



**MBA Core**  
**—Financial Accounting—**  
**Autumn 2022**

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Instructor: Elizabeth Blankespoor  
Email: [blankbe@uw.edu](mailto:blankbe@uw.edu)  
Classes: M/W 1:30 – 3 pm, 3:15 – 4:45 pm  
Office Hours: M 10-11 am, W 9:45-10:45 am in PCAR 518 or by appointment

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**Why is this course important?**

The practice of accounting affects individuals, not-for profit organizations, for-profit corporations, governments, and many other entities. Understanding how to create and use accounting information is critical to your future success as a strategic thinker and leader.

**What can I expect of this course?**

The objective of the course is to help gain a basic understanding of accounting (the “language of business”), its role in society, and how accounting information can be used to make informed decisions. We will focus on understanding the mapping between underlying economic events and financial statements, as well as discussing how incentives of market participants affect our interpretation of those financial statements. Many of you will find the material we will cover challenging. Success in this course will likely require significant out-of-class prep time.

**What are the course materials?**

CANVAS.UW.EDU: *The central repository of all information.*  
HARVARD CASE PACK: <https://hbsp.harvard.edu/import/974495>  
CALCULATOR FOR EXAMS: *Any calculator that does not store notes*  
TEXTBOOK (physical or ebook): *Financial Accounting, 11<sup>th</sup> Edition by Libby, Libby & Hodge.*

Below are your options for purchasing the textbook. We will not be using the *Connect Plus* online platform.

- 1) Buy a looseleaf book + ebook bundle. Available at the UW Bookstore for \$99
- 2) Rent just an ebook. Available from the [publisher](#) for roughly \$57
  - Available from the U Bookstore, McGraw Hill website, and elsewhere for roughly \$55.
- 3) Buy or rent a new or used paperback International Edition, if you can find it
  - The International Edition is identical to the US Edition, except with a soft cover

Non-Harvard case pack cases will be available on Canvas at least a week before class.

## How will the course be taught?

I have designed our course and each class based on the following principles:

- ◆ **Relevance.** I will demonstrate the relevance of the topics we will cover by associating them with current events and real firms. Doing so demonstrates the extent to which accounting permeates society.
- ◆ **Interaction.** Active participation facilitates learning; passive listening does not. I design each session to be an active learning experience. This approach only works if you come to class prepared and willing to participate.
- ◆ **Organization.** Well-organized content facilitates your ability to link new information with your existing knowledge. I have put considerable thought into organizing the class sessions to make them relevant, interesting, and informative. Periodically I will step back to show you how the topics we have covered, and will cover, are related to each other.
- ◆ **Respect.** I want students from all background and perspectives to benefit from this course, all students' learning needs to be addressed, and the diversity that you all bring to this class to be seen as a source of strength and mutual benefit. I intend to present materials and activities that are inclusive and respectful of diversity, and I expect the same of each of you.

## How will the course be graded?

	<b>Weight</b>
Creating Financial Statements Project	12%
Exam I	27%
Exam II	27%
Integrated Core Case (team)	10%
Friday Quizzes (lowest score dropped)	8%
Case Questions (team)	8%
Individual Participation	8%
<b>Total</b>	<b>100%</b>

- I reserve the right to modify the class assignments and the grading weights above as necessary, either on an individual basis or for the whole class.
- The Creating Financial Statements Project tests your knowledge of recording transactions and creating financial statements. This project is a take-home project that you will complete *on your own*.
- The two exams will take place in class at the scheduled time. Any assigned or covered material is fair game for the exams.
- The quizzes are intended to give you an indication of whether you understand the material, and if not, to formulate specific questions that we can discuss. Everyone must individually complete the quizzes on *Canvas*. You may use the textbook, notes, and other resources, but may not consult other people for help. Quizzes have a 60-minute limit once you begin, although they often take less than 20 minutes if you're familiar with the material. I will drop your lowest quiz score.
- Cases are an integral tool for learning in MBA programs. Cases are to be completed in teams and only one team member needs to submit case questions via *Canvas*. Grades are based on effort and consider both the written deliverable and in-class discussion. All group members usually receive the same grade, but I will occasionally give individual-specific grades to reflect contributions far above or below the norm.
- The course participation grade rewards students who actively contribute to the course, both inside and outside the classroom. Part of the participation grade will be determined via peer feedback.
- The quarter concludes with a team case competition that will draw upon concepts from all four core classes. The case competition's contribution toward your Accounting grade will depend on a combination of your application of Accounting concepts in the case, and your overall performance in the case. Your case

competition grade is based entirely on the written deliverables. Performance in the presentations affect which teams receive prizes, but do not affect grades. I reserve the right to give individual-specific grades to reflect contributions far above or below the norm.

### **How will attendance affect your grade?**

As discussed in the student handbook, class attendance is required. As a case-based graduate course, classroom discussions and peer learning are essential elements of all students' learning experience. Students who are not in class cannot contribute to other students' learning. Thus, unless otherwise excused by me, attending class is necessary to earn points for your participation grade. Excessive absences may result in failing the class.

That said, everyone gets one "free pass" on attendance during the quarter for any reason, and absences due to illness, similar emergencies, or completely unavoidable final job/internship interview conflicts are excused. If you have one of these situations, contact me before class to excuse your absence and setup alternative arrangements to earn participation. You are expected to watch the class recording and study the material for all missed classes.

Per University guidelines, if you have a documented condition that prevents you from attending live instruction, please contact the Disability Resources for Students (DRS) office to discuss alternative arrangements.

### **What if accounting does not come "naturally" to me and I need additional help?**

First, recognize that accounting (or any other discipline) does not come "naturally" to most people; you are not alone. Second, recognize that if you are willing to put in the time and deliberate practice you can learn the material. To facilitate your efforts, I have a PhD student (Ben Yang) who will run optional review/help sessions throughout the quarter. His email is [benyang1@uw.edu](mailto:benyang1@uw.edu). See below and Canvas for TA Session dates and office hours and location.

### **UW Policies**

UW policies on religious and disability accommodations, academic integrity, student conduct, and student safety will be strictly followed. Policy details can be found online including at the following links:

- <http://depts.washington.edu/uwdrs/faculty/syllabus-statement/>
- <https://www.washington.edu/studentconduct/conduct-code-and-policy/>

Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at Religious Accommodations Policy (<https://registrar.washington.edu/staffandfaculty/religious-accommodations-policy/>). Accommodations must be requested within the first two weeks of the course using the Religious Accommodations Request form (<https://registrar.washington.edu/students/religious-accommodations-request/>).

The health and safety of the University of Washington community are the institution's priorities. Please review and adhere to the UW Covid Face Covering Policy (<https://www.ehs.washington.edu/system/files/resources/COVID-19-face-cover-policy.pdf>).

# MBA Core - Financial Accounting – 2022

## Overview & Detailed Schedule

Version: 9/3/22

(Subject to Change – be sure to check Canvas for updates)

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<b>Class</b>	<b>Date</b>		<b>Topic</b>
1	Mon	9/19	Introduction to Course and Financial Reporting
2	Wed	9/21	Fundamentals of Financial Statements – Part 1
3	Mon	9/26	Fundamentals of Financial Statements – Part 2
4	Wed	9/28	Financial Statement Projections
5	Mon	10/3	Fundamentals of Financial Statements – Part 3
6	Wed	10/5	Revenue Recognition (FS Project out)
7	Mon	10/10	Accounts Receivable
8	Wed	10/12	Fixed Assets and Leases (FS Project due)
9	Mon	10/17	Synthesis and Recap
10	Wed	10/19	Financial Reporting for Non-Profits
	Fri	10/21	<b>EXAM 1 (10:30 am - 12 pm Section A; 1:30 - 3 pm Section B)</b>
11	Mon	10/31	Financial Assets
12	Tues*	11/1	Intangible Assets (**Note the change. 8:45 – 10:15 am, 10:30-12 pm)
13	Mon	11/7	Intangible Assets
14	Wed	11/9	Contingent Liabilities and ESG
15	Mon	11/14	Shareholders' Equity
16	Wed	11/16	Corporate Governance
17	Mon	11/21	Financial Statement Analysis
	Wed	11/23	No Class - Thanksgiving
18	Mon	11/28	Synthesis and Recap
	Thurs	12/1	<b>EXAM 2 (10:30 am – 12 pm Section B; 1:30 – 3 pm Section A)</b>
	Mon	12/12	Case Competition
	Tues	12/13	Case Competition

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## TA Review Sessions (Optional)

TA Review Sessions are from 8:30 – 10:00 am except where noted. Review Session cases will be available on Canvas two days beforehand. Be sure to read the materials ahead of time to make the best use of class time.

Session	Date	Topics (subject to change)
1	Fri 9/30	Recent class topics
2	Fri 10/7	Recent class topics (8:30 – 9:30 am)
3	Fri 10/14	Recent class topics (1 – 2 pm)
	Fri 10/21	NONE (EXAM 1 ON F)
	Fri 10/28	NONE (no classes this week)
4	Fri 11/4	Recent class topics
	Fri 11/11	NONE (holiday)
5	Fri 11/18	Recent class topics
	Fri 11/25	NONE (Thanksgiving holiday)
	Fri 12/2	NONE (EXAM 2 ON TH)

## Quiz Schedule (Mandatory)

Quizzes will be released on the date listed and are due on Sunday at 11:59pm. You must complete the quiz within 60 minutes of when you start.

Quiz	Date	Topics
1	Fri 9/23	Classes 1 & 2
2	Fri 9/30	Classes 3 & 4
	Fri 10/7	NO QUIZ (Project)
3	Fri 10/14	Classes 6, 7, & 8
	Fri 10/21	NO QUIZ (Exam 1)
	Fri 10/28	NO QUIZ (no classes this week)
4	Fri 11/4	Class 11
5	Fri 11/11	Classes 12 & 13
6	Fri 11/18	Classes 14 & 15

## Class Details and Assignments

(Subject to Change – be sure to check Canvas for updates)

The Course Calendar may be adjusted throughout the quarter based on how the class progresses. Please check Canvas for updates one week before each class.

*Assignments* are required to be done before class. Answers to the *Group Cases* are to be submitted on Canvas prior to the start of class (only one person needs to submit).

*Preparation* items are highly recommended for readings, and are required for cases and case questions that will be discussed in class.

*Self-Study* are optional but likely helpful.

### **Monday, 9/19**

#### **Class 1: Introduction to Course and Financial Reporting**

##### *Preparation*

Read: Course syllabus; Chapter 1; Chapter 5 (236-244); Chapter 11 (575-579)

##### *Assignment*

Complete the brief survey on Canvas before class (due by 11:59 pm Sunday 9/18, see the Session 1 Module)

### **Wednesday, 9/21**

#### **Class 2: Fundamentals of Financial Statements – Part 1**

##### *Preparation*

Read: Chapter 2; Chapter 3; Chapter 5 (244 – 262)

##### *Assignment*

Group Case: Hewlett Packard 2012

### **Monday, 9/26**

#### **Class 3: Fundamentals of Financial Statements – Part 2**

##### *Preparation*

Read: Chapter 4; Chapter 9 (472-484)

##### *Assignment*

Individual Assignment: Post your Board Biography (see Canvas)

Group Case: TigerGlass

##### *Self-Study*

Video: V1-Recording Transactions (helpful for completing TigerGlass)

### **Wednesday, 9/28**

#### **Class 4: Financial Statements as a Management Planning Tool**

##### *Preparation*

Read: Read the Farm Winery case. Do not submit answers to the questions but do be prepared for

discussion.

**Monday, 10/3**

**Class 5: Fundamentals of Financial Statements – Part 3**

*Preparation*

Read: Chapter 7 (342-350); Chapter 12

*Assignment*

Video: V2-Lecture: The Indirect Method Statement of Cash Flows (using TigerGlass)

Group Case: GreenGrubb

**Wednesday, 10/5**

**Class 6: Revenue Recognition**

*Preparation*

Read: Chapter 6 (290-297)

Read: Microsoft Revenue Recognition Case and Case Questions. Do not submit answers to the questions but do be prepared for discussion.

Read: Excerpts from Microsoft's 2020 Financial Statements. See Canvas for details.

*Self-Study*

Exercise: Deferred Revenue - Flinga

**Monday, 10/10**

**Class 7: Accounts Receivable**

*Preparation*

Read: Chapter 6 (297-307)

Read: Sears, Roebuck & Co. Case and Case Questions. Do not submit answers to the questions but do be prepared for discussion.

*Assignment*

Video: V3- Introducing the A/R Allowance Method

*Self-Study*

Exercise: Analyzing A/R at Honeywell

**Wednesday, 10/12**

**Class 8: Fixed Assets & Leases**

*Preparation*

Read: Chapter 8 (400-424); MBA Companion Lease Overview (end of ebook)

Review: J&J Snack Food's financial statement excerpts (on Canvas)

*Self-Study*

Exercises: Analyzing Fixed Assets for Kroger; Whole Foods

**Monday, 10/17**

**Class 9: Synthesis & Recap**

*Preparation & Assignment*

None

**Wednesday, 10/19**

**Class 10: Financial Reporting at Non-Profits**

This class will be guest taught by the Deputy State Director and Finance Manager of *The Nature Conservancy*.

*Assignment*

Group case: The Nature Conservancy case

**Friday, 10/21**

**Exam 1**

**Monday, 10/31**

**Class 11: Financial Assets**

*Preparation*

Read: Appendix A (A1-A20)

*Assignment*

Video: Fair Value versus AFS Accounting for Investments. Submit your completed spreadsheet via Canvas when finished.

**Tuesday, 11/1, 8:45 – 10:15 am, 10:30 – 12 pm** *\*\*Note the swapped class day/time*

**Class 12: Intangible Assets**

*Preparation*

Read: Chapter 8 (424-429); Appendix A (A21-A23)

Review: Verizon's financial statement excerpts (on Canvas)

*Self-Study*

Exercise: Intangible assets and acquisitions at SolarWinds

**Monday, 11/7**

**Class 13: Intangible Assets**

*Assignment*

Group Case: Teavana

**Wednesday, 11/9**

**Class 14: Contingent Liabilities and ESG**

*Preparation*

Read: Chapter 9 (482-483)



Read: BP, Contingent Liabilities, and Sustainability Reporting Case and Case Questions. Do not submit answers to the questions but do be prepared for discussion.

**Monday, 11/14**

**Class 15: Shareholders' Equity**

*Preparation*

Read: Chapter 11

**Wednesday, 11/16**

**Class 16: Corporate Governance**

*Assignment*

Group Case: Gemstar-TV Guide International (questions are available on Canvas)

**Monday, 11/21**

**Class 17: Financial Statement Analysis**

*Preparation*

Read: Chapter 13

Read: Nordstrom vs Walmart Case and Case Questions. Do not submit answers to the questions but do be prepared for discussion.

Video: Introduction to Ratios

**Wednesday, 11/23**

*No Class – Thanksgiving Break*

**Monday, 11/28**

**Class 18: Synthesis & Recap**

*Preparation & Assignment*

None

**Thursday, 12/1**

**Exam 2**