**ACCT 596: ACCOUNTING IN THE GLOBAL ECONOMY**

**FALL 2020**

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Office hours **by appointment**. Class: WebEx Virtual Classroom

 **Welcome to Accounting 596: Accounting in the Global Economy, Fall 2020.**

We have a virtual classroom this semester. I will be setting up WebEx virtual meetings for each of our class sessions. Class meets Tuesday night from 6:40 – 10 PM beginning September 1 and ending November 17.

We **WILL** be meeting virtually for each of the class sessions; my goal this semester is to make this class as similar as possible to the class I generally teach on campus. I also require class Reflections, to be described later, that are to be written and submitted via Canvas after each virtual class session. Only students who attend the session will be able to submit a Reflection, and Reflections are 20% of your course grade.

I taught sections of ACCT 496 and ACCT 596 via the web this summer and was pleased with the way the online sessions worked.

***Office Hours:*** I will meet with any of you who request a meeting by setting up a private WebEx session. I am generally home, so most times are available unless I have another meeting previously scheduled. I prefer to not meet before 10 AM, and I have regularly scheduled weekly meetings MWF at noon and W at 10. There are other random meetings and workshops, but I don’t know those times in advance. Outside of those times, most times are available. Please send me an email indicating two possible times you would be available to meet, and I will set up a WebEx meeting for one of them.

Email is also an important communication tool, and I have found that many questions can be answered quickly and effectively via email. I try to answer my email within a few hours, so please do use this communication tool as well.

***Text***: Timothy Doupnik, Mark Finn, Giogrio Gotti, and Hector Perera, ***International Accounting***, 5th Edition, McGraw-Hill, 2020.

***Web Page***: The class has a web page on Canvas. Readings, power point presentations, and assignments will be posted to the web page, and **all assignments, including exams, should be turned in via Canvas.**

**ACADEMIC DISHONESTY**: Academic dishonesty is **never** acceptable. There are no exceptions to this policy. Any act of academic dishonesty is reason to receive a failing grade in the class. The Policy on Academic Dishonesty at Iowa State can be found at <http://catalog.iastate.edu/academic_conduct/#academicdishonestytext>

Academic dishonesty includes plagiarism. Plagiarism is the act of representing someone else’s work as your own. Direct quotation of another’s work without attribution to the author is one form of plagiarism. However, adapting another’s work by changing a few words and representing it as your own is also plagiarism. Copying the work of another student, downloading papers from the web, and downloading excerpts of material from the web are all examples of plagiarism

It is acceptable to refer to the work of another person **IF credit is given to the original author**. You may cite another person’s work verbatim and/or paraphrase another person’s work IF you include the proper attribution, including full bibliographic reference.

**PLEASE NOTE: ALL ASSIGNMENTS TURNED IN MAY BE CHECKED USING TURNITIN, A SOFWARE PRODUCT THAT CHECKS PAPERS FOR PLAGIARISM BY EVALUATING EACH SUBMISSION WITH RESPECT TO SOURCES ON THE WEB, PUBLISHED ARTICLES, AND OTHER PAPERS TURNED IN FOR THIS CLASS BOTH IN THE CURRENT AND IN PRIOR SEMESTERS. THE PROGRAM PROVIDES THE INSTRUCTOR WITH THE SPECIFIC PASSAGES FOUND AND THE RELEVANT CITATIONS. THE MIDTERM AND FINAL WILL BE CHECKED USING TURNITIN.**

**STUDENTS WITH DISABILITIES:** Please address any special needs or special accommodations at the beginning of the semester. Those seeking accommodations based on disabilities should obtain a Student Academic Accommodation Request (SAAR) form from the Disability Resources (DR) office: (515) 294-6624--Room 1076 Student Services Building.

**STUDENT ILLNESS**: As we are meeting virtually, student illness is a different concern than if we were meeting in person. I hope that those with minor illnesses can still attend class, even if that is a day you can only listen and do not feel able to actively participate.

**HARASSMENT AND DISCRIMINATION**: Iowa State University strives to maintain our campus as a place of work and study for faculty, staff, and students that is free of all forms of prohibited discrimination and harassment based upon race, ethnicity, sex (including sexual assault), pregnancy, color, religion, national origin, physical or mental disability, age, marital status, sexual orientation, gender identity, genetic information, or status as a U.S. veteran. Any student who has concerns about such behavior should contact his/her instructor, Student Assistance at 515-294-1020 or email dso-sas@iastate.edu, or the Office of Equal Opportunity and Compliance at 515-294-7612.

**RELIGIOUS ACCOMMODATION**: If an academic or work requirement conflicts with your religious practices and/or observances, you may request reasonable accommodations. Your request must be in writing, and your instructor or supervisor will review the request. You or your instructor may also seek assistance from the Dean of Students Office or the Office of Equal Opportunity and Compliance.

**LEARNING OBJECTIVES:**

* Ability to think critically and creatively about accounting issues
	+ Current Event Discussions
	+ Research into differences between IFRS and US GAAP, including potential financial statement impact.
* Ability to communicate effectively
	+ Written tests
	+ Oral Presentations
* Understand the institutional, legal, and regulatory environment of accounting, with particular attention to the role of the SEC, the FASB, and the IASB in the development of accounting standards in the US and internationally. Understand the different international constructs that led to diversities in accounting practice.
* Develop an awareness and sensitivity for dealing with ethical concerns, particularly in light of cultural differences, and how these differences might affect accounting practice internationally.
* Understand the importance of differences in accounting reporting regulations given the fact that accounting disclosure informs decision making both within and external to the company.
* Apply critical thinking to accounting problems, including a focus on how different standards (i.e., IFRSs and SFASs) might yield different accounting treatments across jurisdictions.

***THIS IS A TENTATIVE SYLLABUS, subject to change*!** Assignments and readings may still be added or deleted, due dates for projects and homework may be changed as the semester progresses I am hoping to arrange an outside speaker, and accommodating those schedules may require adapting the current syllabus.

**YOU ARE RESPONSIBLE FOR KNOWING THE INFORMATION CONTAINED IN THIS SYLLABUS!**

**Grading**: 25% Midterm Examination

 25% Final Examination

 15% Project and Presentation of Project

15% Homework and Cases

20% Reflections

Final grades in the class will be a total percentage with each component weighted according to the above rubric. Generally, the following distribution will be used:

 A 95% and above

1. 90% - 94.99%

B+ 88% - 89.99%

B 83% - 87.99%

1. 80% - 82.99%

C+ 78% - 79.99%

C 73% -77.99%

1. 70% - 72.99%

D 60% - 69% Plus and minus are possible, but not guaranteed in this range

F Below 60%

**PLEASE NOTE: CANVAS DOES NOT USE THE PERCENTAGES SPECIFIED ABOVE TO CALUCLATE YOUR EXPECTED GRADE. DO NOT RELY ON CANVAS ESTIMATES OF YOUR GRADE; THE CANVAS ESTIMATES ARE NOT CORRECT. We tried to find a way to group assignments by grading categories, but we were still unable to assign category weights this summer. DO NOT DEPEND ON THE COURSE GRADE PERCENTAGE LISTED ON CANVAS. AT THE END OF THE SEMESTER, I DOWNLOAND THE GRADEBOOK INTO AN EXCEL FILE, CALCULATE CATEGORY PERCENTAGES, APPLY THE WEIGHTS SPECIFIED ON THE SYLLABUS TO EACH CATEGORY, AND USE THAT CALCULATION TO DETERMINE FINAL COURSE GRADES.**

**Homework, which includes case write-ups,** is 15% of your grade. If you make an honest attempt to complete the **entire** assignment and hand it in **on time**, you will get full credit. Assignments that are not **complete will be returned to be completed** and need to be **resubmitted as late assignments**. Late assignments **get half credit**. The **due date** is the class period **AFTER** the date the assignment is listed on the syllabus. For example, an assignment listed on the syllabus September 1 should be turned in by **6 PM** (prior to class) on September 8, the next class meeting.

The syllabus is subject to change; any changes will be announced in class and posted to Canvas. All assignments should be submitted via Canvas. I have a speaker who has agreed to present if we can find a time he is available, and I will adapt the syllabus to accommodate his schedule.

If there is a problem submitting (Canvas does sometimes have some problems), please email me and we will work out the submission. PLEASE NOTE: Aspects of Canvas seem to change every semester. Sometimes they catch me by surprise! If there are any problems, **please let me know!**

***THERE IS A CAVEAT… ALL OF HOMEWORK ASSIGNMENTS MUST BE HANDED IN BY 12:00 MIDNIGHT NOVEMBER 10. (THE CLASS PERIOD BEFORE THE FINAL EXAM DUE DATE) OR YOUR LETTER GRADE FOR THE COURSE WILL BE REDUCED TO THE NEXT LOWER LETTER GRADE. FOR EXAMPLE, AN A WOULD BECOME A-; AN A- WOULD BECOME B+, A B+ WOULD BECOME A B, ETC.***

**REFLECTIONS are 20% of your grade.**

You are to prepare a short (approximately 1 page, no more than 2 pages) reflection after each class. Your reflection may address anything we talked about in class that night. The following are guidelines you MIGHT consider, but are not required to be part of your reflection. Rather, your reflection is best **when it is your response to the material we covered in class.**

* What happened IN YOU during class, not what happened during class?
* What do you feel and how does that affect what you think?
* Did anything in class really annoy you?
* What new issue or issues did you find important based on the class content today? Why?
* What aspects of the class are most relevant to you and your life? Why?
* What are some of the ethical implications of the topics discussed in class tonight? What values are relevant for the decisions that were discussed tonight? Are these values consistent with your personal values?
* Did you gain any new insights in class?
* What new issues do you want to consider as a result of today’s class?
* Did anything you experienced in class change the way you see yourself? Others? The accounting profession? Your role in the profession?
* What are some of the ethical implications of the topics discussed in class tonight?

***To get full credit on the reflection, you MUST go beyond a simple listing of the topics covered in class. A simple listing of topics will earn half credit or less. I know what we discussed in class; I was there. I want to know why you think it matters or what it means to you***.

***Please note that reflections are 20% of your grade***. If you only turn in 8 of the 10 reflections, even if you get full credit, your percentage score will be 80%, which is a B-, and this will be weighted as 20% of your final course grade.

If your reflections on the class material led you to search the web for additional sources, please include a link to the additional material you considered in your reflection. This is not a requirement for reflections.

Class is on Tuesday**; the reflection for each week will be due two days later, the THURSDAY AFTER CLASS, by MIDNIGHT.** Each reflection will be worth 1 point. Remember, **TO RECEIVE CREDIT** you **MUST** go beyond a listing of topics we covered in class. Further, there will be a *comment, word, or thought for the day* disclosed at the **END** of each class. **To receive credit for a reflection, this item MUST be included in your reflection.**

Occasionally, for a particularly good reflection that delves deeply into why ***you*** think an issue is important, how it has impacted your views, or does a particularly good job evaluating the potential impact of the issue on the accounting profession, a bonus point may be awarded. **This bonus point may be used to compensate for a missed class/missed reflection.**

Total points allocated to reflections are a maximum of 10 for the entire semester, including bonus points. There are 9 classes for which reflections should be prepared, and a tenth reflection will be a reflection on the course as a whole. **The 10th reflection is due BY MIDNIGHT, TUESDAY, NOVEMBER 10. There are no make-ups**. **NO late reflections will be accepted. You must attend the class for which you are writing a reflection. Should you miss a class and/or a reflection, the potential for a bonus point remains available as a make-up. Take a careful look at the reflection guidelines if you are attempting to earn a bonus point. Earning a bonus point before one is needed for a missed class might be in your best interest as sometimes unexpected things happen late in the semester. Bonus points only apply to Reflections, and may not be used to compensate for missed points in other categories.**

**WEBCAST:** ***Watch and report on a professional/technical webcast. THIS ASSIGNMENT COUNTS AS 2 HOMEWORK ASSIGNMENTS (4 points).* Register on one or more of the major accounting firm websites such as (but not limited to) KPMG IFRS Institute, Deloitte Touche, PWC, EY. From one of these sites, watch a webcast on an IFRS/International Accounting topic of your choice. Write a 2-4 page synopsis of what you learned from the webcast. Also provide the URL for the webcast, and the date you accessed the URL and watched the webcast. You may register for either a “live” webcast or an archived webcast**. **SOME SITES WILL ONLY WORK WITH INTERNET EXPLORER, NOT CHROME OR FIREFOX…Some acceptable sites (there are others; if you have questions, please see me):**

<http://www.usdbriefs.com/calendar/thyme/thyme/index.php?v=m>

<http://www.ey.com/gl/en/issues/thought-center-webcasts>

<http://www.pwc.com/us/en/cfodirect/multimedia/webcasts.html>

<http://www.kpmg-institutes.com/institutes/ifrs-institute.html>

**DUE DATE: ON OR BEFORE TUESDAY, OCTOBER 2O. You will have a class release day later in the semester because you completed this assignment outside of class. Learning how to use the resources available online and picking a topic that you find interesting seems more valuable than my bringing a webcast to class and forcing you to watch one of my choice.**

**EXTRA CREDIT! DUE BY NOVEMBER 4, 2020 AT 6 PM. This semester, I am offering the opportunity to earn extra credit. The extra credit assignment maybe used in lieu of ONE of the following:**

* **ONE regular HOMEWORK assignment (NOT the Webcast),**
* **or ONE CASE,**
* **or ONE REFLECTION.**

**You may earn the extra credit in one of two ways.**

1. **Vote in the general elections. I am not concerned with HOW you vote, simply with THAT you vote.**
	1. **You may take a picture of your “I VOTED” sticker you received at your polling place. Attach the sticker with your name and write the name of the specific polling place where you voted on a piece of paper, take a picture, and submit the picture on the Extra Credit Assignment link on Canvas.**
	2. **If you voted ABSENTEE, you should take a picture of the ENVELOPE in which you mailed your ballot. Do NOT include your ballot in the picture– your vote is private – but the ENVELOPE so that the address is clear. The envelope should be stamped, or alternatively, you should write on the envelope the date and the location at which you turned in your ballot. Turn the picture in on the Extra Credit Assignment Link on Canvas.**
2. **If, for any reason, you cannot vote, or do not chose to vote, you may earn the extra credit by turning in a 2-page paper that discusses the importance of one policy issue discussed in the election campaigns that relates to business/international business. For example, you could consider the issue of tariffs, and detail some of the business implications of tariffs on agriculture. Cite at least ONE outside resource that discusses the topic. Turn the paper in on the Extra Credit Assignment link on Canvas.**

**Business Communication Center**: For your thoughts and ideas to have an impact, the quality of your communication skills is important. The quality of your exposition and presentation will be considered in grading papers, the midterm, the final, and your presentations. The College provides a Business Communication Center in Gerdin 2140, and I encourage you to use the services of the Center to ensure that your written work meets quality standards. In addition to working with the center on presentations, you **may use the Center for help with Papers and with Exams**.

The Center offers the following services to students:

* Provide one-to-one help on communication-based needs
* Provide feedback on written, oral, visual, and electronic communication
* Develop an appropriate professional voice for a specific audience and purpose
* Brainstorm topics and develop communication documents
* Develop effective grammar and editing skills

 Contact information for the Center:

 Communications Center Consultant

Office: 2140 Gerdin Business Building

Phone:  (515) 294-9693

Email:  commctr@iastate.edu

The **midterm and final exam** will be take-home exams. Further information will be provided in class and on the web page at least 7-10 days before each due date.

***Current Events***. As part of your homework grade, **each student** will be responsible for bringing in current events dealing with international business/international accounting. You will share the current event topics with the class. This is an informal, not a formal, presentation. A sign-up sheet will be used to for you to choose the date on which you will be responsible for bringing in news items. Each student should bring in at **least 3 news** items to share with the class. The *citations* for the items you select **should be turned in on the Current Events assignment link** on the day you are responsible for bringing the items to class. The citations are all you need to turn in for the news items.

**Class Presentations.**

**COUNTRY GAAP**: Each presenter must select a different country. There will be some “required” countries, and some that may be the presenter’s choice. If you are signing up for a choice, you MUST indicate which country you intend to present The presentation should be a brief presentation that highlights two or three topics (i.e., inventory, mergers, intangibles, or other interesting issues) that are part of **COUNTRY GAAP (NOT IFRS)** for the country of your choice. This may include professional practice requirements within the country. Even countries that allow/require IFRS for stock exchange listings usually still have country GAAP in force for companies that are not exchange listed. It is the COUNTRY GAAP that is of interest as from these items we will get a feel for how and why IFRS has impacted financial reporting and disclosure. A sign up process will be available the first night of class.

**TEAMS** of 2-3 students will prepare and present a PROJECT on IFRS and US GAAP as detailed below. The project will count for 10% of your grade; the presentation of the project in class counts for 5% of your grade. A sign up process will be available the first night of class. The topics to be covered in these presentations are Inventory, PP&E, and Leases. There are several online programs for group meetings. The University supports WebEx and Zoom, and there is a free app through Google, Google Groups, that may be useful. I also use Google Hangouts for video chats. Apple also has video chat application. Whatever your group chooses to use is fine.

Students did presentation in my virtual class this summer, and they worked well. One person had trouble getting screen sharing to work – our work-around was for them to e-mail me the power point, I brought it up on my screen and shared my screen, and instead of “clicking” to advance each slide, they simply said “next” and I advanced the slide for them. If you have concerns we can do a quick “trial” via a private WebEx meeting sometime prior to class.

The textbook covers differences between IFRS and US GAAP for a wide range of topics in Chapters 4 and 5. This will be your starting point. Google should help you find additional information. Your project should, at the minimum, include the following:

* Citations for the authoritative literature for US GAAP and IFRS for the topic
* Key differences between US GAAP and IFRS
* Examples of how the differences in GAAP might affect Net Income. This might include conceptual questions or numeric examples. You may choose to ask the class to try to come up with the right answers before giving them the solutions.
* A summary of any continuing convergence efforts, if any

**General Presentation Rubrics**: Presentations will be evaluated on the following rubrics:

* Did the presentation cover the key issues? For cases, was the solution presented appropriately? For country presentations, was a good overview of the accounting in a country provided? For projects, were they key points presented and made clear so that students understand the topic material and come away with key points?
* Was it possible for all of the students in the audience to hear and understand the presentation?
* Was an appropriate power point or other visual aid used to help students follow the presentation?
* For projects, the presentation should be a MINUMUM of 15 minutes.
* Each project presentation should include some class participation opportunities.
* The material to solve the problems/cases a project team chooses to present should be carefully included in the formal presentation to that students may see bot the relevant GAAP and how it is used in practice. If you use exercises or problems form the book, the opportunity to check your answers with me prior to your presentation will exist.

I know this is an atypical semester. I hope we can work together to make it a good semester for all of us. There are both advantages and disadvantages to a virtual class, and I hope you find that the virtual class experience is a good one.

**WEEK 1 September 1, 2020**

Introduction

Chapter 1 Introduction to International Accounting

***Assignment: Questions 1-8, 10; Ex 1-3, 1-4***

***Case: Vanguard International Growth***

**WEEK 2 September 8**

Current Events

Chapter 2 Worldwide Accounting Diversity

Handout from Hofstede: Cultures of Organizations (on class web page)

***Assignment: Questions 1-4, 6, 7, 12, 17; Ex 2-1, Ex 2-4, Ex 2-8***

***Case: The Impact of Culture on Conservatism***

Chapter 3 International Convergence of Financial Reporting

***Assignments: Q1, 2, 4, 6, 7, 11; Ex 3-2, Ex 3-14***

***Case: Jardine Matheson Group Part 1***

**WEEK 3 September 15**

Current Events

**GRAD STUDENT PROJECT PRESENTATION ON INVENTORY**

Continue Chapter 3

Chapter 4 – International Financial Reporting Standards

***Assignments: (To be completed based on IFRS standards unless otherwise specified) Ex 4-1, Ex 4-2, Ex 4-10, Ex 4-25, Ex 4-27***

**WEEK September 22**

Chapter 5 International Financial Reporting Standards Part II

***Assignments: (To be completed based on IFRS standards unless otherwise specified) Q1, 2, 3, 8, 10, 22***

**\*\*\*Graduate student presentations on accounting differences in selected countries\*\*\* presented during THIS class**

**WEEK 5 September 29**

**GRAD STUDENT PRESENTATION: PP&E**

Current Events

Chapter 6: Foreign Currency Transactions and Hedging Foreign Exchange Risk

***Assignments: Q1 – 12***

***Case: Better Food Corporation***

***Case: Portofino***

**WEEK 6 October 6 NO CLASS MIDTERM DUE 6 PM**

**WEEK 7 October 13**

Current Events

**GRAD STUDENT PRESENTATION LEASES. WHILE BOTH THE FASB AND THE IASB HAVE RECENTLY RELEASED NEW STATEMENTS ON LEASING, THEY ARE NOT YET CONVERGED. THIS PRESENTATION WILL PROVIDE AN OVERVIEW OF THE TWO NEW STANDARDS AND A DISCUSSION OF THE REMAINING DIFFERENCES**.

Chapter 7 Translation of Foreign Currency Financial Statements

***CASE: Offshore Investments***: Whose Currency? (to be posted on class web site; **discussion next week, October 20; to be turned in for full credit by 6 PM October 20).**

***Assignments: Q 1 -8; 11***

***Case: Columbia Corporation***

**WEEK 8 October 20**

Current Events

Chapter 8 International Taxation

***Assignments: Q1-7, 12, 18, 19***

Chapter 9 International Transfer Pricing

***Assignments: Q1-10***

*D*iscussion of Offshore Investments, Whose Currency? **(ALL students in both 496 and 596 must turn in a write-up of this case.)**

***WEBCAST ASSIGNMENT DUE TONIGHT***

**WEEK 9 October 27**

Current Events

Chapter 10 Management Accounting Issues in Multinational Corporations

***Assignments: Q1-9; Exercise 10-2, Ex 10-6***

***Case: Felix Machine Company***

**WEEK 10 November 3**

Current Events

Chapter 11 Auditing and Corporate Governance: An International Perspective

***Assignments: Q1-7, 9, 11, 13, 16 Ex 11-1, Ex 11-3, Ex 11-11***

***Case: Honda Motor Company***

**WEEK 11 November 10**

**No class. This is the class release date for the Webcast Assignment.**

**The 10th Reflection, which covers the entire semester, is due at midnight tonight. There is no “WORD OF THE DAY” for the 10th reflection.**

**ALL assignments must be turned in and complete by midnight tonight to receive credit for the assignments.**

**FAILURE TO TURN IN ALL OF THE HOMEWORK ASSIGNMENTS WILL RESULT IN A 1/3 OF A LETTER GRADE REDUCTION IN YOUR COURSE GRADE FOR THE CLASS.**

**WEEK 12 November 17**

**Final Exam Due, 6 PM**