

# ACCOUNTING

## For undergraduate curriculum in business, major in accounting.

The Department of Accounting offers a major in accounting. Students will complete the general education requirements (including business foundation courses), business core requirements for the bachelor of science (BS) degree, and 23 additional credits in the major.

The curriculum in accounting is accredited by AACSB International, the Association to Advance Collegiate Schools of Business.

The primary purpose of accounting is to provide useful information to both internal users (management) and external users such as investors, creditors, government, and the general public. Accounting is an integral part of the management of business and public organizations. Accountants, therefore, participate in planning, evaluating, controlling, and reporting the activities of the firm. Accounting information is needed by external users in order to make investment decisions, to grant or withhold credit, and in the case of government, to collect revenue and gather statistical information. In order to provide useful information, accountants collect, analyze, synthesize, and report data in an understandable manner.

The instructional objective of the Accounting Program is to provide a well-rounded professional education in accounting. Such an education should provide the student with:

1. a mastery of basic accounting concepts
2. an ability to think critically and creatively about accounting problems
3. an ability to communicate effectively and work with others as a member of a team
4. an awareness and sensitivity for dealing with ethical concerns.

The major in accounting is designed to give students a conceptual foundation as well as to provide a wide range of basic skills and analytical tools for use in reporting for both public and private concerns. Students who complete the accounting major are well prepared to accept positions in industry, government, and the public accounting profession.

The requirements for the accounting major are met by successful completion of the following courses:

ACCT 383	Intermediate Managerial Accounting	3
ACCT 384	Accounting Information Systems	3
ACCT 386	Intermediate Accounting I	3
ACCT 387	Intermediate Accounting II	3
ACCT 485	Principles of Federal Income Tax	3
ACCT 497	Introduction to Auditing	3
ACCT 498	Capstone in Accounting	2

Three credit hours of electives chosen from the following:		3
ACCT 483	Application and Communication in Managerial Accounting	
ACCT 484	Advanced Accounting Information Systems	
ACCT 487	Volunteer Income Tax Assistance	
ACCT 488	Governmental and Non-profit Institution Accounting	
ACCT 495	Advanced Accounting Problems	
ACCT 496	Accounting in the Global Economy	

See the CPA note below for the 150-hour education requirement for CPA certification in Iowa.

In addition, it is highly recommended that an accounting major include ACCT 316 Business Law. The Department of Accounting should be consulted for information on alternative plans of study.

The department also offers a minor for Ivy College of Business students with a different major. They are required to take 16 credits from a list of approved courses, of which 9 credits need to stand alone.

**CPA Note:** The accounting major requires 24 credits of accounting beyond ACCT 284 Financial Accounting and ACCT 285 Managerial Accounting. This satisfies the State of Iowa CPA exam requirement. ACCT 316 Business Law is also highly recommended; please note this class does not count towards the aforementioned 24 hours required to sit for the exam. While students may sit for the CPA exam in Iowa after completing the required accounting course work and earning a bachelors degree, CPA candidates must complete a total of 150 credits in order to be certified or licensed to practice in Iowa. Qualified students should consider taking the Masters of Accounting (MAcc) to satisfy the 150-credit requirement. Juniors and seniors in accounting who are interested in graduate study should contact the Coordinator of the MAcc Program as early as possible to complete their graduate degree in an efficient manner. Students planning certification outside Iowa must check local rules, as each state determines its own exam qualification and licensing requirements.

### Freshman

Fall	Credits Spring	Credits
BUSAD 102 (or 103)	1 BUSAD 250	3
COM S 113	3 MATH 151	3
ECON 101	3 ECON 102	3
ENGL 150	3 HUM/SOC SCI	3
MATH 150	3 International Perspective <sup>@</sup>	3
LIB 160	1	
HUM/SOC SCI	3	
	17	15

**Sophomore**

Fall	Credits Spring	Credits
BUSAD 203	1 PHIL 230	3
ACCT 284	3 SP CM 212	3
ENGL 250	3 ACCT 215	3
STAT 226	3 ACCT 285	3
HUM/SOC SCI	3 MIS 301	3
General Elective	3 ACCT 301	1
	16	16

**Junior**

Fall	Credits Spring	Credits
ACCT 384	3 Core Business Courses	6
ACCT 386	3 ACCT 383	3
ENGL 302	3 ACCT 387	3
STAT 326	3 U.S. Diversity or Elective <sup>#</sup>	3
Core Business Course	3	
	15	15

**Senior**

Fall	Credits Spring	Credits
ACCT 485	3 MGMT 478 <sup>*</sup>	3
ACCT 497	3 ACCT Elective	3
Core Business Course	6 ACCT 498	2
International/Global Perspective	3 Natural Science	3
	General Elective	2
	15	13

Total Credits: 122

@ Courses in these requirements may also be used as Global Perspective.

# US Diversity courses may be used to satisfy HUM/SOC SCI.

\* All core classes must be completed prior to taking MGMT 478 in the graduating semester.

Students must be admitted to the professional program in business to major in accounting. The requirements to enter the professional program are:

1. Completion of 30 credits, Foundation Courses, ENGL 150, and all ENGL 101/99 courses if required.
2. A minimum GPA of 2.50 either cumulative or in the Foundation Courses.

Graduation Requirements:

1. Grade of "C" or higher in at least 30 credits of Core and Major courses.
2. 42 credits of 300+ level courses.
3. 50% of required Business courses must be earned at ISU.
4. At least 32 credits and the LAST 32 credits must be earned at ISU.
5. 122 Credits minimum and a Cumulative GPA of at least 2.00
6. Grade of "C" or higher in 2 of the 3 required ENGL courses.

**Graduate Study**

The department offers a graduate degree, the master of accounting (MAcc). This is a 30-hour degree. The program requires 15 hours of graduate accounting courses, ENGL 592C Core Studies: Professional Communication or its equivalent, at least 9 hours of non-accounting graduate electives, and an international course from an approved list. Included in the 15 required hours of graduate accounting courses is one 3-credit required course, ACCT 598 Financial Accounting: Theory and Contemporary Issues.

The MAcc is appropriate for accounting undergraduate students wanting to pursue a variety of accounting careers. The MAcc program is an efficient way for qualified candidates to meet the 150-hour education requirement for CPA certification in Iowa. Students without an accounting degree will be required to complete a substantial amount of accounting coursework prior to being considered for admission to the MAcc. Contact the coordinator of the MAcc program for details.

The department participates in the full-time and part-time Master of Business Administration (MBA) program. The MBA is a 48-credit, non-thesis, non-creative component curriculum. Thirty of the 48 credits are core courses and the remaining 18 are graduate electives. Within the MBA program, students may develop an area of specialization in accounting. The specialization is designed to help meet the education requirement for CPA certification in Iowa.

**Courses primarily for undergraduates:****ACCT 215: Legal Environment of Business**

(3-0) Cr. 3. F.S.SS.

*Prereq: Sophomore classification*

General history, structure, and principles of the US legal system. The legal system, as an agency of social control and tool for resolving disputes. The court systems, Constitution, torts, crimes, intellectual property, contracts, property rights, employment law, basic business entity law, bankruptcy, administrative agencies, environmental law and agency law.

**ACCT 284: Financial Accounting**

(3-0) Cr. 3. F.S.SS.

Introduction to the basic concepts and procedures of financial accounting from a user perspective. The course examines the accounting cycle, business terminology, basic control procedures, and the preparation and evaluation of financial reports, with an emphasis on financial statement analysis.

**ACCT 285: Managerial Accounting**

(3-0) Cr. 3. F.S.SS.

*Prereq: ACCT 284*

Understanding of fixed and variable costs and their role in planning, control and performance evaluation. Examination of alternative costing methods. Making decisions by identifying and developing relevant information. Development of spreadsheet skills.

**ACCT 301: The Accounting Cycle**

(1-0) Cr. 1. F.S.SS.

*Prereq: ACCT 284*

Interactive computer-based analysis of the accounting cycle including transactions and financial statements. Preparation of journal entries and adjusting entries and completion of the closing process.

**ACCT 316: Business Law**

(3-0) Cr. 3. F.S.

*Prereq: ACCT 215*

Continuation of 215. The Uniform Commercial Code as applied to sales contracts and negotiable instruments. Property law, wills and estates, insurance, secured transactions, corporation law, partnership law and antitrust law.

**ACCT 383: Intermediate Managerial Accounting**

(3-0) Cr. 3. F.S.

*Prereq: ACCT 285 or ACCT 501; and ACCT 301*

Generation, communication and use of information to assist management with planning, control, and decision making in manufacturing and service organizations. Includes cost concepts and relevance to decision situations, operational and capital budgeting, and performance evaluation. Emphasis on developing effective teamwork skills as well as spreadsheet capabilities.

**ACCT 384: Accounting Information Systems**

(3-0) Cr. 3.

*Prereq: ACCT 285 or ACCT 501; ACCT 301 and MIS 301*

Concepts and procedures underlying creating, sharing, reporting, storing, and analyzing accounting data. Information technology internal controls and audit techniques. Trends in accounting information systems.

**ACCT 386: Intermediate Accounting I**

(3-0) Cr. 3. F.S.

*Prereq: ACCT 284 and ACCT 301*

The conceptual framework of financial accounting. Communication of financial information on the income and retained earnings statements, statement of cash flows, and the balance sheet. Accounting concepts relating to current and operational assets of the firm.

**ACCT 387: Intermediate Accounting II**

(3-0) Cr. 3. F.S.

*Prereq: Minimum of C- in ACCT 386*

Financial accounting and reporting practices for business entities. Generally accepted accounting principles (GAAP) relative to firm liabilities, equity, income, taxes, employee benefits, leases, accounting changes and cash flows. Discussion of current issues in financial accounting.

**ACCT 483: Application and Communication in Managerial Accounting**

(Dual-listed with ACCT 583). Cr. 3.

*Prereq: ACCT 383 or ACCT 581*

Business simulation focusing on generation and communication of information to assist management with financial decision-making. Emphasis on developing teamwork, written communication, and oral presentation skills.

**ACCT 484: Advanced Accounting Information Systems**

(Dual-listed with ACCT 584). (3-0) Cr. 3.

*Prereq: ACCT 384*

Advanced accounting information systems concepts; database design and information retrieval, internal controls within computerized accounting information systems, financial reporting in an electronic environment.

**ACCT 485: Principles of Federal Income Tax**

(3-0) Cr. 3. F.S.

*Prereq: Minimum of C- in ACCT 386 or ACCT 501*

Introduction to the fundamentals of federal income taxation and concepts applicable to all tax entities. Addresses issues related to the measurement and recognition of income, deductions, gains, and losses, taxation of property transactions, and basis / cost recovery concepts. Includes coverage of tax law policy objectives, tax implications of business and investment decisions, tax versus financial reporting treatment of common business transactions, and ethical issues related to tax compliance and planning.

**ACCT 487: Volunteer Income Tax Assistance**

(Dual-listed with ACCT 587). (0-2) Cr. 1. Repeatable, maximum of 3 credits. S.

*Prereq: ACCT 285 or ACCT 501*

Introduction to and field work in the preparation of individual income tax returns (state and federal). Basic coverage of filing and residency status, taxable income, exemptions, deductions, and credits. Tax software usage and online filing.

**ACCT 488: Governmental and Non-profit Institution Accounting**

(Dual-listed with ACCT 588). (3-0) Cr. 3.

*Prereq: ACCT 386*

Accounting and financial reporting principles of local and state governments, including universities, schools, and hospitals. In addition, accounting and financial reporting of non-profit organizations will be addressed. Financial statements of local governmental units and the university are explored.

**ACCT 489: Corporate Social Responsibility Reporting**

(Dual-listed with ACCT 589). (3-0) Cr. 3. S.

*Prereq: ACCT 386 or ACCT 501*

Theory and practice of social and environmental reporting, the role of the corporation in society, and the mechanisms by which society might hold corporations accountable for their actions.

**ACCT 490: Independent Study**

Cr. 1-3. Repeatable. F.S.SS.

*Prereq: ACCT 285, senior classification, permission of instructor*

**ACCT 495: Advanced Accounting Problems**

(Dual-listed with ACCT 595). (3-0) Cr. 3.

*Prereq: ACCT 387*

Accounting for business combinations and affiliated companies, intercompany transactions, and consolidated financial statements; Partnership accounting; Segment and Interim Reporting; Multinational accounting.

**ACCT 496: Accounting in the Global Economy**

(Dual-listed with ACCT 596). (3-0) Cr. 3.

*Prereq: ACCT 386 or ACCT 501*

Financial reporting issues in a global environment, including introduction to International Financial Reporting Standards (IFRS) and the potential for the use of IFRS in the U.S. Accounting and managerial issues faced by multinational corporations. Technical issues such as transfer pricing, inflation accounting and taxation will be discussed.

**ACCT 497: Introduction to Auditing**

(3-0) Cr. 3. F.S.

*Prereq: ACCT 384, ACCT 387 and STAT 326*

The conceptual framework of auditing. Professional ethics. External reporting concepts. Audit methodology including risk analysis, internal control, procedures for gathering evidence and the role of statistical sampling in auditing.

**ACCT 498: Capstone in Accounting**

(2-0) Cr. 2. F.

*Prereq: ACCT 383, ACCT 384, ACCT 387, credit or enrollment in ACCT 485.*

Integrative studies in accounting. Development of critical thinking, ethical reasoning, professional research and teamwork skills. Written, visual, and oral communication with corporate stakeholders.

**Courses primarily for graduate students, open to qualified undergraduates:**

**ACCT 501: Financial Accounting**

(3-0) Cr. 3.

*Prereq: Enrollment in MBA program or departmental permission*

A general introduction to financial accounting information. Topics covered include the use and analysis of financial information, the regulatory environment, the role of International Financial Reporting Standards (IFRS), and the use of the internet and electronic spreadsheets as a means of accessing and analyzing financial data.

**ACCT 581: Accounting for Decision Making**

(3-0) Cr. 3.

*Prereq: ACCT 501 or equivalent*

Decision analysis applied to managerial accounting issues. Generation of information for management decision making and control. Responsibility accounting and non-recurring decisions.

**ACCT 582: Corporate Governance and Top Management**

(Cross-listed with MGMT). (3-0) Cr. 3.

*Prereq: MGMT 503 or permission*

Duties, structure, and functioning of top management teams and corporate boards of directors. CEO/board tenure and succession planning, top management compensation, board committee composition, assessment of CEO and board performance, theories of corporate governance, management of the corporate strategic agenda, governance codes, international governance, and chairman/CEO duality. Case studies and contemporary issues discussed.

**ACCT 583: Application and Communication in Managerial Accounting**

(Dual-listed with ACCT 483). Cr. 3.

*Prereq: ACCT 383 or ACCT 581*

Business simulation focusing on generation and communication of information to assist management with financial decision-making. Emphasis on developing teamwork, written communication, and oral presentation skills.

**ACCT 584: Advanced Accounting Information Systems**

(Dual-listed with ACCT 484). (3-0) Cr. 3.

*Prereq: ACCT 384*

Advanced accounting information systems concepts; database design and information retrieval, internal controls within computerized accounting information systems, financial reporting in an electronic environment.

**ACCT 585: Taxes and Business Strategy**

(3-0) Cr. 3.

*Prereq: ACCT 485*

Integration of concepts from accounting, finance, and economics to determine how taxes affect business decisions. Provides students with a conceptual framework for thinking about business tax planning and applies it to various common business decisions.

**ACCT 586: Advanced Federal Taxation**

(3-0) Cr. 3.

*Prereq: ACCT 485*

Advanced coverage of federal taxation including issues related to the taxation of corporations, partnerships, estates and trusts, and their owners. Includes coverage of rules, concepts, background, and planning opportunities related to a number of common transactions involving these entities.

**ACCT 587: Volunteer Income Tax Assistance**

(Dual-listed with ACCT 487). (0-2) Cr. 1. Repeatable, maximum of 3 credits. S.

*Prereq: ACCT 285 or ACCT 501*

Introduction to and field work in the preparation of individual income tax returns (state and federal). Basic coverage of filing and residency status, taxable income, exemptions, deductions, and credits. Tax software usage and online filing.

**ACCT 588: Governmental and Non-profit Institution Accounting**

(Dual-listed with ACCT 488). (3-0) Cr. 3.

*Prereq: ACCT 386*

Accounting and financial reporting principles of local and state governments, including universities, schools, and hospitals. In addition, accounting and financial reporting of non-profit organizations will be addressed. Financial statements of local governmental units and the university are explored.

**ACCT 589: Corporate Social Responsibility Reporting**

(Dual-listed with ACCT 489). (3-0) Cr. 3. S.

*Prereq: ACCT 386 or ACCT 501*

Theory and practice of social and environmental reporting, the role of the corporation in society, and the mechanisms by which society might hold corporations accountable for their actions.

**ACCT 590: Special Topics**

Cr. 1-3. Repeatable. F.S.SS.

*Prereq: Permission of instructor*

For students wishing to do individual research in a particular area of accounting.

**ACCT 591: Fraud Examination and Prevention**

(3-0) Cr. 3.

*Prereq: ACCT 497 or ACCT 501*

Principles and methodology of fraud detection and deterrence. Addresses the causes and elements of fraud, asset theft, corruption, financial statement mis-representation, internal controls for fraud prevention, investigative evidence gathering, and legal aspects of fraud.

**ACCT 592: Financial Statement Analysis**

(3-0) Cr. 3.

*Prereq: ACCT 284 or ACCT 501*

Presentation and analysis of financial statement information from the point of view of the primary users of such data: owners and creditors. Topics include the financial reporting system, the primary financial statements, effects of accounting method choice on reported financial data, and firm valuation.

**ACCT 594: Business Valuation**

(3-0) Cr. 3.

*Prereq: ACCT 387 or ACCT 592*

Using financial statement analysis to value the firm. Topics covered include assessing how well a firm's financial statements reflect the economic effects of its resource management strategies and constructing proforma financial information that will serve as inputs to valuation models.

**ACCT 595: Advanced Accounting Problems**

(Dual-listed with ACCT 495). (3-0) Cr. 3.

*Prereq: ACCT 387*

Accounting for business combinations and affiliated companies, intercompany transactions, and consolidated financial statements; Partnership accounting; Segment and Interim Reporting; Multinational accounting.

**ACCT 596: Accounting in the Global Economy**

(Dual-listed with ACCT 496). (3-0) Cr. 3.

*Prereq: ACCT 386 or ACCT 501*

Financial reporting issues in a global environment, including introduction to International Financial Reporting Standards (IFRS) and the potential for the use of IFRS in the U.S. Accounting and managerial issues faced by multinational corporations. Technical issues such as transfer pricing, inflation accounting and taxation will be discussed.

**ACCT 597: Advanced Auditing and Assurance Services**

(3-0) Cr. 3.

*Prereq: ACCT 497*

A study of advanced auditing and assurance issues. Topics include risk analysis, internal control, fraud detection, analytical procedures, evaluating operational and strategic objectives, and reporting and implementing audit findings.

**ACCT 598: Financial Accounting: Theory and Contemporary Issues**

(3-0) Cr. 3. F.

*Prereq: ACCT 386 or ACCT 501*

Theoretical discussion of the financial accounting and reporting environment. The usefulness of financial accounting information for decision making. Current financial accounting issues, the financial accounting standard setting process, FASB Standards Codification, and the role of the SEC in financial reporting.

**ACCT 599: Creative Component**

Cr. 2.

*Prereq: Admission to the Master of Accounting Program*

This course prepares students to complete their creative component project option in the Master of Accounting degree.