ACCT 3315.R01 - Multinational Entities: Accounting and Consolidations  
Syllabus Fall 2019  
(072519)

Course Number, Class time, Location:  
ACCT 4315.R01, CRN 14110, TR Noon-1:15 pm, Room: ALLI 357

Instructor: Dr. Lawrence M. Smith, CPA  
Email: Lawrence.smith@tamucc.edu  
Office: ALLI 339  
Website: bit.ly/drmurphysmith

Office Hours: TR 1:15-3:45 pm and other times by appointment. Please email me to confirm our meeting, since other University duties may prevent me from being in my office.  
Office Telephone: 979-317-3444

Course Description  
A study of the similarities and differences between U.S. and other countries’ accounting and reporting procedures. Basic consolidation of international segments will be covered. Use of spreadsheets and web technology required. Prerequisites: ACCT 2302 and Junior standing or above.

Instructor Biographical Sketch: Dr. Lawrence M. Smith, CPA is a Professor of Accounting in the College of Business at Texas A&M University-Corpus Christi. His academic record includes numerous journal articles, research grants, books, academic conference presentations, and awards for teaching and research. His work has been cited in various news media, including National Public Radio, Fortune, USA Today, and The Wall Street Journal. His work is among the most downloaded, with over 64,000 article-downloads on Social Science Research Network (SSRN.com). His work is highly cited, with over 2,800 citations per Google Scholar. Among his awards are the Outstanding Educator Award from the Texas Society of CPAs and the Outstanding Researcher Award from the American Accounting Association Strategic and Emerging Technologies Section. You can read more about Dr. Smith at http://meettheprof.com/prof/murphy-smith/.

Learning Objectives  
1. Explain the role of accounting in the global financial markets.  
2. Describe the convergence/condorsement of U.S. GAAP and IFRS.  
3. Evaluate how tax policies affect multinational corporations (e.g. tax treaties, tax havens, quotas, and tariffs).  
5. Prepare financial statements that account for changing prices (inflation).  
6. Discuss the role of corporate segment reporting and social reporting by multinational firms.  
7. Evaluate aspects of emerging capital markets.  
8. Describe managerial issues (e.g. job performance, technology, and ethics) associated with international operations.  
9. Discuss how culture affects accounting and business activities.
Major Course Requirements
Four tests @ 100 points each, includes final exam 400
Quizzes, 6 @ 10 points each 60
Homework, In-Class Work, Participation 20
Article Report (2 @ 10 each) 20
Country Study PPT 50
Total points possible 550

Grading Scale: A - 90-100%, B - 80-89%, C - 70-79%, D - 60-69%, E - Below 60%.
Minimum points for: A - 495
B - 440
C - 385
D - 330

Why quizzes? Quizzes are given on chapters before lectures to provide incentive to read the chapters before class, so that you can better contribute to class discussion and to better understand the subject matter.

After being graded, exams (except for the final) will be reviewed during class time only. So, ask questions and take notes at that time.

Required Readings
Textbooks:

Supplemental Reading: Excel assignments and journal articles (all available online or on Blackboard).
Website: Resources at https://goo.gl/8So2ym

Course Policies
Attendance: Students are expected to attend each class session. Late arrivals and early departures disturb the instructor and your classmates and will not be tolerated (except, of course, for emergencies). If you are unable to attend a class meeting, it is your responsibility to obtain lecture notes, problem solutions, announcement information, etc. from a classmate e.g. member of your team.

Make-up Exams and Late work: There are no makeup quizzes. Makeup exams will be given on a designated day near the end of the semester. Late work is accepted but with reduced point value.
**Extra Credit:** By preparing a term paper, you may earn up to 5 points of extra credit (bonus points). The topic of your paper must be approved in advance by your instructor. You must submit by email (Lawrence.smith@tamucc.edu) a proposed topic and outline of your paper no later than the halfway point of the semester, and submit your paper via Blackboard by the last class day. Your paper is checked for plagiarism, which if found, will result in a one-letter grade reduction for the course grade. So, be sure to cite your sources. You can earn the maximum grade of 5 bonus points if you follow the guidelines given below.

The term paper can be on any international business- or accounting-related topic, such as setting up an overseas operation, international job assignment, multinational data flow, international cybercrime case, money laundering, setting an ethical tone at the top, history of international business development, a multinational corporation financial scandal, or other approved topic. Your paper is checked for plagiarism, which if found, will result in a one-letter grade reduction for the course grade. So, be sure to cite your sources. Format requirements: (1) Thoroughly research an international-related topic. (2) Prepare the paper, which must include subheadings for the introduction, major points, analysis, and conclusion. (3) The paper must include 5 to 6 pages of double-spaced text in the body of the paper, 2 to 3 exhibits, and a references page of at least 10 references (e.g. journal articles, books, and websites referred to in the paper). (4) The paper must be prepared in good form (The Accounting Review style). An example paper regarding the advent of accounting is available on SSRN at: [https://ssrn.com/abstract=3035965](https://ssrn.com/abstract=3035965).

### Grading Rubric:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Body of paper (5-6 pp.)</td>
<td>1</td>
</tr>
<tr>
<td>References properly cited</td>
<td>1</td>
</tr>
<tr>
<td>Well-worded, good grammar</td>
<td>1</td>
</tr>
<tr>
<td>Exhibits (2 to 3)</td>
<td>1</td>
</tr>
<tr>
<td>Good form (see example article)</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5</td>
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</table>

**Cell Phone / Electronic Device Usage:** Cell phone use is not allowed during class. You may use a laptop if absolutely necessary, with instructor’s approval.

**Academic Integrity / Plagiarism:**

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one’s own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in possible failure.

**Dropping a Class:**

I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with your academic advisor, the Financial Aid Office, and me, before you decide to drop this course. Should dropping the course be the best course of action, you must initiate the
process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class.

Statement of Civility:
Texas A&M University-Corpus Christi RELLIS Campus has a diverse student population that represents the population of the state. Our goal is to provide you with a high quality educational experience that is free from repression. You are responsible for following the rules of the University, city, state and federal government. We expect that you will behave in a manner that is dignified, respectful and courteous to all people, regardless of sex, ethnic/racial origin, religious background, sexual orientation or disability. Behaviors that infringe on the rights of another individual will not be tolerated.

Grade Appeals:
As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at http://www.tamucc.edu/provost/university_rules/index.html. For assistance in the grade appeal process, contact the Dean’s office in the college in which the course is taught or the Office of the Provost.

Disabilities Accommodations:
The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit the Disability Services Office in the Schwartz Building.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services Office.

Statement of Academic Continuity:
In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University-Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.
ACCT 3315 Multinational Entities: Accounting and Consolidations  
(Subject to Change)

<table>
<thead>
<tr>
<th>Chapters:</th>
<th>Week:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Financial Reporting in the Global Arena.</td>
<td>1</td>
</tr>
<tr>
<td>Supplemental Topic: Tax Matters</td>
<td>2</td>
</tr>
<tr>
<td>2. The Move to International Financial Reporting Standards.</td>
<td>3-4</td>
</tr>
<tr>
<td>3. Accounting for Currency Exchange Rate Changes.</td>
<td>5-6</td>
</tr>
<tr>
<td>4. Selected Financial Reporting and Disclosure Issues in the Global Context.</td>
<td>7-8</td>
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<tr>
<td>5. Using Corporate Financial Reports Across Borders.</td>
<td>9-10</td>
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<tr>
<td>6. Financial Reporting in Emerging Capital Markets.</td>
<td>11-12</td>
</tr>
<tr>
<td>7. Managerial Issues in International Accounting</td>
<td>13-14</td>
</tr>
<tr>
<td>Supplemental Topic: Ethics in Business</td>
<td>15</td>
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Team Article Report Assignment:

Each student will work in a team to prepare a 10 to 15 minute class presentation on an article assigned from the assigned article readings (shown on syllabus) using Microsoft PowerPoint. Going less than 10 or longer than 15 minutes will result in a grade penalty. Practice before class. You must also submit a one-page summary of key points from the article and provide copies to all class members. Use 12-point font, put the article title and team number and member names at the top of the report. Rubric for grading:

- a. 2 points - Article title and group # and member names.
- b. 4 points - Main points of article.
- c. 2 points - How this affects international business/accounting (e.g. effect on transborder data flow, information security, etc.)
- d. 2 points - Recent developments related to the article

*Email Dr. Smith a copy of your PPT file and your one-page summary prior to class. Be sure to name your files using course number, team numbers and 2 to 3 words from article title, such as ACCT3315_Team05_Going_International_PPT.pptx and ACCT3315_Team05_Going_International_summary.docx.

Include at least one item corresponding to a, b, c, and d in the rubric above in your one-page summary. The summary can be bullet points, not complete sentences.

Team Country Report and PowerPoint Presentation Assignment:

Each student will work in a team to prepare a 15 to 20-minute class presentation on a country (listed below) using Microsoft PowerPoint. Going less than 15 or longer than 20 minutes will result in a grade penalty. Practice before class. You must also submit a printed report. The report should include a title page (include your name, major, hometown, and career interests), abstract, 8 to 12 pages in the body, a reference page, and 2 or more exhibits. Use the format, including references style and headings style, of the example paper regarding ethics codes, available on SSRN at: http://ssrn.com/abstract=2551003. Failure to follow this format will result in points off.

You will be assigned a country on which to report, such as Brazil, Canada, Czech Republic, France, Germany, Indonesia, Israel, Korea, Mexico, Romania, Russia, Saudi Arabia, Sweden, Turkey, or other. You must also submit a one-page summary of key points about your country and provide copies to all class members. Include at least one point for each item, a to g, in the list below in your one-page summary. The summary can be bullet points, not complete sentences.

The report and presentation must include the following information, at a minimum:

- a. Brief history of the country and its cultural heritage.
- b. Natural resources.
- c. Form of government.
- d. Major industries.
- e. Exports and imports.
- f. General relationship with the U.S.
- g. Business and accounting issues, such as:
  1. The country's attitude/record on corporate financial disclosure. How would you compare it to the US attitude/record?
(2) Based on an examination of annual reports of business firms or of accounting articles on the subject, what social, employment, or environmental disclosures does the country require?

Sources for your report and presentation can be obtained from books, journal articles, newspapers, library resources, and information obtained from on-line sources accessible via the Internet. On the date shown on syllabus, email to Dr. Smith two items: one-page summary report and PPT. The filenames should include course number, team number, and country name, as follows: ACCT3315_Team01_Sweden_PPT.ppt and ACCT3315_Team01_Sweden_one-page-summary.docx.
The report, one-page summary, and PowerPoint presentation will be graded by Dr. Smith. Also, the class will view and evaluate the presentation. Both report and presentation will be evaluated for originality, creativity, presentation quality, technical accuracy, and educational merit. The presentation should stimulate interest in the subject matter through a more captivating format than a simple lecture.
1. __________ Continuous Auditing: An Effective Tool for Internal Auditors
2. __________ Going International: Accounting and Auditing Standards
3. __________ Audit Committee Effectiveness: Did the Blue Ribbon Committee Recommendations Make a Difference?
4. __________ Using Social Audits to Detect and Eliminate Human Trafficking in Corporate Supply Chains
5. __________ The Advent of Accounting in Business Governance: From Ancient Scribes to Modern Practitioners
7. __________ A Fresh Look at Accounting Ethics
8. __________ A Multinational Analysis of Corruption and Economic Activity
9. __________ Impact of Internet Financial Reporting on Emerging Markets
10. __________ International Transfer Pricing Issues and Strategies for the Global Firm
11. __________ Understanding and Preventing Money Laundering
12. __________ The Perpetration and Prevention of Cybercrimes
13. __________ A Multinational Analysis of Tax Rates and Economic Activity
14. __________ Analysis of GMO Food Products Companies: Financial Risks and Opportunities in the Global Agriculture Industry
Team Country Presentation PPT Report Sign-up Form*

________ Brazil

________ Canada

________ Czech Republic

________ France

________ Germany

________ Indonesia

________ Israel

________ Korea

________ Mexico

________ Romania

________ Russia

________ Saudi Arabia

________ Sweden

________ Turkey

*NOTE: Presentations will be done in class in alphabetical order on dates shown but all reports/PPT files are due the same day, as indicated on the syllabus.
Seating Chart with Team Assignments:
*Get to Know Each Other (All Answers Optional)*

**Please Print**

Last Name_________________________First Name_________________________

Classification:
- □ Freshman
- □ Sophomore
- □ Junior
- □ Senior
- □ Master

Major/Minor or Area____________________________________________________

Any prior classes with Dr. Smith? ________________________________________

Where are you from? ___________________________________________________

Why did you pick the RELLIS Campus? __________________________________ __

Work experience (business, accounting, or other) ____________________________

What do you want to do after graduation? _________________________________

Who’s someone you admire? Why? ________________________________________

What’s a song or music group you like? ________________________________

What’s a book or movie you like? _______________________________________

How do you define success? _____________________________________________

Anything else you’d like to tell me about yourself? ______________________

Have you read the syllabus?

I have read and I understand the contents of this Syllabus.

__________________________________________________________
(Signature) (Date)