity in dealing with all members of the community
- **Accountability** for personal behavior

Integrity is an essential ingredient of a successful learning community. Ethical standards of behavior help promote a safe and productive community environment, and ensure every member the opportunity to pursue excellence. School of Business can and should be a living model of these behavioral standards. To this end, community members have a personal responsibility to integrate these standards into every aspect of their experience at the School of Business. Through our personal commitment to these Community Standards of Behavior, we can create an environment in which all can achieve their full potential.

**Other Items**

**E-mail:** I will occasionally send e-mail messages to the entire class. I will use the GMU mailing list associated with this class.

**Disability:** If you have a disability and you need academic accommodations, please see me and contact the Office of Disability Services (ODS) at 703-993-2474. All academic accommodations must be arranged through the ODS. Please take care of this during the first two weeks of the semester. More information about ODS is available at http://www.gmu.edu/student/drc

**Religion:** Students who will miss class for religious reasons should inform me of their anticipated absences as soon as possible.

**Counseling center:** George Mason University has a counseling center that can provide assistance if you find yourself overwhelmed by life, want training in academic or life skills, or the like. See link under useful resources.
Notice of mandatory reporting of sexual assault, interpersonal violence, and stalking: As a faculty member, I am designated as a “Responsible Employee,” and must report all disclosures of sexual assault, interpersonal violence, and stalking to Mason’s Title IX Coordinator per University Policy 1412. You may seek assistance from Mason’s Title IX Coordinator, Jennifer Hammat, by calling 703-993-8730 or email cde@gmu.edu. If you wish to speak with someone confidentially, please contact one of Mason’s confidential resources, such as Student Support and Advocacy Center (SSAC) at 703-993-3686 or Counseling and Psychology Services (CAPS) at 703-993-2380. The 24-hour Sexual and Intimate Partner Violence Crisis Line for Mason is 703-380-1434.

**Inclement weather & campus emergencies**: Information regarding weather related changes in the University’s schedule (e.g., closing or late opening) will be provided on the GMU website and via MasonAlert.
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topics</th>
<th>Graded Homework problems in Connect [Due dates on Connect]</th>
<th>Additional problems*</th>
</tr>
</thead>
</table>
| 1 | 8/18 | Introduction Ch. 1: Financial Statements and business Decisions  
*Pre Class Lectures: Financial Accounting and the Institutional Framework  
Introduction to Financial Statements* | E1- 1, 3, P1- 1 | E1-4, 5, 7, AP1-1 |
| 2 | 8/25 | Ch. 2: Investing and Financing Decisions and the Accounting System  
Ch. 3: Operating Decisions and the Accounting System  
*Pre Class Lectures: Assumption and Principles  
Accounting Cycle: Introduction* | P2-3 (excluding parts 4 and 6)  
M3-3, 4; E3-2, 5 | E2-4, 5, 9, AP2-2  
M3-7, 8, E3-6, AP3-4 |
| 3 | 9/1 | Ch. 4: Adjustments, Financial Statements, Quality of earnings  
Ch. 5: Communicating and Interpreting Financial Information  
*Pre Class Lectures: Part 2: Adjusting entries  
Accounting Cycle Part 3* | E4-10, P4-7 (only #2) | P4-2, 4 CP5-6 |
| 4 | 9/8 | Midterm Exam 7:20-9:00 PM Chapters 1, 2, 3, 4, 5  
*Watch lecture posted online after 9/8: Financial Statement Analysis -Parts 1-4 [Chapter 13]* | Financial Statement Analysis:**  
E13-2, P13-4, 8, CP13-5 | |
<table>
<thead>
<tr>
<th>Date</th>
<th>Page</th>
<th>Chapter(s)</th>
<th>Lecture(s)</th>
<th>Problems</th>
<th>Notes</th>
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</thead>
<tbody>
<tr>
<td>5 9/15</td>
<td>Ch. 12: Statement of Cash Flows</td>
<td>E12-7, P12-1</td>
<td>E12-3, 4, AP12-1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 6 9/22 | Ch. 6: Receivables  
Ch. 7: Cost of Goods Sold and Inventory | E6-11, 13, 18  
E7-8, 14, 16 | E6-10, 14, 19  
P7-3, 5 |
| 7 9/29 | Ch. 8: Property, Plant and equipment; Intangibles  
Ch. 11 Owners’ Equity | E8-11, M8-7, P8-10  
M11-6, E11-13 (1), 23 | E8-8, AP8-7  
E11-16 |
| 8 10/6 | Final Exam 7:20-10:00 PM |  |  | |

*For all additional problems listed above, the solutions are posted on Blackboard. Some of these may show “journal entries” instead of transaction analysis.

**Problem 2 in Connect asks you to compute “as many ratios as possible” – in response calculate all the ratios in Exhibit 13.3 in the Text book except: Earnings Quality, Cash Ratio, Cash Coverage Ratio, and Times Interest Earned Ratio.