

Illinois State University

ACC 340: International Accounting

Fall 2019

Section 001: Tues. 6:00-8:50pm, SFHB 369

General Information

- Instructor: Dr. Madeline Trimble
- Phone: (309) 438-5184
- Hours: Tues. & Thurs. 10:00-11:00am
- Location: SFHB 228
- Email: mktrimb@ilstu.edu
- Webpage: <https://about.illinoisstate.edu/mktrimb>

Course Description & Objectives

Businesses in the 21st Century compete in an increasingly global marketplace. Understanding international issues related to business strategy, trade, and accounting is critical to the education of a well-rounded, competent business student. This international accounting course introduces and examines accounting issues unique to multinational corporations (MNCs) and international business activities.

This course examines a wide range of international accounting topics including, but not limited to:

- Issues facing multinational businesses in the areas of foreign currency transactions, translation of financial statements, tax planning, transfer pricing, auditing, managerial planning and control, and financial statement analysis.
- Determinants and consequences related to adopting and implementing international financial and auditing standards globally.
- Comparisons of different countries' business cultures and the impact those differences have on MNC accounting.

The principle objectives of this course are designed to encourage students to think about international accounting and business issues and the implication of those issues on U.S. business practices. The specific learning outcomes include:

- Develop an understanding of different business and financial reporting cultures around the world.
- Recall the history of global accounting convergence efforts (e.g., International Financial Reporting Standards/IFRS) and recognize remaining obstacles preventing their acceptance today.
- Analyze situations where international accounting problems exist for MNCs and develop and evaluate appropriate solutions.
- Demonstrate professional business communication skills through written and presentation assignments.

Prerequisites

Passing ACC 132 with a "C" or better is required. As this is an accounting course, International Business majors should review materials related to basic/intermediate accounting prior to the start of the course to not fall behind with the material. **Taking ACC 231 prior to this course is strongly recommended.**

Course Materials

- Required Materials (renting is fine):
 - Douppnik, Finn, Gotti, & Perera. *International Accounting*. McGraw Hill Education, **5th Ed.**, ISBN: 9781259747984
- Recommended Materials:
 - Wild & Wild. *International Business: The Challenges of Globalization*. Pearson, 8th Ed.
- Recommended Reading:
 - *The Wall Street Journal*, *Financial Times*, *The Economist*, *Businessweek*, *Business Insider*, *Market Watch*

Expected Course Conduct & Policies

Expected Course Conduct

The course format is lecture/discussion. **YOU ARE EXPECTED TO READ THE CHAPTER AND DO HOMEWORK ASSIGNMENTS PRIOR TO CLASS.** This material will not necessarily be covered in class. In upper level courses, it is your responsibility to learn the course material at the basic level. That leaves class time to deal with the more complicated material and engage in activities designed to provide higher-level learning.

Furthermore, non-graded assignments (and solutions) will be posted on ReggieNet. Preparing questions and problems in advance provides you with a framework to digest the lecture material, thus, allowing you to better use the lecture to clarify difficult points. Since exams are based principally on problems and questions of the same type as those assigned, students who make an effort to complete the assignments have a definite advantage over those who simply gather answers from the posted solutions. Additionally, you should consider the problems listed on ReggieNet to be a minimum set of problems to solve – select additional problems in those areas where you are having difficulty.

Attendance & Participation

Regular attendance is strongly recommended since class presentations will clarify and expand upon the textbook information. **NON-ATTENDANCE IS AT YOUR OWN RISK!**

Participation in class discussions is strongly encouraged. Class participation includes asking questions, providing suggestions and solutions, and challenging others to support their positions. Descriptions of your own experiences that relate to the topic under discussion are especially useful. These activities stimulate critical thinking, develop problem solving and communication skills, and in general make the class more interesting and useful. The more you speak the better, but the quality of participation is also included. Hint: the only way to meaningfully participate is to be prepared!

Calculators and Cell Phones

It is the policy of the faculty of the Department of Accounting to permit numeric-display-only calculators to be used on accounting examinations and quizzes. Programmable calculators that accept alphabetic inputs are expressly prohibited by this policy. A student who questions whether a specific calculator is acceptable is encouraged to secure advance approval of its use. Students will be allowed to use pre-approved calculators on examinations. I reserve the right to confirm that only pre-approved calculators are being used at each exam date. If a student calculator fails during an exam, it is the student's responsibility to complete the exam within the allotted time; extra time will not be made available. You are expected to be present and engaged while you are in the classroom, thus no cell phones are allowed out during class or exams.

Plagiarism Policy

As candidates for a profession that survives only through unquestionable integrity, students are reminded that the University Community views any instance of academic misconduct to be a serious offense. While you are strongly encouraged to pursue outside readings that help you understand and discuss the topic material at a higher level, all work turned in for this class should be your own work. If you use outside materials, you should use appropriate citation and quotation of other works. If you have any doubt about your understanding and expectations in recognizing the use of outside sources, please consult with me or reference: <http://www.indiana.edu/istd/>.

Academic Support

If you find yourself needing support in terms of coursework tutoring, workflow management, etc. please contact the Julia N. Visor Academic Center at (309) 438-7100, or email for an appointment at Visor-Center@IllinoisState.edu.

Cultural Sensitivity

The discussion and evaluation of differences in ethical and legal cultures are pervasive in this course. Sensitivity is expected. Ignorance of any kind will not be tolerated.

Assessment & Evaluation

Assessment	Points	Grading Scale	
Exam I	100 pts	A	450+
Exam II	100 pts	B	400+
Final Exam (comprehensive)	150 pts	C	350+
Country Project (peer review exercise)	25 pts	D	300+
Country Project (final version)	50 pts	F	< 300
Group Presentation	50 pts		
Professionalism	25 pts		
Total	500 pts		

Exams

The exams will consist of true/false, multiple choice, short answer questions, and problems. Although the final exam will serve as an independent assessment, it will contain some comprehensive material. I will announce what topics are eligible for comprehensive coverage prior to the final. Exams will be closed book and closed note. Make-up exams will be given only in rare circumstances. You must contact me (via email) **prior** to the original exam date and time to discuss the **possibility** of a make-up exam. Any student caught cheating on an accounting exam will be given an "F" for the course.

Country Projects

This project requires students to assume the role of a business analyst/consultant and design a plan for your company to enter the global marketplace. You will prepare a report that supports your decision to conduct international business of some form across the two countries. The report will (1) provide relevant information that compares and contrasts opportunities and challenges presented by doing business in both countries and supports your decision and (2) identify and justify the means you intend to use to engage in international business in that country. You will find more detailed information on the project requirements, expectations, and grading rubric can be found under "Assignments".

Group Presentation

You will be assigned to a group (3-4 students) that will create a 20-minute presentation that will discuss an assigned international accounting topic that supplements the prior or current lesson. The presentation should include the detailed discussion of respectable news articles, academic studies, government papers, etc. that will extend our knowledge on the lesson. The presentation outline, rubric, and group assignments can be found on ReggieNet under "Assignments".

Professionalism

You are expected to attend class each session, arrive on time, not leave class early, leave cell phones in your bag, not interrupt your professor or peers, etc. Failure to follow the code of conduct outlined by the College of Business, found here: <http://business.illinoisstate.edu/about/standards/students.shtml>, will result in the loss of professionalism points.

Graduate Students

To count this course as a graduate-level course, an additional term paper or comparable project is required. It will be graded as "pass/fail". We will meet one-on-one **early in the semester** to plan the topic and project structure. The project outline and rubric can be found on ReggieNet under "Assignments".

University/Department Information

Department of Accounting Mission Statement

The Department of Accounting's mission is to provide undergraduate students from the State of Illinois with high quality, student-centered educational programs leading to a Bachelor of Science degree in accounting or business information systems, a Master of Science in Accounting, or an integrated Bachelor of Science/Masters of Professional Accountancy. We accomplish this by individualized, face-to-face instruction and interactions both in and outside the classroom. We support research and other scholarly activities and perform service activities for the department, the College of Business, the University, and other organizations consistent with these programs. Our mission also includes establishing and maintaining relationships with outside organizations and alumni that support our programs, students, and faculty.

To achieve our mission, we:

- Provide high quality pedagogy and educational experiences by tenured and tenure-track faculty to maximize student potential.
- Perform applied, discipline-based, and pedagogical research that complements our educational programs.
- Engage in internal and external service activities that complement our educational programs and research activities and build partnerships with key stakeholders.
- Assist students in maintaining high pass rates on the CPA Exam.

Mission of the College of Business

Through our shared commitment to excellence in teaching, research, and service, we prepare students to be skilled and ethical business professionals who will make significant positive contributions to organizations, to communities, and to our larger society.

Academic Integrity

The administration, faculty, staff, and students of the College of Business at Illinois State University are committed to the principles of professional behavior and academic integrity. As a community of scholars and business professionals, we strive to embody the characteristics of responsibility, honesty, respect, fairness, and trust in our professional and personal lives. For a complete description of Academic Integrity, see the Illinois State University Code of Student Conduct (<http://deanofstudents.illinoisstate.edu/downloads/CodeOfStudentConduct-Revised5.12.pdf>). In brief, if you engage in academic dishonesty of any form in this course, then a grade sanction of course failure may be applied. **This policy applies to posting any course materials online outside of ReggieNet—we have a zero-tolerance policy!**

Drop Policy

Students should note that they can register officially for a course only twice. That is, if a student completes a course or drops a course after the official tenth day enrollment report, he or she may enroll officially in the same course only one additional time. When a course has been repeated, both the original and the subsequent grade (A, B, C, D, or F) are included in the student's grade point average if the course is acceptable toward graduation. The original grade will not be removed from the student's transcript, and the credit hours will count only once toward meeting minimum hourly requirements for graduation. If a course is first taken at Illinois State University, it must be repeated at Illinois State University; grades earned at another college or university may not be used for this purpose. This includes courses in which a "WX" has been received. Students who decide to drop Accounting 340 should refer to the University Withdrawal Policies as stated in the current Undergraduate Catalog. It is the student's responsibility to identify and take action by the appropriate registration/withdrawal dates.

Student Access and Accommodation

Any student needing to arrange a reasonable accommodation for a documented disability should contact Student Access and Accommodation Services at 350 Fell Hall, 438-5853 (voice), 438-8620 (TDD), or StudentAccess.IllinoisState.edu

Course Schedule

Dates	Reading	Topics	Activities
Tues. Aug.20	Ch. 1	Course Overview Intro to International Accounting	
Tues. Aug. 27	Ch. 2	Worldwide Accounting Diversity	
Tues. Sept. 3	Ch. 3	Convergence of Reporting	<i>Group 1 Presentation</i>
Tues. Sept. 10	Ch. 4	IFRS : Part I	<i>Group 2 Presentation</i>
Tues. Sept. 17	Ch. 5	IFRS: Part II <i>Catch-up & Exam Review</i>	<i>Group 3 Presentation</i>
Tues. Sept. 24		Exam I (Ch. 1-5)	
Tues. Oct. 1	Ch. 6	Foreign Currency Transactions	<i>Group 4 Presentation</i>
Tues. Oct. 8	Ch. 7	Translation of Foreign Currency Financial Statements	<i>Group 5 Presentation</i>
Tues. Oct. 15	Ch. 8	International Taxation	<i>Group 6 Presentation</i> Graduate Projects Due
Tues. Oct. 22		NO CLASS	Country Project Draft Peer Review (online exercise)
Tues. Oct. 29	Ch. 9	International Transfer Pricing <i>Catch-up & Exam Review</i>	<i>Group 7 Presentation</i>
Tues. Nov. 5		Exam II (Ch. 6-9)	
Tues. Nov. 12	Ch. 10	Strategic Accounting Issues International Auditing	<i>Group 8 Presentation</i>
Tues. Nov. 19	Ch. 11	International Auditing & Corporate Governance	<i>Group 9 Presentation</i> Country Projects Due
Tues. Nov. 25	-	NO CLASS (Thanksgiving Break)	
Tues. Dec. 3	Ch. 12	International CSR <i>Catch-up & Final Exam Review</i>	