EDUCATION ADVISORY COMMITTEE MEETING
December 8, 2014 at 12:00 pm

Dial in number: 1-888-670-3525
Participants pass code: 9071262934 then #

I. 12:00 p.m. Call to order – Dr. Fennema, Chairman

II. Informational – Laws and Rules: 61H1-27.005 Educational Advisory Committee; 61H1 – 27.001 College or University Requirements; 61H1 – 27.002 Concentrations in Accounting and Business.

III. Roll Call – Barbara Whitney

IV. Approve minutes from June 16, 2014 Meeting

V. Individual Curriculum Review

   A. Charles Willis – Exam applicant requesting review of courses from Western Governors University
      a. Transcript and Introduction
      b. LET1 Leadership Concepts and Application
      c. LIT1 Legal Issues in Business Organizations
      d. LWC1 Fundamentals of Business Law and Ethics
      e. MGC1 Principles of Management
      f. ORC1 Fundamentals of Organizational Behavior
      g. RWT1 Business Research and Writing
      h. CM01 Concepts in Cost/Managerial Accounting
      i. EGC1 Fundamentals of Economics, Global Business, and Quantitative Analysis
      j. EGT1 Economics and Global Business Applications
      k. FNC1 Fundamentals of Finance, Accounting, and Information Technology
      l. FNT1 Business Applications for Finance, Accounting, and Information Technology
      m. QAT1 Quantitative Analysis
VI. College/University Curriculum Review

A. Florida International University

Florida International University requests a review of the following courses not currently on the Board’s approved course list for the school.

a. ACG 3343 Cost Accounting I
b. ACG 3081 Applied Accounting Principles
c. TAX 6935 Advanced Federal Tax Practice and Procedure

B. Florida Southern College

Florida Southern College requests review of a new program to prepare students to enter the Master of Accountancy program. They are requesting the program be accepted as 12 semester hours of upper division accounting credit.

C. Florida State University

Florida State University is requesting upper division accounting credit for the following course:

ACG 4931 Forensic Accounting and Criminology Capstone Course

D. University of South Florida

The University of South Florida is requesting upper division accounting credit for the following courses:

ACG 6936 IRS Vita Tax Practicum – Advanced (requesting graduate level credit)
ACG 4931 IRS Vita Tax Practicum – (requesting upper division undergraduate credit)

E. Western Governors University

Western Governors University is requesting review of the following courses for upper division accounting and business credit:

ACCT 3610 Intermediate Accounting I
ACCT 3620 Intermediate Accounting II
ACCT 3630 Taxation I
ACCT 3640 Accounting Information Systems
ACCT 3660 Cost and Managerial Accounting
ACCT 4620 Taxation II
ACCT 4650 Business Law for Accountants
ACCT 4800 Auditing
ACCT 4900 Accounting Capstone
BUS - BNC1 Organizational Behavior and Leadership
BUS - C268 Spreadsheets
BUS - DAC1 Information Systems Management
BUS - EST1 Ethical Situations in Business
F. Keiser University – Letter requesting permission to advise students of program acceptability toward CPA examination requirements.

G. University of Florida

ACG 5637 Auditing 1
ACG 5647 Auditing 2
ACG 6175 Financial Reporting and Analysis
ACG 6685 Forensic Accounting
ACG 6691 International Auditing
ACG 5025 Federal Income Tax 1
ACG 5027 Federal Income Tax 2
TAX 6115 Advanced Corporate Taxation

VII. Administrative Matters

A. Foreign Evaluators

Discuss issue of foreign evaluations not stating if the foreign degree is the equivalent of a U.S. bachelor’s degree from an accredited institution of higher education in the U.S.

   a. Sample 1 & 2 Report of Evaluation of Educational Credentials from Jose Silney & Associates
   b. Josef Silny & Associates evaluation

Statement from Josef Silny, President of Josef Silny & Associates, Inc. regarding degree equivalency:

Attached are two samples of foreign credential evaluations for other boards which state whether or not the candidate has the equivalent of a U.S. bachelor’s degree from a regionally accredited institution of higher education in the United States. These are real evaluations, the only thing that we changed is the name of the student. Our company provides foreign credential evaluations to more than 30 state boards of accountancy and with the exception of Florida, all require us to provide a degree equivalency. We would be very happy to provide degree equivalency for the Florida Board of Accountancy. If the Board decides that they would like us to include degree equivalencies, we would need to get this on a stationary from the Executive Director and it would become effective from the date we receive it.

B. World Education Services, Inc.
   Letter attached from Patricia Hartman, Director, Client Services
C. Florida Board of Accountancy Application for Approval for Foreign Evaluators
   Copy of our application attached.

D. Foreign Evaluations – Diploma Mills – Bring to the attention of the Committee that we
   are receiving evaluations from foreign evaluation service providers of course work
   completed at non-accredited “diploma mill” type schools.

VIII. Set Future Meeting Date (please bring calendars to meeting)
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA BOARD OF ACCOUNTANCY
COMMITTEE ON ACCOUNTING EDUCATION

June 16, 2014

Conference Call

MINUTES

The meeting was called to order at 10:02 a.m. by Dr. Fennema, Chairman. The roll was called by Mr. McBride reflecting the following persons present.

Committee members present:
Dr. M.G. Fennema
Dr. Rhoda Iceman
Mr. Michael Kridel
Dr. Gary McGill
Ms. Bettie Adams

Staff members present:
Veloria Kelly
Trenicia Jenkins
Karan Lee
DeWayne McBride

Others present:
Mary Ellen Clark – Board Attorney
Rivers Buford – FICPA
Tom Boyd – Kaplan University
Paul Franklin – Kaplan University
Daniel Weaver – Kaplan University
Tyler Zander – Kaplan University
Gerald Hoenings – Applicant
Jorge Coto – Applicant

Individual Course Curriculum for Committee Review:

Gerald Hoenings

Upon review of the submitted course materials motion was made by Gary McGill to and second by Bettie Adams to grant upper division accounting information credit for AC 554 Enterprise Risk Analysis and Planning. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Rhoda Iceman not to accept AC 502 Regulation as the second business law because it duplicate the business law the applicant has already taken. Upon vote the motion passed unanimously.

AC 554 Enterprise Risk Analysis and Planning as accounting information systems

Jorge Coto

Upon review of the submitted course materials motion was made Gary McGill and second by Michael Kridel to grant upper division undergraduate accounting credit for AC 501 Financial Accounting and Reporting, AC 503 Advanced Auditing, AC 504 Ethical Issues in Business & Accounting and AC 505 Advanced Managerial/Cost Accounting upon vote the motion passed unanimously. Motion was made by Gary McGill and second by Rhoda Iceman not to award credit for AC 502 Regulation and AC 507 because they duplicate courses already taken. Upon vote motion passed unanimously.
Institution Course Curriculum for Committee Review

Florida Southern College

Motion was made by Rhoda Iceman and second by Bettie Adams to approve upper division accounting credit for ACC 4512 Advanced Auditing & Accounting Info. Systems. Upon vote motion passed unanimously.

Motion was made Gary McGill and second by Rhoda Iceman to grant graduate level accounting credit for ACC6100 Advanced Taxation of Entities pending correction of the perquisite information. Upon vote motion passed unanimously. Motion was made and second by Michael Kridel to allow graduate credit for ACC 6200 Auditing W/ Accounting Information Systems. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Rhoda Iceman to grant graduate credit for ACC 6300 Advanced Financial Accounting and Reporting. Motion was made by Gary McGill and second by Rhoda Iceman to grant upper division accounting credit for ACC 6400 Advanced Managerial Accounting. Upon vote motion passed unanimously. Motion was made by Rhoda Iceman and second by Bettie Adams to deny upper division accounting credit for ACC 6500 CPA review. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Bettie Adams to grant upper division accounting credit for ACC 6600 Fraud Examination & Ethics in Accounting, provided additional information is provided. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Bettie Adams to deny upper division accounting credit for ACC 6700 Seminar in Accounting. Upon vote motion passed unanimously.

Motion was made by Gary McGill and second by Rhoda Iceman to grant graduate business law credit for BUS 6350 Business Law for Accountants. Upon vote motion passed unanimously. Motion was made by Rhoda Iceman and second by Bettie Adams to deny general business credit for MAT 2100 Discrete Structures. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Bettie Adams to grant upper division general business credit for BUS 3960 Professional Development of Internship & Careers and BUS 4430 Business Ethics Communication & Risk Management. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Rhoda Iceman to grant graduate general business credit for BUS 671/6710 Negotiations, BUS 6820 International Field Experience. Upon vote motion passed unanimously. Motion was made by Gary McGill and second by Rhoda Iceman to grant upper division general business credit for BUS 685/6850 Internship Program. Upon vote motion passed unanimously. Motion was made by Rhoda Iceman and second by Michael Kridel to grant general business credit for CSC 2231 Programming & Data Structures, CSC 2232 Programming & Data Structures II, CSC 3233 Programming & Data Structures III, CSC 3335 Database Analysis and Design, and CSC 3336 Web Applications. Upon vote motion passed unanimously.

Keiser University

Motion was made by Gary McGill and second by Rhoda Iceman to approve upper division general business credit for the following course. Upon vote motion passed unanimously.

ECO 4223 Money and Banking

Future Meeting Dates: September 10, 2014 @ 9 am.

The meeting was adjourned at 11:51 am.

Dr. M.G. Fennema, Chairman
Applications with Degree from Accredited Universities

Name: Willis, Charles
Univ. 4 Yr Degree: Pennsylvania State Univ.
Degree Received: 05/2004
Date Awarded: BS College of Liberal Arts
Date met requirements to sit:
Date met requirements for license:
Completed 120 -

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ACCOUNTING EDUCATION PROGRAM
(36 Semester or 54 Quarter Hours above Elementary) - MUST BE UPPER DIVISION - JUNIOR, SENIOR OR HIGHER

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Total hours received: 0
Total hours required to sit (to include coverage of above): 24 36
Total hours required for Licensure: 36 54
Deficient hours to sit: 0
Deficient hours for licensure: 0

GENERAL BUSINESS EDUCATIONAL PROGRAM
(39 Semester or 56 Quarter Hours) - MUST BE UPPER DIVISION see rule for exceptions

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Total hours received: 3
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Total hours required for Licensure: 39 58
Deficient hours to sit: 0
Deficient hours for licensure: 0

Evaluated by: KL          Date: 08/26/2014
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**SPECIAL ACTIONS AND NOTES**

05-04 BACHELOR OF SCIENCE CONFERRED - COLLEGE OF THE LIBERAL ARTS - PSYCHOLOGY, BIOL/EVOL SCI OPTION

Refer to Statement of Authenticity on page one.

Rev 7/04

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*DEANS LIST
END OF TRANSCRIPT 1377 090805WEBEAC091
WESTERN GOVERNORS UNIVERSITY
4001 South 700 East, Suite 700, Salt Lake City, UT 84107
OFFICIAL TRANSCRIPT

Record of: Charles L. Willis
Other Names: 

Date of Birth: 11-JUN-1982
SSN: ***-**-1070

Issued to: Charles L. Willis
315 Gloucester Drive
Midway, GA 31320

Degree/Certificates Awarded:
Degree Awarded: Bachelor of Science
Date Awarded: 06/26/12
Major: Accounting

TRANSFER CREDIT ACCEPTED BY THE INSTITUTION:
9999-9999 Miscellaneous Institution
Ehrs: 37.00

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Term: Attempted CU: 65.00 Completed CU: 50.00

Term: Jul 2011 - Dec 2011 | Business College - Accounting Undergraduate |

In accordance with the Family Educational Rights and Privacy Act of 1974, as Amended, this document may not be released to others without the written consent of the student.

Darin L. Hobbs, MS
Registrar

Official transcripts are printed on security paper and do not require a raised seal. This document is valid only when it bears the signature of the Registrar.
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************* END OF TRANSCRIPT *************

Other Assessments:

In accordance with the Family Educational Rights and Privacy Act of 1974, as Amended, this document may not be released to others without the written consent of the student.

Darin R. Hobbs, MS
Registrar

Official transcripts are printed on security paper and do not require a raised seal. This document is valid only when it bears the signature of the Registrar.
Accreditation
Western Governors University (www.wgu.edu) is regionally accredited by the Northwest Commission on Colleges and Universities. The WGU Teachers College is accredited by the National Council for Accreditation of Teacher Education (NCATE). WGU Nursing degree programs are accredited by the Commission for Collegiate Nursing Education (CCNE). The Health Informatics program is accredited by the Commission of Accreditation for Health Informatics and Information Management Education (CAHIIM).

Competency Based Education
Western Governors University grants degrees and certificates based on the demonstration of competencies. Competencies for every degree and certificate are developed by national panels of experts in the field. The competencies represent the knowledge and skills considered essential for effective performance as a graduate of the particular degree or certificate program.

Competency Units (Credit)
One competency unit is equivalent to one semester credit of learning.

Class Levels
- 0-23 units = first year or freshman level
- 24-47 units = second year or sophomore level
- 48-71 units = third year or junior level
- 72-95 units = fourth year or senior level
- 96+ units = fifth year or fifth year senior level

Full Time Enrollment
Undergraduate students are required to enroll in 12 competency units for full-time status. Graduate and Post-Baccalaureate students are required to enroll in 8 competency units for full-time status. Depending on their levels of expertise and how much time they can devote to their studies, students may complete more than 12 competency units in a given six-month term.

Grading System
Transcripts include five possible marks:
- **Passed**: Certifies successful completion of a course of study. The student has demonstrated the required competencies by passing the final assessment with a grade equivalent of "B" or better or 3.00 grade points on a 4.00 scale.
- **Not Passed**: Indicates that a student failed to complete a course of study in the time allotted. To meet program requirements, the student generally re-enrolls for the course of study in a subsequent term.
- **Requirement Satisfied**: Recognizes that a student has satisfied the requirements of a course of study through alternate coursework for the student may be transferred.
- **Withdrawn**: Represents that the student was withdrawn from the university or course before term completion.

Western Governors University does not calculate a grade point average (GPA) or class rank.

Academic Expulsion
A student is assumed to be in good standing unless otherwise indicated. Academic Expulsion indicates permanent separation and removal from the University.

Disciplinary Suspension/Expulsion
A student is assumed to be in good standing unless otherwise indicated. Disciplinary Suspension indicates a temporary withdrawal from the University, whereas a student may be readmitted at a later date. Disciplinary Expulsion indicates permanent separation and removal from the University.

Term
Western Governors University enrolls a new class of students at the beginning of every term and terms are six months in length.

Note for Transcripts Prior To October 2004
Prior to October 2004 Western Governors University was a non-term institution for Federal Financial Aid Title IV purposes. All courses of study completed prior to October 2004 do not carry a term designation since the courses of study and terms were non-standard in length.

Release of Information
In compliance with the Family Education Rights and Privacy Act of 1974 (PL93-380), this information is released on the condition that the recipient "will not permit any other party to have access to such information without the written consent of the student."

To resolve questions of interpretation or for further information, please contact the Records Office at (877) 435-7948 x 3149.
Your competence will be assessed as you complete the CWMM, CWIT, CWBM, CPN1, CPF1, or CWHM performance assessment for this course of study. This course of study may take up to 15 weeks to complete.

**Introduction**

**Overview**
Welcome to the Undergraduate Business Capstone Course of Study! This is your culminating experience in your business degree program, and provides you the opportunity to demonstrate the various competencies you have developed. In today's business environment, there is a real need for strong managers who have a grasp of the various aspects of business planning, and how to communicate an effective business plan clearly.

**Capstone Overview**
This course of study is designed to prepare you for the Undergraduate Business Capstone, a performance assessment which requires you to create a business plan for a hypothetical company. Through the completion of this performance assessment, you will be required to demonstrate the integration and synthesis of competencies in all domains required for your degree program. It is recommended that you begin the capstone process during the fourth month of your second-to-last term. You will be given a specific business plan scenario according to your degree program (see below). You will need to utilize the provided business plan outline (see the "Additional Learning Resources" tab on your Degree Plan) in conjunction with the capstone grading rubric to ensure each of the required sections is addressed.

In conjunction with your personal experience and background, you have developed many competencies as you have moved through the various assessments in your degree program. Now is your opportunity to demonstrate your mastery of these competencies in the culminating capstone assessment.

**Competencies**
There is 1 competency covered by this course of study; it is listed in the "Competencies for Undergraduate Business Capstone (CWMM/CWIT/CWBM/CPN1/CPF1/CWHM)" page.

You will complete the following assessments as you work through the course of study.

**Performance Assessment**
You will complete the following performance assessment in TaskStream:

- CWMM, CWIT, CWBM, CPN1, CPF1, or CWHM

Previews of task instructions and rubrics for this assessment are available in via the 'Assessment Preparation' box in the online course of study.

**Preparing for Success**

The information in this section is provided to help you become ready to complete this course of
study. As you proceed, you will need to be organized in your studies in order to gain competency in the indicated areas and prepare yourself to pass the final assessments.

**Your Learning Resources**
The learning resources listed in this section will be required to complete the activities in this course of study. Follow the instructions provided to access these resources as early as possible in order to give yourself time to become familiar with them.

**Automatically Enrolled Learning Resources**
You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

**VitalSource E-Texts**
The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**SkillSoft and Books 24x7**
You will access SkillSoft items at the activity level within this course of study. For more information on accessing SkillSoft items, please see the "**Accessing SkillSoft Learning Resources**" page.

**Additional Preparation**
There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

**Message Boards, FAQs, Note-Taking Tool**
Message boards, FAQs, and a note-taking tool are available in every course of study.

Use the "**Additional Learning Tools**" page to review these tools.

**The WGU Central Library**
The **WGU Central Library** is available online to WGU students 24 hours a day. The library offers access to a number of resources, including over 60,000 full-text e-books; articles from journals, magazines, and newspapers; course e-reserves; and tutorials on how to use these resources and the library. The library also includes a reference service for help with research questions or
navigating the library.

For more information about using the WGU Library, view the “WGU Library: Finding Articles, Books & E-Reserves” video in the Student Resources section of The WGU Channel.

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Course Mentor Assistance**

Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve and to guide you to learning resources. Request their help as needed when preparing for assessments.

Course mentors cannot provide reviews of entire assessments. If you fail assessment attempts, review the provided feedback first, then ask the course mentor specific questions about what you can do to meet the competency standard. Request course mentor assistance as necessary in preparing for second attempts at objective assessments or performance task revisions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.

**Take Study Notes**

As you engage in the activities throughout this course of study, you will be answering questions, completing exercises, sketching out concepts, and so forth. You have the ability to take these notes online through the web-enabled course of study. A notebook or study journal (either paper or electronically) makes your learning more active. It also provides an excellent source of important materials to review prior to demonstrating your competencies through the assessment.

**Other Preparations**

Download the business plan and financial plan templates. You must utilize the business plan and financial templates provided in conjunction with the grading rubric to ensure each of the required sections is addressed.

Obtain the necessary business plan documents linked below:

- Business Plan Template
- Financial Plan Template
Selecting Your Hypothetical Company for Your Capstone Business Plan

The activities in this section will result in you successfully determining a hypothetical company for your capstone business plan. This will give you an opportunity to think through the process of a company start-up as an entrepreneur: the process of beginning your own business. While some of the issues to consider may vary from industry to industry, the concepts you will work with here are applicable to any business you might be interested in establishing as you move through your career.

The capstone requires you to write a business plan for a hypothetical company. The business plan scenario is assigned by your degree program, as found in the "Select Your Hypothetical Company" topic in this course of study. As you select a hypothetical company for your capstone business plan, you will need to ensure that the company you have chosen meets the requirements outlined for your degree program.

Select Your Hypothetical Company

When you have completed this section, you will have:

- selected a hypothetical company for your capstone business plan that meets the requirements outlined for your degree program.

Selecting a hypothetical company is the essential first step in preparing your capstone business plan. Once you have successfully selected a hypothetical company for your capstone business, you will write a business plan for your company. Writing a business plan will not only provide you the opportunity to demonstrate the competencies you have mastered through the completion of your degree program at WGU, but also provide a real-world setting that will enable you to be a more well-rounded, contributing employee in your current and future organizations.

Selecting Your Hypothetical Company

Review the business plan scenario assigned to your degree program from the list below. Based on the assigned business plan scenario, select a hypothetical company that meets the outlined guidelines.

**IT Majors (CWIT):**
Develop a business plan for a start-up company that sells computer services, equipment or software. You can select the type of product(s) that the company will offer. The product(s) can be a real product or a potential product.

**Marketing Majors (CWMM):**
Develop a business plan for a start-up company that provides some type of marketing product or service (i.e., advertising campaigns, sales, online promotions, etc.). You can select the type of product(s) that the company will offer. The product(s) can be a real product or a potential product.
Note: The hypothetical company must provide an actual marketing service (i.e., advertising, market research, sales, etc.). Your hypothetical company could be an advertising firm, a market research company, a public relations company, etc.

Accounting Majors (CPN1):
Develop a business plan for a start-up company that offers some type of accounting services. The type of products offered could include bookkeeping, auditing, tax preparation, accounting software or some other type of current or potential product.

Finance Majors (CPF1):
Develop a business plan for a start-up company that offers some type of financial services. The product(s) or service(s) provided by the company might include financial services (e.g., bank, financial planning, investment firm, stock broker, mortgage lender, etc.).

Management Majors (CWB): M:
Develop a business plan for a start-up company that plans to sell a product or service in a local market, national market or on the Internet. You should select one of your favorite products as the basis for the company or you can invent a product.

Human Resource Management Majors (CHWM):
Develop a business plan for a company that offers HR products or services. Examples might be a temporary or staffing agency, benefits consultant, training company, etc.

Note: All students are expected to follow the subject guidelines above. If, however, a student is in a position to create a business plan for a “real” company or enterprise that he/she may be involved in or plans to be involved in, an exception to the subject guidelines above will be allowed. Please let the Capstone Facilitator know of this exception prior to beginning the capstone. Contact information for the Capstone Facilitator is located throughout the Course of Study by clicking on the “Contact Your Course Mentors” link.

After selecting your hypothetical company for your business plan, you should be able to answer the following questions:

- What is your hypothetical company?
- How does it meet the requirements for your assigned degree program scenario?

The Message Board: Selecting Your Hypothetical Company

Check the message board in the course of study and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

Title Page and Table of Contents

You will create a title page and table of contents for your capstone business plan (pages 1 and
2 respectively). The table of contents will ensure your business plan is organized and contains each of the required business plan sections.

**Develop a Title Page and Table of Contents**

When you have completed this section, you will be able to demonstrate you can create an appropriate title page and table of contents for a professional business document.

Once you have successfully selected a hypothetical company for your capstone assessment, you will start by creating a title page and table of contents for your capstone business plan. This is your opportunity to ensure the organization of your business plan will allow the reader to follow and identify the various sections of your business plan, as well as help you realize the importance of creating professional work documents in your current organization.

**Editing and Finalizing Your Business Plan**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- chapter 18 ("Preparing, Presenting, and Sending Out your Plan")

Paying particular attention to the following sections:

- "Cover Sheet"
- "Table of Contents"

After reading the chapter, you should be able to answer the following questions:

- What should be included in a title page?
- How should a title page be formatted?
- What should be included in a table of contents?
- How should the table of contents be formatted?

**Application: Title Page**

Create a title page for your business plan. This will be the first page of your business plan. Your title page should contain the following information:

- your company’s name
- date
- your name
- company address
- company phone
- company e-mail

**Table of Contents Review**
To create a Microsoft Word-generated table of contents, review the following Microsoft Word help files or the MS Office online help files:

- Create a table of contents or update a table of contents

After reviewing these files, you should be able to answer the following questions:

- How do you create an appropriate table of contents?

Application: Table of Contents

Create a table of contents for your business plan. This will be the second page of your business plan. After your project is complete, you will go back to the table of contents and update the fields to match your project (i.e., page numbers and sections). You will need to ensure that your final project contains each of the required business plan sections outlined in this course of study.

Executive Summary

The activities for this section will assist you in writing the executive summary (suggested length of 1-2 pages) for your capstone business plan.

An executive summary is a brief synopsis at the beginning of a business plan that highlights the key facts, issues, and conclusions. This summary is the doorway to the rest of the business plan. (It might be helpful to write the executive summary last so you have a clearer idea of what your plan contains.)

Write an Executive Summary

When you have completed this section, you will be able to

- outline the importance of a business plan,
- describe the components of an executive summary,
- explain the mission, goals and objectives you have outlined for your hypothetical company, and
- identify keys to success for a new company, in particular your hypothetical company.

What persuades a potential investor to actually read a business plan? Most investors require a written business plan before even considering a business proposal. An executive summary is often what potential investors read first. If it effectively provides a succinct overview of the key facts, issues, and conclusions, it will encourage an investor to read the business plan in its entirety.

Now is your opportunity to demonstrate the real-world competence you have developed by creating an executive summary that evidences you have an understanding of your business in our current economic environment, the key issues your company will face, and how you plan to ultimately be successful.
The Successful Business Plan

Read the following chapter from the Successful Business Plan: Secrets & Strategies text:

• chapter 1 ("The Successful Business")

Take notes on the basic business concepts as you consider your hypothetical company. After reading the chapter, you should be able to answer the following questions:

• What is your basic business concept?
• Why it is important to have a business plan?

Do You Really Want to Own a Business?

After reading chapter 1 ("The Successful Business"), you should be able to answer the following questions:

• What are the four C’s mentioned?
• How can the self-evaluation exercise provided in the textbook help you determine what motivates you as a new business owner?

Complete the following worksheet at the end of chapter 1 ("The Successful Business"):

• The 4 C’s worksheet

This tool will help guide your future decisions as you create your new company.

SkillSoft Books24x7: Executive Summary

For additional information on writing your executive summary, access the SkillSoft Home Page. Using a key word search, search for books in SkillSoft Books24x7 using the following keywords:

• Executive summary
• Mission, goals and objectives

The Message Board: Executive Summary

Check the message board in the course of study and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

Application: Executive Summary

Now that you have completed your study of concepts necessary to understand in order to
develop an executive summary, it is time to demonstrate you can apply your knowledge by developing your own executive summary for your capstone business plan.

The following executive summary instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component.

A. Executive Summary *(suggested length of 1-2 pages)*: An executive summary is a brief synopsis at the beginning of a business plan that highlights key facts, issues, and conclusions.

The executive summary must contain the following items:

A1. Executive Summary-Business Identification: An introduction that includes your business name and location, a brief summary of the business concepts, and the purpose of the business plan.

A2. Executive Summary-Mission, Goals and Objectives: Explain the mission, goals, and objectives you have outlined for your company.

A3. Executive Summary-Three Keys to Success: Include what you think will be your keys to success in the new operation.

Company Summary, Part I

The activities for this section will help prepare you to write the company summary *(suggested length of 4-6 pages)* for your capstone business plan.

The company summary section of a business plan contains a summary of the industry history, the legal form of the organization, as well as the location and facilities.

**Concepts of a Company Summary**

When you have completed this section, you will be able to

- describe the key components of an effective company summary,
- explain the importance of choosing the appropriate legal form for an organization, and
- explain the importance of providing an inclusive industry history and management structure in a business plan.

One of the first executive decisions business owners have to make is determining what type of legal form will best meet the needs of their new organization. As you develop the company summary for your hypothetical business plan, you will provide an explanation of which legal form you have chosen and why it is most appropriate for your organization. This exercise will help you build upon the business law competencies you have developed thus far, as well as gain a greater appreciation for the vital role these concepts play in our everyday world.

**Choosing the Right Business**
Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 2** ("Getting Your Plan Started")

Take notes on the various sources of information that are available and how those resources can aid in research for your hypothetical company.

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 5** ("Company Description")

Take notes on the following section:

- "Conveying the Basics of Your Business"

After reading the chapter, you should be able to answer the following questions:

- What should be included in an effective business description?
- What legal entity will you choose for your business?

Complete the following worksheets included in **chapter 5** ("Company Description"):

- "Company Description Plan Preparation Form"
- "Legal issues"

**Potential Sources of Money to Start or Expand Your Small Business**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 19** ("Looking for Money")

After studying the chapter, you should be able to answer the following questions:

- What key components are potential investors looking for in a business plan?
- What is the difference between debt and equity financing?
- What sources of money are you looking for?

**SkillSoft Books24x7: Company Summary**

For additional information on writing your company summary section, access the *SkillSoft Home Page*. Using a key word search, search for books in SkillSoft Books24x7 using the following keywords:
• Company summary
• Business ownership
• Legal form of business ownership
• Management structure
• Products and services

The Message Board: Company Summary

Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

Company Summary, Part II

The activities for this section will result in you writing your final company summary (suggested length of 4-6 pages) for your capstone business plan.

The company summary section of a business plan contains a summary of the industry history, the legal form of the organization, as well as the location and facilities.

Write a Company Summary

When you have completed this section, you will be able to

• describe the key components of an effective company summary,
• explain the importance of choosing the appropriate legal form for an organization, and
• explain the importance of providing an inclusive industry history and management structure in business plans.

Now is your opportunity to demonstrate the competence you have developed as you write a company summary for your business plan. Employees who have the ability to gather relevant information and succinctly provide an articulate summary of that information can be an asset to any organization.

Application: Company Summary

Now that you have completed your study of the concepts necessary to develop a company summary for a business plan, it is time to demonstrate your knowledge by developing your own company summary for your capstone business plan.

The following company summary instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component.

B. Company Summary

B1. Company Summary-Industry History: Provide a brief history of the industry in which the business will operate. Highlight some of the reasons why you would want to start this company.
B2. Company Summary-Legal Form of Organization: Readers will want to know the legal establishment of your business as this will affect your taxes and liabilities. Describe the ownership and legal establishment of your company, (i.e., specifying whether your company is a corporation, partnership, sole proprietorship, limited liability partnership, etc.). Be sure to include why you chose this legal form.

B3. Company Summary-Location and Facilities: Describe the geographic location of your business including where the products/services will be produced. Identify any regulatory or legal issues your company needs to consider now or in the future in reference to the location and/or facilities.

B4. Company Summary-Management Structure: This section should include a description of the principal roles of your company's management staff. You should provide a description of your company's personnel structure (i.e., hierarchy) and short and long-term plans for staffing.

B5. Company Summary-Products and Services: The products and services section of a business plan provides a description of the different types of products and/or services offered. Provide a clear explanation of the primary product(s) and/or service(s) your company produces and describe attributes unique to these products/services.

Your work should

- provide a precise description of the history of the industry in which your company will operate (B1).
- identify an appropriate legal form for your company to take (B2).
- provide a precise description of the location and type of facilities needed for your company (B3).
- provide a precise description of the management structure, including key personnel and positions (B4).
- provide a precise description of the products and services offered by your company (B5).

Market Analysis, Part I

The activities for this section will help you prepare to write the market analysis (suggested length of 3-5 pages) for your capstone business plan.

The market analysis section of a business plan demonstrates that the owner of the company has knowledge of its potential customers. This section requires a written analysis of your company's target market and how your company needs to position its product/service in order to maximize sales.

Concepts of a Market Analysis
When you have completed this section, you will be able to
• describe key components of a target market, and
• understand importance of a competitive analysis for a company.

As suggested in chapters 7, 8, 9 and 10 in the *Successful Business Plan: Secrets & Strategies* text, businesses should provide a personal connection to its customers. When you sell products or services, you sell to one person at a time. Most customers do not like being treated like members of a group instead of individuals. This is why the most successful restaurants have an owner or maître d’ who remember your name and ask about your family or your interests whenever you visit their business. Your market analysis will outline how you plan on providing that connection with your customers on an individual basis, as well as provide you with a relevant opportunity to demonstrate your understanding of these critical marketing concepts.

**Writing your Marketing and Personnel Plans**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

• **chapter 7 ("Target Market")**

After reading the chapter, you should be able to answer the following questions:

• Who is your target market?
• How will you contact your potential customers?
• How will you design your marketing plan?
• What steps will you take to reach your sales projections?

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

• **chapter 8 ("Competition")**

After reading the chapter, you should be able to answer the following questions:

• What is your market share distribution?
• What are some common barriers to entry?
• Who is your competition?

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

• **chapter 9 ("Strategic Position and Risk Assessment")**

After reading the chapter, you should be able to answer the following questions:

• What business are you in?
• What is your strategic position?

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:
• chapter 10 ("Marketing Plan and Sales Strategy")

After reading the chapter, you should be able to answer the following questions:

• Why is your marketing plan so important to your potential investor?
• Is your sales strategy sufficient to reach your sales goals?

SkillSoft Books24x7: Market Analysis

For additional information on writing your market analysis section, access the SkillSoft Home Page. Using a key word search, search for books in SkillSoft Books24x7 using the following keywords:

• Market analysis
• Target market
• Industry analysis
• Competitive analysis

The Message Board: Market Analysis

Check the message board in the course of study and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

Market Analysis, Part II

The activities for this section will result in you writing your final market analysis (suggested length of 3-5 pages) for your capstone business plan.

The market analysis section of a business plan demonstrates that the owner of the company has knowledge of its potential customers. This section requires a written analysis of your company’s target market and how your company needs to position its product/service in order to maximize sales.

Write Market Analysis

When you have completed this section, you will be able to

• provide a precise description of the target market for your company’s products and services,
• complete an appropriate industry analysis for your hypothetical company, and
• complete an appropriate competitive analysis for your hypothetical company.

Now is your opportunity to demonstrate the competence you have developed in applying the concepts of marketing analysis to a real-world business situation. This is just the type of application you will encounter today in businesses of every size and shape.
Application: Market Analysis

Now that you have completed your study of the concepts necessary to develop a market analysis for a business plan, it is time to demonstrate you can apply your knowledge by developing your own market analysis for your capstone business plan.

The following market analysis instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component.

C. Market Analysis

C1. Market Analysis-Target Market: Provide a description of the current market for your company's product and/or services. You should address the following questions:

1. Who are your customers?
2. Where are your customers, and how do you reach them?
3. Are your customers currently buying your product/service from someone else?
4. How will you educate customers to buy from you?
5. Why will the customers care about your product?

C2. Market Analysis-Industry Analysis: This section should demonstrate that you, the owner of the business, understand and have anticipated the important factors of the industry. This section should also address the basic trends and growth of the industry over time.

C3. Market Analysis-Competitive Analysis: This section needs to provide a description of your company's current competition. If there is no direct competition for your company's product, but there are alternatives to the product in the marketplace, address that in this section. Evidence should be provided of why your company's product(s) and/or service(s) are unique and why the company has a competitive advantage in the market place.

Your work should

- provide a precise description of the target market for your company's products and services (C1).
- complete an appropriate industry analysis (C2).
- complete an appropriate competitive analysis (C3).

Market Strategy, Part I

The activities for this section will help you prepare to write the market strategy (suggested length of 3-6 pages) for your capstone business plan.
The market strategy section of a business plan is an integral component of a business plan, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. This section requires you to determine how the four Ps of marketing relate to the products offered by your hypothetical company.

**Concepts of a Market Strategy**
When you have completed this section, you will be able to

- describe four Ps of marketing,
- discuss an appropriate selling strategy for a company, and
- describe the importance of a marketing and sales plan in creating and promoting your own successful business.

Each year there are hundreds of innovative product ideas that fail in the marketplace. Often times that failure is a result of a faulty marketing and sales strategy, or maybe not having any type of strategy in place at all. This is your opportunity to develop not only your understanding of this topic, but also your competence in applying these marketing principles to an actual business setting.

**Making your Plan Compelling**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 3 ("Making your Plan Compelling")**

After reading this chapter, you should be able to answer the following questions:

- What three sections of your business plan need to carry enough interest for the reader to read on?
- Are graphs and charts suitable for your plan?
- Is it acceptable to be redundant in your plan?

**Industry Analysis and Trends**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 6 ("Industry Analysis and Trends")**

After reading this chapter, you should be able to answer the following questions:

- What is your economic sector?
- What are the distinct attributes of your chosen industry?
- How do seasonal factors affect your industry?

Review the following chapter from the *Successful Business Plan: Secrets & Strategies* text:
• chapter 10 ("Marketing Plan and Sales Strategy")

Review the 4 P’s of Marketing and the 5 F’s mentioned in this chapter.

Review the various marketing vehicles available today.

SkillSoft Books24x7: Market Strategy

For additional information on writing your market strategy section, access the SkillSoft Home Page. Using a key word search, search for books in SkillSoft Books24x7 using the following keywords:

• Market strategy
• Sales strategy
• Marketing plan
• Sales forecast
• Product strategy
• Place strategy
• Promotion strategy
• Price strategy

SkillSoft Module: The Marketing and Sales Plan

Complete the following SkillSoft module:

• STGY0214-The Marketing and Sales Plan

After completing this SkillSoft module, you should be able to answer the following questions:

• How many times must a prospective customer typically be exposed to a product before purchasing it?
• What are some ways you can predict sales?
• What is the importance of the marketing strategy in promoting your overall hypothetical company?

The Message Board: Market Strategy

Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

Market Strategy II

The activities for this section will result in you writing your final market strategy (suggested length of 3-6 pages) for your capstone business plan.
The market strategy section of a business plan is an integral component of a business plan, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. This section requires you to determine how the four Ps of marketing relate to the products offered by your hypothetical company.

**Write Market Strategy**

When you have completed this section, you will be able to

- provide a logical discussion of the four Ps of marketing as they relate to your company products and services,
- develop an appropriate price list for your company's products and services,
- develop an appropriate selling strategy with specific goals, milestones, and deliverables, and
- develop an appropriate sales forecast based on expected market conditions.

Through the completion of previous assessments in your degree program, you became acquainted with the marketing mix, also known as the four Ps of marketing (product, price, place, and promotion). You now have the opportunity to demonstrate the marketing competencies you previously acquired as you utilize these concepts in helping you construct an effective marketing strategy for your hypothetical company.

**Application: Market Strategy**

Now that you have completed your study of the concepts necessary to develop a market strategy for a business plan, it is time to demonstrate you can apply your knowledge by developing your own market strategy for your capstone business plan.

The following market strategy instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this guideline outline (using these exact headings and sub-headings) to ensure you cover each required component.

**D. Market Strategy**

**D1. Market Strategy-Four Ps**: In this section, you need to address the following items associated with the four Ps of marketing:

1. **Product**: The positioning strategy which shows where your business is placed within the market, and what characteristics the products/services offer in comparison to competition's products/services.
2. **Pricing**: The pricing policies related to your product characteristics, the market tendencies and the criteria used to set the price of the product.
3. **Promotion**: How you plan to promote your product (e.g., media, catalogs, e-mail, posters, shows etc.).
4. **Place (Distribution)**: The main directions and assignments for your product/service's distribution channel (buyer, vendor).

**D2. Market Strategy-Price List**: A comprehensive price list for your company's products and
services should be included. This may be presented in a table or chart format.

**D3. Market Strategy-Selling Strategy:** This section should provide a sales strategy which includes the specific goals, milestones, and deliverables for your company. Include a list of the step-by-step milestones for the planned actions and designate who is responsible for each item. Dates and figures should be included in this section. For organizational purposes, the information can be put in a table format.

**D4. Market Strategy-Sales Forecast:** A sales forecast is a prediction based on past sales performance and an analysis of expected market conditions. The true value in making a forecast is that it forces individuals to look at the future objectively. This section should address the following questions:

- How will your company approach the customer (e.g., Internet, sales staff, etc.)?
- How do you plan to sell the concept or image of your company?

In addition, a sales forecast should be made on the basis of a market analyses and previous customer, competitor (when it is the case). Because your company will be a start-up company, you will be forecasting your sales on the basis of market analysis and competitor’s sales.

Your work should

- provide a logical discussion of all four of the four Ps as they relate to company products and services (D1).
- develop an appropriate price list for your company’s products and services (D2).
- develop an appropriate selling strategy with specific goals, milestones, and deliverables (D3).
- develop an appropriate sales forecast based on expected market conditions (D4).

**Implementation Strategy I**

The activities for this section will help you prepare to write the implementation strategy (*suggested length of 3-6 pages*) for your capstone business plan.

The implementation strategy section of a business plan should outline the business owner’s plan to launch the business, as well as how the owner plans to evaluate the success or failure of the business.

**Concepts of an Implementation Strategy**

The activities for this section will help you prepare to write the implementation strategy (*suggested length of 3-6 pages*) for your capstone business plan.

The implementation strategy section of a business plan should outline the business owner’s plan to launch the business, as well as how the owner plans to evaluate the success or failure
of the business.

**Good Resources for Small Businesses**

Read the following chapter in the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 21 ("Internal Planning for Existing Business & Corporations")**

After reading this chapter, you may find complimentary information throughout the book referring to implementation planning and action as an ongoing process to oversee and control the growth of any business. This particular chapter mentions ideas that pertain to internal planning, however, may become an immediate necessity toward operating your business after your first successful sale in your new venture.

Even though *Internal Planning* is positioned in this chapter as an essential part of existing businesses, the consideration of "Evaluation, Goal Setting, and Problem Solving" becomes a valuable exercise for a start-up to learn to anticipate and set realistic expectations into the future. Moreover, it becomes a business-healthy habit to exercise these three aspects in planning and controlling your growing business.

What are important ratios (as mentioned in the chapter) and why is ratio analysis important?

**Skillsoft Port Books24x7: Implementation Strategy**

For additional information on writing your implementation strategy section, access the SkillSoft Home Page. Using a key word search, search for books in SkillSoft Books24x7 using the following keywords:

- Implementation strategy
- Target goals and objectives
- Control Plan

**The Message Board: Implementation Strategy**

Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

**Implementation Strategy II**

The activities for this section will result in you writing your final implementation strategy (3-6 pages) for your capstone business plan.

The implementation strategy section of a business plan should outline the business owner's plan to launch the business, as well as how the owner plans to evaluate the success or failure
of the business.

**Write Implementation Strategy**
When you have completed this section, you will be able to

- Outline target dates, goals, and objectives for implementation.
- Develop an appropriate control plan to be used to evaluate the success of your company in meeting milestones.
- Develop an appropriate sales forecast based on expected market conditions.

Now it is your opportunity to demonstrate the competence you have gained by developing a real world strategy outlining how you plan on making the idea of your hypothetical company come to fruition. Often times, business owners do not think through to this part of their business strategy and are too general in their goals and objectives. To ensure the launch of your company is as successful as possible, you will need to provide detailed dates, goals and objectives for implementation. This is just the type of application you will encounter today in new businesses of every size and shape.

**Application: Implementation Strategy**

Now that you have completed your study of the concepts necessary to develop an implementation strategy for a business plan, it is time to demonstrate you can apply your knowledge by developing your own implementation strategy for your capstone business plan.

The following implementation strategy instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component.

**E. Implementation Strategy**

**E1. Overall Strategy:** This section should provide a summary of the overall strategy for successfully launching your business, as well as provide a brief introduction to each of the sections that will be covered in the strategy and implementation section of your business plan.

**E2. Target Dates, Goals and Objectives for Implementation:** You may want to include this information in a table or chart. Provide a thorough description of the goals and objectives for your business, along with the target dates of implementation for these goals and objectives.

**E3. Control Plan:** Develop an appropriate control plan to be used to evaluate the success of your company in meeting milestones.

**Concept Self Check Activity:** Check your completed implementation strategy to ensure it meets the following requirements.

Your work should

- Provide a precise summary of the overall strategy for successfully launching your
business (E1).
- Appropriately outline target dates, goals, and objectives for implementation (E2).
- Develop an appropriate control plan to be used to evaluate the success of your company in meeting milestones (E3).

**Financial Statements and Projections I**

The activities for this section will help you prepare to write the financial statements and projections (*suggested length of 3-5 pages*) for your capstone business plan.

The financial analysis is the most concrete, practical part of the business plan, and is the section that potential investors are the most interested in reading. In this section, you will translate your ideas into figures and demonstrate both your practical planning skills and the potential profitability of your business. You will calculate and develop the financial statements and projections for the first year of business.

**Concepts of Financial Statements and Projections**

When you have completed this section, you will be able to

- explain an appropriate estimate of revenues and operating costs,
- explain a forecasted profit and loss statement, and
- explain a forecasted balance sheet.

What do you analyze when looking at a potential investment? You may assess how sound the investment appears to be or what past returns on a particular investment have been. Although there is a certain level of risk associated with any investment, potential investors for a new business need to be supplied with financial statements that provide them with an accurate financial snapshot so they can decide whether your business will succeed and, in turn, be worth their investment. This is your opportunity to develop not only your understanding of financial statements and projections, but also your competence in applying these principles to a variety of business settings, including your own career and employment.

**The Financials**

Read the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- chapter 16 ("The Financials")

After reading this chapter, you should be able to

- understand the various financial forms,
- understand general financial terms, and
- understand the guidelines for preparing your financial forms.

**Your Profit and Loss Forecast**

Review the following chapter from the *Successful Business Plan: Secrets & Strategies* text:
- **chapter 16 ("The Financials")**

Pay particular attention to how you can determine your profit and loss forecast.

After reading this chapter, you should be able to answer the following questions:

- How much money will you need for your hypothetical company?
- How can you determine a profit and loss forecast for your hypothetical company?

**Chapter 6 ("Industry Analysis & Trends")** of your textbook asserts that your business profits results from three specific dollar figures. What are these three figures and how can they be applied to your hypothetical company's financial statements and projections?

**Your Cash Flow Forecast and Capital Spending Plan**

Review the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 16 ("The Financials")**

After reading this chapter, you should be able to answer the following questions:

- What is a cash flow forecast?
- What items should be included in an appropriate capital spending plan?

**SkillSoft Books24x7: Financial Statements and Projections**

For additional information on writing your financial statements and projections section, access the *SkillSoft Home Page*. Using a key word search, search for books in SkillSoft Books24x7 using the following suggested keywords:

- Financial projections
- Financial ratios
- Profit and loss forecast
- Cash flow forecast
- Capital spending
- Financial statements

**The Message Board: Financial Statements and Projections**

Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

**Financial Statements and Projections II**
Review the following chapter from the *Successful Business Plan: Secrets & Strategies* text:

- **chapter 16 ("The Financials")**

After reading this chapter, you should be able to answer the following questions:

- What is a cash flow forecast?
- What items should be included in an appropriate capital spending plan?

**Write Financial Statements and Projections**

When you have completed this section, you will be able to

- develop an appropriate month-by-month estimate of revenues and operating costs based on the sales forecast,
- develop an appropriate forecasted profit and loss statement, and
- develop an appropriate forecasted balance sheet.

Through the completion of previous assessments in your degree program, you were exposed to financial statements and the important role they play in providing critical information for stakeholders. Now you have the opportunity to demonstrate the knowledge you have acquired by developing the financial statements and projections for the first year of business for your own hypothetical company.

**Application: Financial Statements and Projections**

Now that you have completed your study of the concepts necessary to develop the financial statements and projections for a business plan, it is time to demonstrate you can apply your knowledge by developing your own financial statements and projections for your capstone business plan.

The following financial statements and projections instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component. You will need to utilize the "Business Plan Financial Template" (see "Additional Learning Resources" Tab on your Degree Plan).

**F. Financial Statements and Projections**

**F1. Revenue and Cost Estimate:** This should be based on the sales forecast you created in the marketing strategy section. Calculate the month-by-month estimates of revenues and operating expenses plus interest expense to obtain a profit projection for your first year of operations. It will reveal net profit (obtained from subtracting the interest expense from the profit before interest). The profit before interest is calculated by subtracting total expenses from total revenue.
F2. Forecasted Profit and Loss Statement: The forecasted profit and lost statement incorporates the month by month estimate of revenues and operating expenses (F1).

F3. Forecasted Balance Sheet: The projected balance sheet deals with cash and income and also with assets, liabilities, and capital. The balance should result in the debit and credit balances ending up equal.

Your work should

- develop an appropriate month-by-month estimate of revenues and operating costs based on the sales forecast (F1).
- develop an appropriate forecasted profit and loss statement (F2).
- develop an appropriate forecasted balance sheet (F3).

Financial Report I

The activities for this section will help you prepare to write the financial report for your capstone business plan.

The financial report summarizes the financial projections and the assumptions used in estimating the projections.

Concepts of Financial Reports

When you have completed this section, you will be able to

- explain the financial projections and assumptions used in developing a financial report,
- describe how to figure the estimated break-even point for a company,
- describe a company’s financial position at the end of year one, and
- describe plausible estimated capital/investment needs for a company.

Just look at the news today and you will see the importance of accurate financial reports for potential investors. The keystone of a business plan is the financial report provided for investors. This is your opportunity to develop not only your understanding of financial reports, but also your competence in applying these principles to a variety of business settings.

Choosing the Right Business Plan-Review

When you have completed this section, you will be able to

- explain the financial projections and assumptions used in developing a financial report,
- describe how to figure the estimated break-even point for a company,
- describe a company’s financial position at the end of year one, and
- describe plausible estimated capital/investment needs for a company.

Just look at the news today and you will see the importance of accurate financial reports for
potential investors. The keystone of a business plan is the financial report provided for investors. This is your opportunity to develop not only your understanding of financial reports, but also your competence in applying these principles to a variety of business settings.

**SkillSoft Books24x7: Financial Report**

For additional information on writing your financial report section, access the SkillSoft Home Page. Using a key word search, search for books in SkillSoft Books24x7 using the following suggested keywords:

- Business plans
- Financial report
- How to write a business plan
- Estimated capital
- Break-even analysis


Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

**Financial Report II**

The activities for this section will result in you completing your final financial report for your capstone business plan.

The financial report summarizes the financial projections and the assumptions used in estimating the projections.

**Write Financial Report**

When you have completed this section, you will be able to

- provide a precise summary of the financial projections and assumptions used in completing a financial report,
- provide a plausible estimated break-even point,
- provide the company's financial position at the end of year one, and
- provide plausible estimated capital/investment needs.

In the real world, financial reports for start-up companies are constructed by making assumptions based on certain premises. Financial reports play a vital role in the future of a company. It is now time for you to develop a financial report for your hypothetical company based on the assumptions you have gathered. This is your opportunity to demonstrate the competence you have gained as you develop an accurate financial report for your hypothetical company.

**Application: Financial Report**

Now that you have completed your study of the concepts necessary to develop the financial report for a business plan, it is time to demonstrate you can apply your knowledge by
developing your own financial report for your capstone business plan.

The following financial report instructions outline the required components for this section of your capstone business plan. You will want to carefully follow this outline (using these exact headings and sub-headings) to ensure you cover each required component.

G. Financial Report

G1. Financial Projections: Write a report that summarizes the financial projections and the assumption used in estimating the projections. It should include the estimated break-even point, your company's financial position at the end of year one and the estimated capital/investment needs. For start-up companies, the financial plan will be constructed by making assumptions and may be based on certain premises. Most of your data will be based on estimates as the sales and revenue and expenses forecasts are made on the basis of the market analysis components and business statistics. Include the assumptions you made in preparing this section.

G1a. Break-Even Point: Include an estimate of income and expenses. It determines whether or not your business will bring in enough money to meet its costs. The link below has the formula that may be used to calculate the break-even point.

- Business Formula

Note: Although it is more difficult to define, break-even does work for a service business. When determining the variable costs for a service business, remember that the variable costs are defined as direct labor, direct materials, and overhead.

G1b. Financial Position: Based on the prospective financial data you provided in the financial statements and projection section, provide the reader with a summary of where your company will be financially at the end of year one. Will you break-even, show a profit; show a loss due to start-up costs etc.? Make sure you summarize any assumptions that you have made regarding your financial situation (i.e., changes in the economy, consumer demand, decrease in costs etc.). You may want to include a graph or a chart to illustrate your company's financial position.

G1c. Estimated Capital/Investment Needs: Your projections should match your funding requests. For example if you require an SBA loan to start your business, you need to justify your start up expenses and; thus, the need for the loan. Once again, any assumption you make should be clearly stated.

Your work should

- provide a precise summary of the financial projections and assumptions used in estimating the projections (G).
- provide a plausible estimated break-even point (G1a).
- provide the company's financial position at the end of year one (G1b).
- provide plausible estimated capital/investment needs (G1c).
Final Steps

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

Assessment Information
The activities in this course of study have prepared you to complete the CWMM, CWIT, CWBM, CPN1, CPF1, or CWHM performance assessment. If you have not already completed the assessment, you will do so now.

Review of Major Points

As you prepare to complete your capstone business plan and this course of study, you have had the opportunity to demonstrate your mastery of competencies gained through your entire degree program at WGU. During your career and varied work experiences you may come to an opportunity that would allow you to become an entrepreneur and begin and form your own business.

The competencies you have developed through this course of study provide you the knowledge and skills to do just that: review, analyze and implement the steps and decision points essential to any start-up company. This competence has been demonstrated as you have completed each of the following sections of the capstone business plan:

- Title Page and Table of Contents
- Executive Summary
- Company Summary
- Market Analysis
- Market Strategy
- Implementation Strategy
- Financial Statements and Projections
- Financial Report

Finalize your Document

Review your completed business plan carefully in conjunction with the scoring rubric located in TaskStream to ensure you have covered each of the required sections. Remember each of the required business plan sections must be bolded and labeled as they are in the outline and rubric so that each section can be clearly identified by the grader (i.e., A1. Executive Summary-Introduction).

1. Review and organize required sections of your capstone business plan.
2. Run spell check and remove all green/red lines from the document.
3. Check your formatting to make sure that you have used the same format throughout the document.
4. Read the finalized business plan closely to ensure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.

Accessing Performance Assessments

You should have completed the following tasks as you worked through this course of study. If you have not completed the tasks in TaskStream, do so now.

- CWMM, CWIT, CWBM, CPN1, CPF1, or CWHM: Capstone Task

For directions on how to receive access to performance assessments, see the "Accessing Performance Assessments" page.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for LET1. The course covers 3 competencies and represents 4 competency units.

**Introduction**

**Overview**
Today, business and government face significant leadership challenges. A litany of leadership failures are occurring as political and business scandals parade across the television screen. Great successes in business and government are transpiring as well, as businesses net millions in profits by applying effective leadership and management principles. Millions of individuals depend on leaders to solve societal problems that affect their everyday lives.

This course focuses on key leadership concepts such as motivation theories, leadership theory and style, power and politics, and human resource management procedures and performance evaluation.

As you work through this course, reflect on your own personal experiences, as well as the experiences of those you have observed. As you compare the course content to your experiences, try to identify the pertinence of the material and the validity of its content. Recording valuable leadership tools in a journal will not only help you complete the performance assessment, but will also help you find practical applications in your personal and professional life.

Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

**Competencies**
This course provides guidance to help you demonstrate the following 3 competencies:

- **Competency 317.1.1: Behavioral Influences**
  The graduate can describe the effects of specified influences on individual behavior.

- **Competency 317.1.5: Leadership**
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

- **Competency 317.1.6: Performance Evaluation**
  The graduate can develop and recommend how to implement effective performance evaluation processes.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.
Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**

The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**VitalSource E-Texts**

The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


*Note:* This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

**SimuLearn University (U)**

The following SimuLearn resource will give you access to a virtual role-playing environment where you will test your team skills using simulation:

- vLeader Professional

*Note:* When accessing the SimuLearn Leadership Styles Self Assessment it is critical to complete the Getting Started activities prior to attempting the Self Assessment simulations.

**SkillSoft and Books 24x7**

You will access SkillSoft items within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.
Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Leadership Concepts and Application

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Behavioral Influences

The art of influencing the behavior of others, whether in groups or in organizations, is at the heart of leadership. To be an effective leader, it is important not only understand behavior, but to demonstrate the effects of specified influences on individual behavior.

The power to influence is largely connected to motivation. Understanding the theories behind motivation and how to apply those theories can improve the performance of employees. As leaders are able to identify the forces that motivate subordinate behavior, their ability to effectively lead others and manage performance improves significantly. Throughout this section, you will be studying those influences that motivate behavior and achievement.

Motivation
The news today shows the importance of applying non-financial types of motivation to business situations. Factors which have contributed to the decline in traditional U.S. manufacturing include an unmotivated workforce, a heavy reliance on financial motivations, and a lack of appreciation for the more intrinsic values that motivate each of us.

This topic addresses the following competency:

- Competency 317.1.1: Behavioral Influences
  The graduate can describe the effects of specified influences on individual behavior.

This topic highlights the following key concepts:

- Identify the major issues and theories of motivation as they are used in business organizations.
- Explain how a given theory can be applied in an organization.
- Explain how changing the work environment can motivate employees.
- Describe the link between skill-based pay and motivational theory.
- Describe how flexible benefit plans motivate employee performance.
- Apply an appropriate motivational theory to a given business situation.
- Explain how motivational theories can be applied in organizations.

Motivation Concepts

Read the following chapter in Organizational Behavior, which describes how various motivational theories increase performance and reward employees:
• chapter 7 ("Motivation Concepts")

Look closely at the motivational processes and how leaders might use them to influence employee behavior. Your goal is to understand how these contemporary motivational theories complement each other and can be applied in a practical setting.

Motivation Applications

Read the following chapter in Organizational Behavior, which explains how motivational techniques can be used to influence behavior:

• chapter 8 ("Motivation: From Concepts to Applications")

You will learn about how pay systems are designed using motivational theory to sustain and reward performance. You will also see how benefit programs become powerful performance motivators. Your goal is to understand how motivation theory is applied to enhance and sustain performance. How has your company applied motivation theory in its pay and benefit programs?

Chapters 6 and 7 Interactive Quizzes

Note: The companion website is originally aligned to an older edition of the textbook and chapter numbering has changed. The instructions below will direct you to the material that aligns to your reading assignments.

Go to the textbook companion site and take the interactive quizzes for chapters 6 and 7 to test your understanding of motivational concepts. Evaluate your score. What concepts are you having difficulty understanding? In addition to reviewing the chapter, use the message board to engage the course mentor for assistance.

SkillSoft Exercise on Motivation

Complete the following SkillSoft module:

• hr 01 a04 bs enus: Strategic Human Resource Development

Reference the associated Job Aids and SkillBriefs.

How has this exercise increased your understanding of the practical application of motivation theory?

Add Motivation Tools to Your Leadership Toolbox

Reflect on what you have learned from the previous two activities. Write in your journal or leadership toolbox a summary of what you have learned about motivation. Have you discovered a new tool to add to your toolbox?

Check the Message Board for Motivation Postings

Take a moment to look at the course mentor and peer postings about motivation on the message board for this course. You may want to comment on what you have read. Share one of your new tools by posting it on the message board.
Expectancy Theory

Review the "Expectancy Theory" page for additional information on expectancy theory.

The following three relationships of expectancy theory are about the employee's perceptions:

1. **Effort-Performance Relationship (Expectancy):** If the employee puts forth the effort, does the employee believe that he or she will be able to complete the task satisfactorily?
2. **Performance-Reward Relationship (Instrumentality):** If the task is completed satisfactorily, does the employee believe that a reward will follow?
3. **Reward-Personal Goals Relationship (Valence):** Does the employee perceive the reward to be important to personal goals?

**Performance Task 317.1.1-06**
You will have the opportunity to apply what you have learned as you complete your first performance task.

This topic addresses the following competency:

- **Competency 317.1.1: Behavioral Influences**
  The graduate can describe the effects of specified influences on individual behavior.

**Complete: Task 317.1.1-06 Performance Task**

Complete the following task in TaskStream:

- Ldrshp Concepts & Apps: Task 317.1.1-06

For details about this performance assessment, see the "Assessment" tab in this course.

**Leadership Styles**

Varying theories and styles help explain how and why and in what circumstances certain attitudes, behaviors, aptitudes, and characteristics work to exercise influence over people. Likewise, differing theories and styles help teach what fails and how to improve leadership effectiveness.

One classic model of leadership focuses on three major leadership styles: participative or democratic; authoritarian or autocratic; and delegative or free reign. Often, leaders will implement a combination of these leadership styles depending on circumstances. Another way to view differences in leadership styles is to consider if the leader's orientation is focused primarily on relationships or tasks.

**Leadership Theories and Styles**

Leaders use various behaviors to direct the actions of others to achieve specific goals. How they influence is indicative of the styles they use. Leadership theories represent explanations of leadership behaviors and the methods and tools used in various situations. Some of these leadership behaviors focus on relationships, while others focus on tasks. As you study, reflect
on your personal experiences with leaders, and see if you can identify their styles and theoretical inclinations. What are your leadership inclinations?

This topic addresses the following competency:

- **Competency 317.1.5: Leadership**
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

This topic highlights the following key concepts:

- Explain how framing influences leadership effectiveness.
- Define the qualities of a charismatic leader.
- Contrast transformation and transactional leadership styles.
- Identify the five dimensions of trust.
- Describe the four roles that team leaders perform.
- Describe the role of a mentor.
- Distinguish between online and face-to-face leadership.
- Describe the process associated with developing effective leaders.

**Contemporary Leadership Issues**

Read the following chapter in *Organizational Behavior*:

- chapter 12 ("Leadership")

In this chapter you will learn about the following concepts:

- the four roles team leaders perform
- the role of a mentor
- the importance of leader presence
- ideas on how to develop effective leaders
- charismatic leadership versus transformational and ethical leadership
- understand the pitfalls of transformational leadership

Your goal is to understand how these contemporary leadership issues complement each other and can be applied in a practical setting. Can you think of a situation in which a mentor has made a difference in your performance?

**Collins Article**

Read the following article:

- "Level 5 Leadership"

Answer the following questions:

- What is a level 5 leader?
• How do level 5 leaders modify their leadership styles to the situation?

Share what you have learned about level 5 leaders on the message board.

**Add New Tools to Your Leadership Toolbox**

Reflect on what you have learned from the previous activities. Write in your journal or leadership toolbox a summary of what you have learned about leadership. Have you discovered a new tool to add to your toolbox?

**Check the Message Board for Leadership Postings**

Take a moment and look at the course mentor and peer postings about leadership on the message board for this course. You may want to comment on what you have read. Share one of your new tools by posting it on the message board.

**Leadership Simulation and Practice**

For this activity, you will utilize the SimuLearn vLeader Professional resource. SimuLearn allows every student to interact with avatars in behavioral situations and apply and perform leadership concepts. By engaging in this learning resource, you have the ability to raise awareness about leadership and team interaction and thus influence your competency in handling professional situations.

When accessing the course for the first time, it is critical to complete the "Getting Started" activities prior to exploring topics 1 through 5.

Complete the following course:

• **vLeader Professional**

The following videos provide examples of how to perform a variety of techniques in the Leader Lab:

• "Build Rapport" (2 minutes)
• "Focus the Conversation" (3 minutes)
• "Be Willing to Speak Out" (2 minutes)
• "Capturing Others' Support" (2 minutes)
• "Building Consensus" (2 minutes)

As you play in the Leader Lab, be sure to share what you have learned on the message board, capture your insights in your journal, and record any effective techniques you have learned in your leadership toolbox.

**Performance Task 317.1.5-03-05**

You will have the opportunity to apply what you have learned as you complete your second performance task.

This topic addresses the following competency:
Competency 317.1.5: Leadership
The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

Complete: Task 317.1.5-03-05 Performance Task

Complete the following task in TaskStream:

- Ldrshp Concepts & Apps: Task 317.1.5-03-05

For details about this performance assessment, see the "Assessment" tab in this course.

Power and Organizational Politics

Power and its managerial applications occur in every organization. This section explores the bases of power, dependency relationships, and defensive behaviors that combine to create political interaction.

Anyone who has observed a political campaign has seen organizational power and politics in action. A leader's ability to build trust among opposing constituents demonstrates clearly the leader's skill at creating political capital. On the other hand, if you hear work colleagues say that someone got a job just because of politics, what do they mean? Are they saying they believe that person was not qualified but was able to use some leverage unavailable to qualified candidates? In everyday occurrences such as this one, power and organizational politics are demonstrated.

Leadership, Power, and Politics
It is difficult to separate the use of leadership from the environment in which it is practiced. You will be looking at how leadership is practiced within the political setting. You will also look at how power is defined and used to stimulate political behavior. As you work through these activities, consider the political landscape that exists in your environment. Look at the kinds of power that are used. Can you interpret the tactics employed in your environment?

This topic addresses the following competency:

- Competency 317.1.5: Leadership
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

This topic highlights the following key concepts:

- Contrast leadership and power.
- Define the five bases of power.
- Explain what creates dependency in power relationships.
- List the criterion that helps to determine if political action is ethical.

Power and Politics

Read the following chapter in Organizational Behavior:
• chapter 13 ("Power and Politics")

In this chapter you will learn about the factors that stimulate political behavior and the specific tactics and types of contingencies used in a political environment.

You will also learn how to manage the impressions one makes of others. Your goal is to understand how power interacts with politics and to be able to recognize key behaviors in your own organization. What tactics have you used to influence behavior in your organization or environment?

Chapter 14 Interactive Quiz

Note: The companion website is originally aligned to an older edition of the textbook and chapter numbering has changed. The instructions below will direct you to the material that aligns to your reading assignments.

Go to the textbook companion website listed above and take the interactive quiz for chapter 14 to test your understanding of power and politics. Evaluate your score. What concepts are you having difficulty understanding? In addition to reviewing the chapter, use the message board to engage the course mentor for assistance.

SkillSoft Exercise on Organizational Dynamics

• Video 1: QuickTalks: Pamela Meyer, Ph.D.: Playspace: Serious Business for Organizational Innovation, Learning, and Change (3 minutes)
• Video 2: QuickTalks: Paula Kerger: The Importance of Mentoring (3 minutes)
• Video 3: QuickTalks: Michael Jarrett: High Performing Teams (2 minutes)
• Video 4: QuickTalks: Michael Jarrett: Managing Change in a Global World (3 minutes)
• Video 5: Leaders At All Levels 1: The Readiness Factor (58 minutes)

Add Tools to Your Leadership Toolbox on Power and Politics

Reflect on what you have learned from previous activities. Write in your journal or leadership toolbox a summary of what you have learned about leadership and the uses of power. Have you discovered something new you could add to your toolbox?

Check the Message Board for Postings on Power and Politics

Take a moment and look at the course mentor and peer postings about power and politics on the message board for this course. You may want to comment on what you have read. Share one of your new tools by posting it on the message board.

Performance Task 317.1.5-10-11

You will have the opportunity to apply what you have learned as you complete your third performance task.

This topic addresses the following competency:

• Competency 317.1.5: Leadership
  The graduate can analyze leadership theories, methods, and tools in given situations
and select the appropriate behavior of the leader.

Complete: Task 317.1.5-10-11 Performance Task

Complete the following task in TaskStream:

- Ldrshp Concepts & Apps: Task 317.1.5-10-11

For details about this performance assessment, see the "Assessment" tab in this course.

Human Resource Policies and Procedures

A standard among nearly all organizations is codifying the decision-making process that governs behavior in human resource policy and procedure manuals. This standard not only creates continuity in the management of human behavior, but it also provides opportunities to provide consistent oversight of human performance. Common tools found in human resource policy and procedure manuals include the performance appraisal process, management of feedback, and human resource development programs that coach and mentor employees.

You have probably met a human resource representative during the recruitment, interview, or hiring process of a job. Human resource representatives are also present when discussions center on pay and benefits, various aspects of risk management and performance evaluation, labor relations, and ethics. Human resource policies and procedures are supportive of management functions such as planning, organizing, leading, and controlling. The common element to all of these management functions is evaluating performance.

Human Resource Policies for Performance Evaluation

This topic discusses measuring performance and how it relates to measuring business results. Getting feedback during the performance appraisal process can be a richly rewarding experience when it is done right. If you were to reflect back on your last performance appraisal, could you identify suggestions that improved your performance? If not, what would you have done differently if you were the manager providing the feedback?

This topic addresses the following competency:

- Competency 317.1.6: Performance Evaluation
  The graduate can develop and recommend how to implement effective performance evaluation processes.

This topic highlights the following key concepts:

- Assess the validity and usefulness of tests as human resource selection devices.
- List the advantages of performance simulation tests over written tests.
- Describe jobs in which interviews are effective as selection tools.
- Define four general skill categories.
- Identify four types of employee training.
- Explain the purposes of performance evaluation and who can do it.
- Analyze a performance review system.
• Describe the characteristics of an effective performance evaluation.

A Closer Look at Human Resource Policies and Procedures

Read the following chapters in Organizational Behavior:

• chapter 17 ("Human Resource Policies and Practices")
• chapter 6 ("Perception and Individual Decision Making")

In these chapters you will learn about the four general skill categories associated with performance. In addition you will learn about perception, bias and motivation, which are important factors that can impact performance evaluations and the employee responses to the evaluations. You will also get a broader view of the purposes of performance evaluation and who should be conducting it. Your goal is to understand the performance appraisal and evaluation process and the best ways to conduct this vital function.

When looking at the methods for evaluating performance, you will want to focus on the section of this chapter titled, "What Do You Appraise?" This section will discuss three types of performance appraisal methods that can be utilized to evaluate an employee.

Chapter 18 Interactive Quiz

Note: The companion website is originally aligned to an older edition of the textbook and chapter numbering has changed. The instructions below will direct you to the material that aligns to your reading assignments.

Go to the textbook companion website and take the interactive quiz for chapter 18 to test your understanding of the performance evaluation and appraisal process. Evaluate your score. What concepts are you having difficulty understanding? In addition to reviewing the chapter, use the message board to engage the course mentor for assistance.

SkillSoft Exercise on 360-degree Performance Review

Complete the following module in SkillSoft:

• mgmt0152: Elements of a 360-degree Performance Review

Reference the associated Job Aids and SkillBriefs.

How has this exercise increased your understanding of the performance appraisal process?

Add Tools to Your Leadership Toolbox on Performance Evaluations

Reflect on what you have learned from the previous activities. Write in your journal or leadership toolbox a summary of what you have learned about human resource policies and procedures and the performance evaluation process. Have you discovered a new tool to add to your toolbox?

Check the Message Board for Postings on Performance Evaluations

Pause and look at the course mentor and peer postings about performance evaluations on the
message board for this course. You may want to comment on what you have read. Share one of your new tools by posting it on the message board.

**Performance Task 317.1.6-06, 08-10**

You will have the opportunity to apply what you have learned in this course as you complete your fourth and final performance task essay.

This topic addresses the following competency:

**Competency 317.1.6: Performance Evaluation**
The graduate can develop and recommend how to implement effective performance evaluation processes.

**Complete: Task 317.1.6-03-06, 08-10 Performance Task**

Complete the following task in **TaskStream**:

- Ldrshp Concepts & Apps: Task 317.1.6-03-06, 08-10

For details about this performance assessment, see the "Assessment" tab in this course.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessment associated with this course. If you have not already been directed to complete it, schedule and complete the assessment now.

**The WGU Library**

The [WGU Library](https://library.wgu.edu) is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on [The WGU Channel](https://www.youtube.com/wgu):

- [WGU: Accessing the Library](https://www.youtube.com/watch?v=example_video_id)
- [WGU Library: Finding Articles, Books, & E-Reserves](https://www.youtube.com/watch?v=example_video_id)

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail [writingcenter@wgu.edu](mailto:writingcenter@wgu.edu).

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:
Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for LIT1. The course covers 2 competencies and represents 3 competency units.

Introduction

Overview
Why study business law? Is there any question that your society, including the business community, has become more and more litigation-prone? There has been a major surge in legal actions involving both small and large corporations over the past decade. The result of not understanding the legal issues and the ramifications of missing legal requirements on a business can be extremely costly and can even lead to the collapse of the business itself, as seen in some of the recent financial failures and shareholder lawsuits against management. An awareness and understanding of the legal environment protects the business, its employees, shareholders, and other stakeholders.

This course of study is designed to prepare you for the performance assessment consisting of two separate sections, each with specific performance tasks to be completed. The first section has two parts:

- Part A requires an analysis and recommendation of a form of business ownership based on a given situation, and will take the form of a report and a business memorandum;
- Part B requires the analysis and determination of whether certain given business activities violate specific labor and employment laws. Once you have successfully completed this course of study you should be able to determine the proper business organization forms for given business situations, and be able to identify violations of particular labor and employment laws in a given business setting.

You have some experience with the legal system, either through your own encounters or merely through listening to nightly news reports, and have probably seen or heard about various business legal issues which can serve you well in this study. Now you can expand that understanding of the business legal environment and perhaps refine and enhance your own views on these issues. Once you complete this course of study you will have the demonstrated a level of competence that you can immediately use in your work and career experience.

Competencies
This course provides guidance to help you demonstrate the following 2 competencies:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.
- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course
mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

SkillSoft and Books 24x7

You will access SkillSoft items at the activity level within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

Order the Textbook

The following textbook is required in this course of study:


This commonly used college-level business law textbook includes chapter questions, glossaries, and case studies to use to check your understanding as you progress through the material.

Note: The WGU Bookstore has this book available for immediate purchase and delivery. You may shop at other online bookstores, but be sure to order early and use the correct ISBN to get the correct edition.

Additional Preparations
Participate in the Message Board

Throughout your studies, you will want to follow the questions, observations, and responses of the other students and the expert advice of the course mentor. If you have questions of your own, do not hesitate to use this resource to get those answered as you develop your competencies. The course mentor will not provide answers but will engage you in discussion to help you clarify and extend your understanding of important concepts. In addition, you will find specific assignments in this course of study that direct you to the message board.

Preparing Flashcards

Throughout this course of study you will find activities asking you to prepare flashcards. These are simply cards that you prepare with key concepts, terms, ideas on one side and the definition or description of that item on the other side. These can be 3x5 index cards, sticky notes, or anything that would work for your study methods. The flashcards are an excellent review technique to be sure you understand each of the important concepts in your reading and study.

Forms of Business Ownership

The activities for this subject will introduce you to the concepts associated with forms of business ownership.

Forms of business ownership cover a wide-range of different types of business structures:

- sole proprietorship
- partnerships (general and limited)
- limited liability companies
- corporations (sub-chapter S corporation, C corporation, close corporation, publicly traded corporation)

Each of these business forms has its own set of characteristics, advantages, and disadvantages for owners and management. Various federal laws, IRS regulations, and state regulations will apply depending on the business form. Deciding on the proper form of business is one of the most important decisions a business owner must make, and requires a careful analysis of the specific characteristics, business activity, and the various business forms under consideration.

Identifying Business Forms of Organization and Partnerships

When you have completed this topic you will be able to accomplish the following:

- Describe the characteristics of a sole proprietorship, general partnership, limited partnership, limited liability company, sub-chapter S corporation, and C corporation.
- Differentiate between a sole proprietorship, general partnership, limited partnership, limited liability company, sub-chapter S corporation, and C corporation as an appropriate form of business organization in a given business situation.
- Explain the key characteristics of partnerships.

Just look at the news today and you will see that the importance of understanding business
legal issues is at the forefront of the country's concerns over the financial crisis. Who is liable for the collapse of Bear Stearns? Can those receiving executive bonuses be sued? What is the validity of employment contracts when a company goes bankrupt? Those are just some of the legal questions currently being debated. This is your opportunity to develop not only your understanding of these legal concepts, but also your competence in applying these principles to a variety of business settings, including your employment experience.

Your study of business forms of organization includes resources from your textbook, SkillSoft and SkillPort, government websites, and the Business Law and Ethics Message Boards. Be sure to utilize each of these resources as they provide a broad range of viewpoints on the topics you will need to master in order to pass the performance assessment.

This topic addresses the following competency:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.

**Distinguishing Between Business Form**

Read chapter 32 ("Starting a Business") from *Business Law and the Legal Environment* and create a concepts list. After reading the chapter, you should be able to answer the following:

- What are the key characteristics of a sole proprietorship, general partnership, limited partnership, limited liability company, sub-chapter S corporation, and C corporation?
- What is the difference between a close corporation and a regular corporation?
- What is the difference between an S corporation and a C corporation?
- What is the difference between a general and a limited partnership?

**Business Form Concept Review**

When learning concepts, it is often helpful to identify the concepts and connect them to the general topic related to each concept (i.e., the concept of limited liability connected to the topic of partnerships or corporations, etc.). Think about the key concepts you found in chapter 32. Prepare a set of review flashcards, one for each concept, and identify the concept as it might apply to various forms of business organization.

**Understanding Partnerships**

Read chapter 33 ("Partnerships") from *Business Law and the Legal Environment* and complete the chapter review at the end of the chapter.

After reading the chapter, you should be able to answer the following. Be sure to record your answers in your study journal and note any questions you may not yet feel comfortable answering. You may also identify any of these questions that are giving you any difficulty in the "Notes" section of the course of study for easy reference and follow-up.

- What are the advantages to a partnership?
- What are the disadvantages to a partnership?
- Describe the key differences between a general partnership and a limited partnership.
• How do you create a partnership?
• Describe the relationship among partners.
• How do you terminate a partnership?
• Describe the relationship between partners and outsiders.

Chapter 33 Review

Go over the chapter review at the end of the chapter 33, and be sure you understand the concepts presented. If not, go back to the chapter and re-read the material related to those concepts.

Chapter 33 Interactive Quiz

Take the interactive quiz for chapter 33 at the following website to test your understanding of the concepts related to partnerships.

• Chapter 33 Interactive Quiz

Check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 33 to review any points that you missed on the quiz.

Characteristics of Business Forms of Organization

The activities for this subject will continue your study of various business forms of organization.

Forms of business ownership cover a wide-range of different types of business structures: sole proprietorship, partnerships (general, limited, limited liability), limited liability companies, and corporations (sub-chapter S corporation, C corporation, close corporation, publicly traded corporation). Each of these business forms has its own set of characteristics, advantages, and disadvantages for owners and management. Various federal laws, IRS regulations, and state requirements will apply depending on the business form. Deciding on the proper form of business is one of the most important decisions a business owner must make and requires a careful analysis of the specific characteristics business activity and the various business forms being considered.

Corporations

When you have completed this portion of the "Characteristics of Business Forms of Organization" subject, you will be able to accomplish the following:

• Compare and contrast various forms of business organizations.
• Identify the advantages and disadvantages of various forms of business organizations.
• Distinguish between an S corporation and a C corporation.
• Describe the duties and responsibilities of corporate offices and directors.
• Describe how a corporate entity may be terminated.

You can now build on what you learned in the last subject and expand your knowledge to understand the formation process for a variety of business organization forms. This will lead you
to the demonstration of your competence in identifying correct forms of business organization as you complete the first task of the performance assessment.

This topic addresses the following competency:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.

Understanding Corporations

Read chapter 34 ("Life and Death of a Corporation") from *Business Law and the Legal Environment* and complete the chapter review at the end of the chapter.

After reading the chapter, you should be able to complete the following:

- Describe the process for formation of a corporation.
- Identify the advantages and disadvantages of a corporation.
- Distinguish between an S corporation and a C corporation.
- Describe the duties and responsibilities of corporate officers and directors.
- Describe how a corporate entity may be terminated.
- Submit your first task for LIT1 into TaskStream.

Chapter 34 Review

Go over the chapter review at the end of the chapter, and be sure you understand the concepts presented. If not, go back to the chapter and re-read the material related to those concepts.

Chapter 34 Interactive Quiz

Take the interactive quiz at the following website to test your understanding of the concepts related to partnerships.

- [Chapter 34 Interactive Quiz](#)

Check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 34 to review any points that you missed on the quiz.

Contrasting Business Forms of Organization

When you have completed this portion of the "Characteristics of Business Forms of Organization" subject, you will be able to

- Compare and contrast various forms of business organizations.
- Identify the advantages and disadvantages of various forms of business organizations.

You can now build on what you learned in the last subject and expand your knowledge to understand the distinctions between various forms of business organizations. This will lead to your demonstration of competence in identifying correct forms of business organization as you complete the first task of the performance assessment.
This topic addresses the following competency:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.

**Choosing a Business Form**

Complete the following SkillSoft module:

- **LAW0104 - American Business Formations in the 21st Century**

You need a [SkillSoft](#) account to complete this activity. Please contact Learning Resources to obtain access to SkillSoft if you are not able to access this content. Once you have access, you will be able to search for the information and complete this activity.

**Job Aid:**

- **LAW0104 - Criteria That Determine Sole Proprietorships, Partnerships, Franchises, and Corporations.**

Log in to SkillSoft and search for and complete the following SkillBriefs:

- **LAW0104: The Criteria That Determine Sole Proprietorships**
- **LAW0104: The Criteria That Determine Partnerships**
- **LAW0104: The Criteria That Determine Corporations**
- **LAW0104: How Businesses Are Taxed**

**The Message Board**

Check the message board in the course of study and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the board.

**Selecting Forms of Business Ownership**

The activities for this subject will conclude your study of various business forms of organization, and prepare you to submit your first LIT1 Task into TaskStream for grading.

Forms of business ownership cover a wide-range of different types of business structures: sole proprietorship, partnerships (general, limited, limited liability), limited liability companies, and corporations (sub-chapter S corporation, C corporation, close corporation, publicly traded corporation). Each of these business forms has its own set of characteristics, advantages, and disadvantages for owners and management. Various federal laws, IRS regulations, and state requirements will apply depending on the business form. Deciding on the proper form of business is one of the most important decisions a business owner must make, and requires a careful analysis of the specific characteristics business activity, and the various business forms being considered.

**Selecting a Business Organization Form**
When you have completed this subject you should be able to

- Select an appropriate form of business organization based on a given business situation.
- Explain the rationale for selecting a specific business form of organization for a given situation.
- Submit your first LIT1 Task (Part A and Part B) into TaskStream for grading.

Now you are ready to pull together the learning you have done regarding business forms of organization, and select an appropriate business form based on given requirements. This is perhaps the single most important decision an entrepreneur will make—selecting and setting up an appropriate business form to meet the goals and objectives for a new or existing business. As you think back and review through your work so far in this course of study, it will lead you to the demonstration of your competence in identifying correct forms of business organization as you complete the first task of the LIT1 assessment.

This topic addresses the following competency:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.

Review SkillSoft and SkillPort Books24x7

You need a SkillSoft account to complete this activity. Please contact Learning Resources to obtain access to SkillSoft if you are not able to access this content. Once you have access, you will be able to search for the information and complete this activity.

Search and read excerpts from Books24x7. For additional information on forms of business ownership use the keyword search and search for books in SkillPort Books24x7. Here are some suggested keywords:

- Business entities
- Personal liability
- Forms of business ownership
- Sole proprietorship
- Partnership
- Limited partnership
- Limited liability
- Corporation

Study Tip: Mastering Concepts

In order to master concepts and understand information presented, you need to do more than just read about it in a textbook. You need to transform the thoughts and ideas into language that makes sense for you. Go to the "Notes" section in the course of study and try to enter the major concepts in your own words. This does not have to be a long, elaborate entry, it could even be short one-liners, but the idea is to be sure you can state the major concepts in your own words.
Also, look back at the previous notes you entered in the "Notes" section of the course of study, as well as any notes you took in a journal or notebook, and be sure those concepts are clear to you. If not, go to the message board and post questions that might help you better grasp the concepts that may be giving you difficulty.

**Connecting Terms to Concepts**

When learning concepts it is often helpful to connect the term to the concept. Think about the concepts found in chapters 32, 33, and 34 in the *Business Law and the Legal Environment* textbook. Be sure you can connect those concepts to specific business organization forms presented in the readings.

**Review**

It is important that you understand the elements of theory and concept and apply those to practical situations. As a study tool, study the "Chapter Review" at the end of chapters 32, 33, and 34.

**Review and Submission of Task 310.1.2-01-06**

You have successfully completed the first section of the LIT1 Course of Study. You have mastered the concepts related to selecting an appropriate form of business organization, and how to apply those concepts to a particular business situation. This is more and more significant today as business liabilities and legal issues have taken on a larger concern for management in both small and large organizations.

At this point you should have developed competency in selecting the appropriate form of organization for a business, including the ability to

- Differentiate between a sole proprietorship and general partnership.
- Differentiate between a general partnership and a limited partnership.
- Identify the distinguishing characteristics of C corporations.
- Identify the distinguishing characteristics of S corporations.
- Recognize the characteristics of a limited liability company (LLC).
- Determine the appropriate business form for a given situation.

**Preparing to Submit Task 310.1.2-01-06**

Now that you have completed your study of the forms of business organizations, it is time to for you to apply your knowledge by drafting your recommendations required in Task 310.1.2-01-06 of LIT1. Carefully read the given information for the task in the TaskStream Instructions. Those are the relevant facts you need to consider as you develop your recommendations and prepare your task.

**Draft Your Report for Part A of the Task**

Be sure to include the following in your report:

- A sub-heading for each business form listed with a brief description of each business form.
- A brief discussion of the key characteristics, advantages, and disadvantages of each
form

- A differentiation among the listed forms by explaining how at least six of the seven key characteristics from the introduction to the Task apply to each of the listed forms of organization
- A bullet list of characteristics used to present your selected characteristics for each form of business organization

Draft Your Memorandum for Part B of the Task

Be sure to include the following in your memorandum:

- A recommendation of a specific form of organization that should be used in the given situation
- A justification or rationale as to why that is the best business organization form for this situation

Finalize Your Documents

1. Include both your report and memorandum in one word processing document, labeled as "Part A (the report)" and "Part B (the memorandum)".
2. Run a spell check and remove all green and red lines from the document.
3. Check your formatting to make sure that you have used the same format throughout the document.
4. Read the report and memorandum closely to make sure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.
6. Save your document, with the following naming convention: student number/last name/LIT1 Task number. (For example, 55455 Smith LIT1 Task 310.2.1-05).

Legal Issues for Bus.Org Performance Task

Complete the following task in TaskStream:

- Legal Issues for Bus.Org: Task 310.1.2-01-06

For details about this performance assessment, see the "Assessment" tab in this course.

Labor and Employment Law Concepts

The activities for this subject will introduce you to the concepts associated with labor and employment law.

All businesses in the United States are subject to a variety of federal and state laws and regulations regarding how they conduct business, and more particularly, how to treat employees fairly and equitably. Issues of family; medical leave; pregnancy; discrimination based on gender, race, and ethnicity; equal pay; workplace safety; and disability are just a few of the situations covered by various federal acts. It is important for any business owner to know and understand the major labor and employment laws that affect business operations; including acceptable business practices and how to recognize violations should they occur.
Concepts of Labor and Employment Law

When you have completed this topic you will be able to

- Describe the key provisions of the National Labor Relations Act.
- Describe key provision of the Family and Medical Leave Act.
- Explain the purpose and significance of COBRA.
- Identify situations that constitute wrongful discharge of an employee.
- Describe the key provisions of the Age Discrimination in Employment Act.
- Describe the key provision of the Americans with Disabilities Act.
- Identify proper and improper hiring practices.

Today, more than ever, the issues surrounding employment and federal regulation of labor play a major role in management decision-making. Having a clear understanding of key federal employment and labor laws will provide a solid basis for understanding options as an employer, whether in a small or large business organization.

Your study of labor and employment law includes resources from your textbook, SkillSoft, SkillPort, government websites, and the Business Law and Ethics Message Boards. Be sure to utilize each of these resources as they provide a broad range of viewpoints on the topics you will need to master in order to pass the performance assessment.

This topic addresses the following competency:

Competency 310.1.5: Labor and Employment Law
The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

Employment Laws

Read chapter 30 ("Employment Laws") from Business Law and the Legal Environment and complete the chapter review.

After reading the chapter, you should be able to answer the following:

- What is the National Labor Relations Act?
- What are the major provisions of the Family and Medical Leave Act?
- What is the purpose of COBRA and its major provisions?
- What actions by an employer constitute wrongful discharge?
- What are legal and illegal hiring practices?
- What are the significant provisions of the Age Discrimination Act?
- What rights do employees have to privacy in the workplace?
- What are the major provisions of the Americans with Disabilities Act.

Chapter 30 Review

Review the points at the end of the chapter. Be sure you understand each review point. If you have difficulty with any of the review items go back into the chapter to review the pertinent
section.

Chapter 30 Interactive Quiz

Take the interactive quiz at the following website to test your understanding of the concepts related to partnerships.

- Chapter 30 Interactive Quiz

Check your answers of the interactive quiz against those answers provided. Be sure to go back into chapter 30 to review any points that you missed on the quiz.

SkillPort Books24x7

You need a SkillSoft account to complete this activity. Please contact Learning Resources to obtain access to SkillSoft if you are not able to access this content. Once you have access, you will be able to search for the information and complete this activity.

For additional information on labor and employment law, log in to SkillSoft and use a keyword search for books in SkillPort Books24x7. Here are some suggested keywords:

- Federal Employment Laws
- Age Discrimination in Employment Act (ADEA)
- American with Disabilities Act (ADA)
- Family and Medical Leave Act (FMLA)

Labor and Employment Law Requirements

The activities for this subject will conclude your study of concepts associated with labor and employment law, and prepare you to submit your second performance task into TaskStream for grading.

All businesses in the United States are subject to a variety of federal and state laws and regulations regarding how they conduct business, and more particularly, how to treat employees fairly and equitably. Issues of family; medical leave; pregnancy; discrimination based on gender, race, and ethnicity; equal pay; workplace safety; and disability are just a few of the situations covered by various federal acts. It is important for any business owner to know and understand the major labor and employment laws that affect daily business operations; including acceptable business practices and how to recognize violations should they occur.

Employment and Labor Law Violations

When you have completed this topic section you will be able to

- Describe the key provisions of various federal employment and labor acts.
- Explain whether a violation of a particular federal employment or labor act has occurred in a given business situation.

Now that you are completing your study of the concepts of labor and employment law, it is time to focus on review and mastery of those concepts. Working with SkillSoft, the "Chapter Review"
at the end of each chapter, and involvement in the Business Law and Ethics Message Boards will be useful as you prepare to complete tasks for your assessment. As you complete your study of the concepts related to employment and labor law, it is time to focus on review, and confirming your mastery of those concepts in preparation to submit your work into TaskStream for grading.

This topic addresses the following competency:

- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

**SkillSoft and SkillPort Reviews**

Complete the following SkillSoft module:

- LAW0103: Employment and Labor Law

Review the following Job Aids in SkillSoft:

- LAW0103: Federal Employment and Labor Laws
- mgmt_10_a04_bs_enus: Age Discrimination Law

Complete the following SkillBrief:

- LAW0103_sbLAW0103001003: Provisions of the Family and Medical leave Act

**Website Reviews**

Review the following websites for additional information. At the Family and Medical Leave Act (FMLA) website, click on the "Family & Medical Leave" link in the "Subtopics" box on the right-hand side. At the Age Discrimination website, click on the "Age Discrimination" link found in the "Subtopics" box on the right-hand side:

- Family and Medical Leave Act (FMLA)
- Americans with Disabilities Act (ADA)
- Age Discrimination

**The Message Board**

Check the message board in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the message board.

**Review and Submission of Task 310.1.5-02, 11, 13**

As you prepare to complete your work with the performance assessment and labor and
employment issues in business, and
as you complete this course of study, you should have developed competency in determining
whether business activities in a given situation violate specific labor and employment laws,
including

- Evaluating a given situation to determine how the provisions of the Family and Medical
Leave Act of 1993 would apply.
- Analyzing a given situation to determine whether a violation of the Age Discrimination in
Employment Act of 1967 has occurred.
- Analyzing a given situation to determine whether there has been a violation of the

You have successfully completed the first section of the Legal Issues in Business Organizations
Course of Study. You have mastered the concepts related to selecting an appropriate form of
business organization, and how to apply those concepts to a particular business situation. This
is more and more significant today as business liabilities and legal issues have taken on a larger
concern for management in both small and large
organizations.

Preparing to Submit Task 310.1.5-02, 11, 14
Now that you have completed your study of concepts necessary to understand and apply
various provisions of labor and employment to business situations, it is time to see if you can
apply your knowledge by analyzing three case studies for Task 310.1.5-02, 11, 13.

Carefully read the “Given” for the task as it contains the relevant facts you need to consider as
you develop your report for this company. Draft your essay for the task, and be sure to include
the following:

- Three sub-headings, one for each of the three situations
- A clear description of the relevant facts of the "Given" for each situation
- A clear description of the pertinent provision(s) of the federal act pertaining to each
  situation
- A clear explanation of whether or not a violation of the pertinent act occurred in each
  situation

Finalize Your Document

1. Organize your essay into sections using sub-headings, one section for each situation
   presented.
2. Run a spell check and remove all green and red lines from the document.
3. Check your formatting to make sure that you have used the same format throughout the
document.
4. Read the essay closely to make sure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.
6. Save your document with the following naming convention: student number last name
   LIT1 Task number. (For example, 55455 Smith LIT1 Task 310.1.5-02, 11, 13).

Self Check
Make sure your task includes the following:

- A logical evaluation of how the provisions of the Family and Medical Leave Act of 1993 apply to the facts of Situation A.
- A clear explanation of whether or not a violation has occurred in Situation A is given.
- A logical evaluation of how the provisions of the Age Discrimination in Employment Act of 1967 apply to the facts of Situation B.
- A clear explanation of whether or not a violation has occurred in Situation B is given.
- A logical evaluation of how the provisions of the Americans with Disabilities Act of 1990 apply to the facts of Situation C.
- A clear explanation of whether or not a violation has occurred in Situation C is given.
- Any references in your work are correctly cited using APA format (if applicable)
- Your work is clear and easy to follow.
- Your work contains generally effective sentence structure, solid vocabulary, and accurate word choice.
- Your work contains no minor or major errors (run spell and grammar check).

**Legal Issues for Bus.Org Performance Task**

Complete the following task in TaskStream:

- Legal Issues for Bus.Org: Task 310.1.5-02, 11, 13

For details about this performance assessment, see the "Assessment" tab in this course.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.
Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for BUS 2410. The course covers 6 competencies and represents 10 competency units.

Introduction

Overview
Certainly in today's business environment there is a real need for better understanding of business law and ethics, as well as a need for individuals who can apply these concepts to a variety of business settings and who know how to deal with legal situations in business as they arise. This is just what you are going to explore in this course.

Is there any question that society, including the business community, has become more and more prone to litigation and is faced with an increasing number of ethical scandals? Over the past decade, there has been a surge in corporate legal actions, involving both small and large corporations, resulting from the legal and ethical shortcomings of business leaders. The result of not recognizing legal and ethical issues, and the ramifications of lacking legal and ethical safeguards, can be extremely costly for a business and can even lead to the collapse of the business itself, as seen in some of the recent financial failures and shareholder lawsuits against management. Thus, the study of business law and ethics takes on a relevance and immediacy that deserves attention. It will require your best effort to develop an awareness and understanding of the current business environment and of the legal and ethical actions that will protect a business and its owners, employees, and shareholders.

This course covers the following topics:

- contractual relationship
- government regulation of business
- dispute resolution
- labor and employment law
- hiring and employment practices
- warranties, negligence, and liabilities
- Sarbanes-Oxley Act
- ethical issues in business
- ethical leadership
- ethics programs
- use of company resources

You likely have had some experience with the legal system, either through your own encounters or merely through listening to nightly news reports, and you have probably read or heard about various ethical and legal issues causing financial upheaval in today's business world. This background will serve you well in this study. Now you can expand on that experience, and perhaps refine and enhance your own views on these issues. Once you complete this course, you will have demonstrated a level of competence that you can immediately use in your work setting and career.
Competencies
This course provides guidance to help you demonstrate the following 6 competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.
- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.
- Competency 310.1.4: Dispute Resolution
  The graduate can select an appropriate approach to resolve a dispute.
- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.
- Competency 310.1.6: Hiring and Employment Practices
  The graduate can determine whether hiring and employment practices in a given situation are legal or wrongful.
- Competency 310.1.7: Warranties, Negligence, and Liability
  The graduate can determine an organization's responsibilities with regard to warranties, negligence, and liability.
- Competency 310.1.8: Sarbanes-Oxley Act
  The graduate can determine if corporate practices comply with the provisions of the Sarbanes-Oxley Act of 2002.
- Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given business situation.
- Competency 310.2.2: Ethical Leadership
  The graduate can identify ethical considerations that shape business practices and leadership.
- Competency 310.2.4: Use of Company Resources
  The graduate makes appropriate judgments regarding proper use of company resources.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!
Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Purchase Learning Resources

The following textbooks are required for this course:


These textbooks include chapter questions, online textbook quizzes, end-of-chapter reviews and quizzes, overviews, and additional supplemental reading material.

Note: The WGU Bookstore has this book available for immediate purchase and delivery. You may shop at other online bookstores, but be sure to order early and use the correct ISBN to get the correct edition.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

SkillSoft and Books 24x7
You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" on the skillsoft library.htm page.

Create a Notebook

As you work through this course of study, you will find questions posed throughout that relate to the materials you are studying and to your understanding of the concepts.

A great place to keep track of these questions is in a study notebook: it can become the place where you develop answers, keep notes, and record your thoughts and reflections as you work through the activities in this course of study. You will see activities specifically designed for your study notebook throughout this course of study, so watch for those.

- LWC1 Study Notes Guide
Contractual Relationship I

The activities for this subject will introduce you to the concepts associated with contractual relationships. Contracts are the lifeblood of any commercial organization. Good contracts save time and money, while bad contracts can lead to lawsuits, economic losses, and wasted time. These contractual concepts are essential to understand in order to protect an organization and maintain its commercial activity.

Contractual relationships cover a wide range of types of business agreements. You will study the basic concepts of offer, acceptance, and consideration, along with the types of contracts and the possible remedies available should a breach of contract occur. Understanding how contracts are governed and just when a legal agreement is formed are essential to properly managing a company and protecting it from false claims.

**Contractual Relationships: The Basics**
Dealing with contractual relationships is an integral part of a manager's responsibilities. Knowing what actions might obligate your organization is crucial to protecting the company and to maintaining legal benefits from business agreements. These concepts of contract law are found every day in the operation of businesses large and small. Once these concepts are understood, managers are able to make good decisions regarding business relationships.

This topic addresses the following competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.

When you have completed this topic, you will be able to do the following:

- Define the elements of a legal agreement.
- Recognize what constitutes a legal offer, acceptance, and consideration.
- Identify when a contractual relationship has been entered into.
- Describe the conditions that constitute a discharge of contract obligations.
- Identify what constitutes performance under a given contract.
- Specify what constitutes a breach of a contract.

**Read Chapter 10, "Introduction to Contracts"**

Read chapter 10 ("Introduction to Contracts") in *Business Law and the Legal Environment*, and then respond to the following points in your notebook. Remember that this is a great resource to use for review prior to the exam, so be as thorough as you can in your notebook.

- What is the definition of a contract?
- Describe the various types of contracts.
- Identify and describe the theories of recovery in contract law.

**Chapter 10 Interactive Quiz**
Take the interactive quiz for chapter 10 at the student companion website to test your understanding of the basic contract concepts. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 10 to review any points that you missed on the quiz.

Read Chapter 17, "Performance and Discharge"

Read chapter 17 ("Performance and Discharge") in Business Law and the Legal Environment. After reading this chapter, respond to the following:

- What conditions would constitute a discharge of a contract?
- Describe the conditions for a discharge of a contractual obligation.
- Describe the types of acceptable performances of a contract.
- What constitutes a breach of a contract?

Chapter 17 Interactive Quiz

Take the interactive quiz for chapter 17 at the student companion website to test your understanding of the concepts related to partnerships. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 17 to review any points that you missed on the quiz.

Contractual Relationships II

The activities for this section will continue and conclude your study of contractual relationships. Remember, the concepts of contractual relationships that you are studying are essential to the smooth functioning of any commercial organization.

Contractual relationships cover a wide range of types of business agreements. You will study the basic concepts of offer, acceptance, and consideration, along with the types of contracts and the possible remedies available should a breach of contract occur. Understanding how contracts are governed and just when a legal agreement is formed is essential to properly managing a company and protecting it from false claims.

Contractual Relationships: Remedies

You can now build on what you learned in the previous section and expand your knowledge to help you understand the consequences of violating or breaching a contract. Recognizing a potential breach of contract is important in alerting managers to impending problems, helping them to mitigate the impact of such a breach, and determining the proper remedies available.

This topic addresses the following competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.

When you have completed this topic, you will be able to do the following:

- Identify what constitutes a breach of contract.
Define breach of a contractual obligation.
Idenify the categories of damages available for a breach of contract.
Describe the conditions for which specific types of breach of contract damages would apply.

Read Chapter 18, "Remedies"

Read chapter 18, ("Remedies") in Business Law and the Legal Environment, and then respond to the following points in your notebook:

- What is the definition of remedies?
- Describe the various types of remedies in contracts.
- Identify and describe the theories of recovery in contract law.

Chapter 18 Interactive Quiz

Take the interactive quiz for chapter 18 at the student companion website to test your understanding of the concepts related to remedies. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 18 to review any points that you missed on the quiz.

Review of Concepts on SkillSoft and SkillBriefs

Complete the following SkillBriefs in SkillSoft:

- LAW0102_sbLAW0102003001: Five Reasons to Discharge Contracts
- LAW0102_sbLAW0102001004: How Contracts Are Governed
- LAW0102_sbLAW0102002004: Modifying and Discharging Contracts
- LAW0102_sbLAW0102001001: Ethical Foundations of Business Contracts

Application of Knowledge: Contractual Relationships

Now that you have completed your study of contractual relationships, it is important to see if you can apply your knowledge by responding to the following study prompts in your notebook. Use your review flash cards and notes as well as your textbooks and other resources to help you, if necessary.

1. What is the point at which a legal agreement is said to have occurred?
2. What are the differences among enforceable, unenforceable, express, and implied contracts?
3. Describe a situation where a breach of contract has occurred.
4. If there is a breach of contract, what remedies are available?

Government Regulation of Business I

This section will help you see the importance of recognizing and understanding the government regulations that govern the function of a particular business or industry. The textbooks and exercises will help you to identify the various ways in which the federal government establishes and monitors business activity and the specific areas that are of most concern to the general business community.
Every successful business must effectively deal with some form of government regulation, from regulation of waste disposal, to product safety, to consumer protection. These regulations reach into every industry and govern much of the activities in both small and large companies. These regulations can be costly, and failing to follow them can be even costlier; so understanding the regulatory environment of your business, and the particular regulations governing your activities, is essential to profitable management.

**Antitrust Regulation**

Dealing with government regulation in business is an integral part of a manager's responsibilities. Knowing what actions might violate particular regulations is crucial to protecting the company and to ensuring its profitable operation. Government regulation is found every day in the operation of businesses of any size, and recognizing these regulations allows managers to make good decisions regarding business practices.

This topic addresses the following competencies:

- **Competency 310.1.3: Government Regulation of Business**
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

When you have completed this topic, you will be able to do the following:

- List the common types of antitrust violations.
- Identify types of illegal aggressive strategies.
- Describe the key provisions of the Sherman Antitrust Act of 1890.
- Describe the key provisions of the Clayton Antitrust Act of 1914.

**Read Chapter 39, "Antitrust"**

Read chapter 39 ("Antitrust") in *Business Law and the Legal Environment*, and then respond to the following points in your notebook:

- What are the Sherman and Clayton antitrust acts?
- Describe the key provisions of the Sherman and Clayton antitrust acts.
- Describe the various aggressive business actions that are illegal as violations of antitrust regulations.

Go over the end-of-chapter review and be sure you understand the concepts presented. If not, go back to the chapter and reread the material related to those concepts. You should include any notes you take from this review in your notebook.

**Chapter 39 Interactive Quiz**

Take the interactive quiz for chapter 39 at the student companion website to test your understanding of the concepts related to antitrust. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 39 to review any points that you missed on the quiz.

**Consumer Protection**
Dealing with government regulation in business is an integral part of a manager’s responsibilities. Recognizing what actions might violate particular consumer protection regulations is crucial to protecting the company and to ensuring its profitable operation. Government regulation is found every day in the operation of businesses large and small, and once understood, it allows managers to make good decisions regarding business practices.

This topic addresses the following competencies:

- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

When you have completed this topic, you will be able to do the following:

- List the common types of regulations designed to protect consumers.
- Identify types of illegal consumer credit practices.
- Describe the warranty protection provided to consumers.
- Describe the purpose and role of the Federal Trade Commission (FTC) in consumer protection.

Read Chapter 40, "Consumer Law"

Read chapter 40 ("Consumer Law") in Business Law and the Legal Environment, and then respond to the following points in your notebook:

- What is the role of the FTC?
- Describe prohibited sales activities under the FTC Act.
- How is consumer credit regulated?
- What is the Magnuson-Moss Warranty Act?
- What government regulations apply to consumer product safety?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 40 and reread the material related to the concepts you did not understand.

Chapter 40 Interactive Quiz

Take the interactive quiz for chapter 40 at the student companion website to test your understanding of the concepts related to consumer law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 40 to review any points that you missed on the quiz.

Environmental Regulation

Dealing with environmental regulation in business is an integral part of a manager’s responsibilities. Recognizing what actions might violate particular environment regulations is crucial to protecting the company and to ensuring its profitable operation. Environmental laws have a pervasive impact on business activity of all types, and violations of these laws carry great potential costs for both individual companies and the country as a whole. Thus, it is incumbent on managers to understand these basic regulations and how to abide by them.
This topic addresses the following competencies:

- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

When you have completed this topic, you will be able to do the following:

- Identify the primary function of the Environmental Protection Agency (EPA) in regard to business.
- Describe the provisions of the Clean Air Act.
- Describe the provisions of the Clean Water Act.
- Identify the primary regulations governing waste disposal.

Read Chapter 41, "Environmental Law"

Read chapter 41 ("Environmental Law") in Business Law and the Legal Environment, and then respond to the following points in your notebook:

- What is the role of the EPA?
- Describe requirements of the Clean Air Act.
- Describe requirements of the Clean Water Act.
- Identify regulations regarding waste disposal that businesses must follow.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to the chapter 41 and reread the material related to those concepts that you do not understand.

Chapter 41 Interactive Quiz

Take the interactive quiz for chapter 41 at the student companion website to test your understanding of the concepts related to environmental law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 41 to review any points that you missed on the quiz.

Application of Knowledge: Government Regulation of Business

Now that you have completed your study of government regulation of business, it is important to see if you can apply your knowledge by answering the following study questions. Use your review flash cards and notes as well as your textbooks and other resources to help you, if necessary. Record your responses to the following points in your notebook so that you can use them as part of your review and study for the exam:

- What are common types of antitrust violations?
- What is the Sherman Antitrust Act of 1890?
- Describe the Clayton Antitrust Act of 1914.
- What is the role of FTC?
- What requirements were specified by the FTC Act of 1914?
- What requirements are set forth by the Environmental Protection Agency?

**Dispute Resolution**

This section will help you understand how business disputes may be resolved, either through legal processes using the court system or through what is known as "alternative dispute resolution," an often viable and economical mechanism to resolve disputes. The textbooks and exercises will help you understand the various ways in which businesses can resolve disputes and the specific positive and negative aspects to the various dispute resolution options.

Every business must effectively deal with some form of dispute at some time, from a formal legal action, to a complaint from a neighbor, to a claim made for some employee action. These types of disputes, whether small or large, require managers to be aware of the options available to resolve them and be able to follow a dispute-resolution strategy that will be the most cost effective and effectual.

**Resolving Disputes**

Resolving disputes in business is an integral part of a manager's responsibilities. Recognizing what options are available to resolve disputes is crucial to protecting the company and to ensuring its profitable operation. Disputes in business are found every day in the operation of businesses both large and small, and once resolution options are identified, managers are able to make good business decisions regarding how to handle those disputes.

This topic addresses the following competencies:

- Competency 310.1.4: Dispute Resolution
  The graduate can select an appropriate approach to resolve a dispute.

When you have completed this topic, you will be able to do the following:

- List the common types of alternative dispute resolution.
- Describe the legal process for dispute resolution.
- Describe the general functioning of the court system and litigation.
- Identify the positive and negative aspects of various dispute resolution options.

**Read Chapter 3, "Dispute Resolution"**

Read chapter 3 ("Dispute Resolution") in *Business Law and the Legal Environment*, and then respond to the following points in your notebook:

- Describe alternative dispute resolution techniques.
- List the advantages and disadvantages of the various alternative dispute resolution options.
- How does the court system function in resolving disputes?
- Compare and contrast the legal process for dispute resolution with alternative dispute resolution options.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not,
go back to chapter 3 and reread the material related to the concepts you did not understand.

Chapter 3 Interactive Quiz

Take the interactive quiz for chapter 3 at the student companion website to test your understanding of the concepts related to dispute resolution. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 3 to review any points that you missed on the quiz.

Labor and Employment Law and Hiring and Employment Practices

This section will help you identify proper employment practices and the laws and regulations governing labor and employment issues. You will explore concepts related to employment security, safety, and privacy in the workplace; employment discrimination; and federal regulations concerning labor and employment. The textbooks and exercises will help you to recognize the various ways in which businesses can resolve disputes and the specific positive and negative aspects of the various dispute resolution options.

Employers must effectively deal with their employees and maximize the effectiveness of their workforce while also abiding by employment and labor regulations and protecting the rights of their employees. Labor and employment law covers a wide range of issues and practices, from hiring, to firing, to monitoring, to paying, to providing benefits. There is a large and complex set of considerations that managers must understand in order to attract and maintain a strong workforce and avoid costly and time-consuming employment disputes.

Employment Law

Identifying the various federal acts relating to employment and recognizing improper management behavior toward employees is an integral part of a manager's responsibilities. Identifying what is required of a business to meet its obligations is crucial to protecting the company and to ensuring its profitable operation. Issues related to employment law are found every day in the operation of businesses both large and small and need to be recognized by managers in order to avoid employment disputes and costly claims for improper actions.

This topic addresses the following competencies:

- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.
- Competency 310.1.6: Hiring and Employment Practices
  The graduate can determine whether hiring and employment practices in a given situation are legal or wrongful.

When you have completed this topic, you will be able to do the following:

- List the major federal acts governing employment.
- Describe what constitutes wrongful discharge.
• Explain workplace safety requirements.
• Explain the key provision of the Fair Labor Standards Act and the Worker's Compensation Act.
• Identify actions that constitute employment discrimination.

Read Chapter 30, "Employment Law"

Read chapter 30 ("Employment Law") in Business Law and the Legal Environment, and then respond to the following points in your notebook:

• Describe the Family and Medical Leave Act (FMLA) and the Consolidated Omnibus Budget Reconciliation Act (COBRA).
• What are actions that would constitute wrongful discharge of an employee?
• What are workplace safety requirements under the Occupational Safety and Health Administration (OSHA)?
• What rights do employees have to privacy in the workplace?
• What actions by an employer constitute employment discrimination?
• What are appropriate and inappropriate hiring practices?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 30 and reread the material related to the concepts you do not understand.

Chapter 30 Interactive Quiz

Take the interactive quiz for chapter 30 at the student companion website to test your understanding of the concepts related to employment law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 30 to review any points that you missed on the quiz.

Review of Concepts With SkillBriefs

Review the following SkillBrief.

• LAW0103_sblLAW0103001003: Provisions of the Family Medical Leave Act

Labor Law

Recognizing the various federal acts related to unions and employers of union workers is an integral part of a manager's responsibilities. Identifying what is required of a business to meet its obligations to union employees and what the rights of a union are is crucial to protecting the company and to ensuring its profitable operation. Issues related to unions and federal labor law are found in the news almost every week. These issues need to be recognized by managers in order to avoid costly union disputes or claims for improper actions.

This topic addresses the following competencies:

• Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.
• Competency 310.1.6: Hiring and Employment Practices
The graduate can determine whether hiring and employment practices in a given situation are legal or wrongful.

When you have completed this topic, you will be able to do the following:

- Describe the key provisions of the National Labor Relations Act of 1935.
- Identify regulations governing the formation and operation of unions.
- Explain the process of collective bargaining.
- Identify legal and illegal actions by unions and companies.

**Read Chapter 31, "Labor Law"**

Read chapter 31 ("Labor Law") in *Business Law and the Legal Environment*, and then respond to the following points in your notebook:

- Describe the process of union formation.
- What are the rights of union workers and employers in a labor dispute?
- What are legal and illegal actions during a labor dispute between a union and an employer?
- Describe the concept of collective bargaining.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 31 and reread the material related to the concepts you did not understand.

**Chapter 31 Interactive Quiz**

Take the interactive quiz for chapter 31 at the student companion website to test your understanding of the concepts related to labor law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 31 to review any points that you missed on the quiz.

**Review of Concepts With SkillSoft Modules and SkillBriefs**

Review the following SkillSoft module:

- **MGMT0058: Dealing with Problem Performance Simulation**

Review the following SkillBrief:

- **MGMT0153_sbMGMT0153001001: How to Create a Positive Performance Interview**

Complete the SkillSoft modules, Job Aids, or SkillBriefs that you feel will help you understand the following concepts:

- how to Organize Performance Feedback
- four Types of Performance Feedback
- four Steps to Interpret Performance Feedback
- how to Create Performance Goals

**Application of Knowledge of Labor Law**
Now that you have completed your studies for the labor law concepts, it is important to see if you can apply your knowledge by responding to the following study prompts. Use your review flash cards and notes as well as your textbooks and other resources to help you if necessary. Be sure to utilize your notebook to record additional review notes, as this will be a great resource as your prepare for the assessment.

- Describe the National Labor Relations Act of 1935, the Family and Medical Leave Act of 1993, the Consolidated Omnibus Budget Reconciliation Act of 1985, and the Fair Labor Standards Act of 1938. List the main components of each of these acts.
- What constitutes wrongful discharge under the law?
- Explain the responsibilities of the OSHA.
- What constitutes an employee's right to privacy?
- Describe the main points of Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, and the Americans with Disabilities Act of 1990. Who do these acts serve?
- What challenges can organizations face when hiring non-U.S. residents?
- What is a contractual employment relationship?
- Describe how to design an effective performance review.
- What are progressive discipline programs?
- Differentiate between appropriate and inappropriate interview questions.

**Warranties, Negligence, and Liability**

This section will help you to discover the basic concepts related to warranties, negligence, and liability. These concepts directly impact the profitability of a business. If managers are not able to identify potential warranty or liability issues, the resulting cost in lawsuits and customer claims could ruin a business. The textbooks and exercises will help you identify the various ways in which managers can identify warranty issues and recognize the company’s warranty obligations and potential negligence and liability problems.

Every business must effectively deal with one of the following topics: for manufacturers, warranty and strict liability issues are important; for a service organization, negligence becomes a significant risk. Whatever your business issues may be, warranty, negligence, and liability are essential to recognize. Managers must be aware of the possible legal claims and be proactive in avoiding such claims in the most cost-effective manner.

**Warranty and Product Liability**

Understanding how to resolve warranty and product liability issues is a major part of a manager's responsibilities. Knowing the distinctions between various types of warranties, and recognizing potential product liability issues, are key to protecting the company and ensuring its profitable operation. These issues of warranty and product liability are found daily in almost any business operation, and their recognition by managers is crucial to making good business decisions for the long-term success of the business.

This topic addresses the following competencies:

- Competency 310.1.7: Warranties, Negligence, and Liability

The graduate can determine an organization's responsibilities with regard to warranties, negligence, and liability.
When you have completed this topic, you will be able to do the following:

- Describe the differences between express and implied warranties.
- Identify the obligations of a manufacturer under warranty law.
- Recognize the disclaimers and defenses to warranty actions.
- Define negligence.
- Describe the requirements for a claim of negligence.
- Define strict liability.
- Describe the requirements for a claim of strict liability.
- Describe the key provision of the Magnuson-Moss Warranty Act.

Read Chapter 21, "Warranties and Product Liability"

Read chapter 21 ("Warranties and Product Liability") in Business Law and the Legal Environment, and then answer the following questions in your notebook:

- What is an express warranty?
- What is an implied warranty?
- What is a disclaimer?
- What are the limitations on remedies for breach of warranty and product liability?
- What is negligence, and how does that concept apply to a manufacturer?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 21 and reread the material related to the concepts you did not understand.

Chapter 21 Interactive Quiz

Take the interactive quiz for chapter 21 at the student companion website to test your understanding of the concepts related to warranties and liabilities. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 21 to review any points that you missed on the quiz.

Negligence and Strict Liability

Negligence and strict liability are legal doctrines that managers must recognize in order to protect their company from the consequences of a long and costly legal action. These concepts affect how a company operates: how it deals with customers and the public, how it manufactures its products, and how it trains its employees. It is essential that managers recognize and appreciate the legal responsibility connected with negligence and strict liability in order to ensure the well-being of the organization.

This topic addresses the following competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.

When you have completed this topic, you will be able to do the following:
• Explain the concepts of duty of care.
• List the defenses to an action for negligence.
• Describe the legal doctrine of strict liability.

Read Chapter 7, "Negligence and Strict Liability"

Read chapter 7 ("Negligence and Strict Liability") in Business Law and the Legal Environment, and then answer the following questions in your notebook:

• What is negligence?
• What is strict liability?
• What are the defenses available to an action for negligence or an action for strict liability?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 7 and reread the material related to the concepts you did not understand.

Chapter 7 Interactive Quiz

Take the interactive quiz for chapter 7 at the student companion website to test your understanding of the concepts related to negligence and strict liability. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 7 to review any points that you missed on the quiz.

The Sarbanes-Oxley Act

This section will introduce you to the significant legislation that was enacted in response to the corporate scandals of the late 1990s. This legislation, known as the Sarbanes-Oxley Act, has changed the way corporations handle their financial operations, report on financial activity, and monitor proper accounting procedure. For managers of publicly-traded corporations, this legislation changed the way they manage and imposed severe penalties for failure to operate according to its provision. The textbooks and other exercises will help you to identify the various ways in which managers can identify warranty issues and recognize the company's warranty obligations as well as potential negligence and liability problems.

Every publicly-traded corporation must effectively respond to and follow the requirements of the Sarbanes-Oxley Act; if violations of its provisions occur, corporate managers, officers, and directors are subject to civil and criminal penalties. Therefore, identifying the requirements of this act is essential to the well-being of the corporation.

The Sarbanes-Oxley Act

Operating within the provisions of the Sarbanes-Oxley Act has now become an integral part of a manager's responsibilities. Recognizing what procedures must be followed for accounting, corporate governance, and monitoring and reporting financial information is essential to protecting the corporation and acting in an ethically prescribed manner. The penalties, as seen in the Enron case, can be severe, so adherence to the Sarbanes-Oxley Act's standards is, today, a significant management function.

This topic addresses the following competencies:
- Competency 310.1.8: Sarbanes-Oxley Act
  The graduate can determine if corporate practices comply with the provisions of the Sarbanes-Oxley Act of 2002.

When you have completed this topic, you will be able to do the following:

- Describe the provisions included in the Sarbanes-Oxley Act.
- Identify the responsibilities of corporate officers and directors under the Sarbanes-Oxley Act.
- Identify the disclosure requirements under the Sarbanes-Oxley Act.
- Describe proper corporate governance under the Sarbanes-Oxley Act.

Read Chapter 36, "Shareholders"

Read chapter 36 ("Shareholders") in *Business Law and the Legal Environment*, and then answer the following questions in your notebook:

- What are the basic provisions of the Sarbanes-Oxley Act?
- What are the rights of shareholders?
- What recourse do shareholders have against corporations if shareholder rights are violated?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 36 and reread the material related to the concepts you did not understand.

Chapter 36 Interactive Quiz

Take the interactive quiz for chapter 36 at the student companion website to test your understanding of the concepts related to Sarbanes-Oxley Act. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 36 to review any points that you missed on the quiz.

Read Chapter 37, "Securities Regulation"

Read chapter 37 ("Securities Regulation") in *Business Law and the Legal Environment*, and then answer the following questions in your notebook:

- What are the key provisions of the Securities Act of 1933?
- What are the disclosure requirements of the Securities Act of 1933?
- How did Sarbanes-Oxley change the disclosure requirements of the Securities Act of 1933?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 37 and reread the material related to the concepts you did not understand.

Chapter 37 Interactive Quiz

Take the interactive quiz for chapter 37 at the student companion website to test your understanding of the concepts related to securities regulations. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter
37 to review any points that you missed on the quiz.

Read in Chapter 38, "Accountants: Liability and Professional Responsibility"

Read pages 901-907 in chapter 38 ("Accountants: Liability and Professional Responsibility") in Business Law and the Legal Environment, and then answer the following questions in your notebook:

- What are the audit requirements for a publicly-traded corporation?
- How did the Sarbanes-Oxley Act change the audit requirements for a publicly-traded corporation?

Go over points 1 a-e in the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 38 and reread the material related to the concepts you did not understand.

Review of Concepts With Job Aid and SkillBrief

Review the following job aid and SkillBrief. Complete those that you feel will help you understand the concepts associated with these topics:

- IND0206_sblIND020602001: Sarbanes-Oxley Act: Impact of Sarbanes-Oxley on Banking

Ethical Issues in Business I

The activities for this section will introduce you to the concepts associated with ethical issues in business. Scandal and unethical behavior have become front-page items in the business news. Today, more than ever, ethics is gaining attention not only because of the legal issues, but also because companies are realizing that having high ethical standards is just good business and has a positive effect on the organization’s ultimate success.

The term ethics is a concept that encompasses the actions, activities, and attitudes found in business and in the way in which managers act within the business environment and the larger community. Corporate ethics is often described as an obligation to be fair and to do good. To see that business ethics are upheld, managers must be actively involved in establishing an ethical culture within an organization.

Concepts of Ethics in Business

Just look at the news today and you will see that business ethics is now at the forefront of the country’s concerns over the financial crisis. This is your opportunity to develop not only your recognition of business ethics issues but also your competence in applying these principles to a variety of business settings, including your own work setting and career.

Your study of ethical issues in business includes resources from your textbook Business Ethics, SkillSoft, and the Business Law and Ethics Message Board. Be sure to utilize each of these resources; they provide a broad range of viewpoints on the topics you will need to master in order to pass the LWC1 objective exam.
This topic addresses the following competencies:

- Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given business situation.
- Competency 310.2.4: Use of Company Resources
  The graduate makes appropriate judgments regarding proper use of company resources.

When you have completed this topic you will be able to do the following:

- Describe, define, and explain business ethics from an organizational perspective.
- Describe the historical foundations and the evolution of business ethics.
- List the ways in which ethical value systems support business performance.
- Define and identify ethical issues, and delineate types of behavior that pose business ethics issues.
- Identify improper uses of company resources (e.g., e-mail, phone, and computer).

Read Chapter 1, "The Importance of Business Ethics"

Read chapter 1, ("The Importance of Business Ethics") in Business Ethics, and then answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- How would you define business ethics?
- How has business ethics developed over time?
- What is involved in developing an ethical culture in an organization?
- What are three benefits of a clear ethical framework to businesses?

When you are learning terms, it is often helpful to connect the term to the concept. Think about the key terms listed at the end of the chapter 1. Prepare a set of review flash cards, one for each term, and identify the term, its definition, and a short statement of how that term relates to business ethics concepts.

Read Chapter 2, "Stakeholder Relationships, Social Responsibility, and Corporate Governance"

Read chapter 2 ("Stakeholder Relationships, Social Responsibility, and Corporate Governance") in Business Ethics, and then answer the end-of-chapter questions and exercises. After reading this chapter, respond to the following points in your notebook:

- What are various stakeholder roles in business ethics?
- What is an accepted definition of social responsibility?
- Describe the relationships between stakeholder orientation and social responsibility.
- What should be the role of corporate governance in establishing an ethical climate within an organization?
- List the steps involved in implementing a stakeholder perspective in business ethics.
When you are learning terms, it is often helpful to connect the term to the concept. Think about the key terms listed at the end of the chapter 2. Prepare a set of review flash cards, one for each term, and identify the term, its definition, and a short statement of how that term relates to ethics concepts.

Check Your EQ

Check your ethics quotient (EQ) by completing the "Check Your EQ" exercise on page 53 of Business Ethics. Ask a family member or friend to take the "Check Your EQ" test, and then compare your answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding. Check your answers against the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Read Chapter 3, "Emerging Business Ethics Issues"

Read chapter 3 ("Emerging Business Ethics Issues") in Business Ethics, and then answer the end-of-chapter questions and exercises. After reading this chapter, respond to the following points in your notebook:

- Describe ethical issues in the context of organizational ethics.
- How do ethical issues relate to the basic values of honesty, fairness, and integrity?
- Delineate and identify unethical behaviors that pose business ethics issues.
- What are three challenges in determining an ethical issue in business?

Review the list of end-of-chapter terms on page 85 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ

Complete the "Check Your EQ" exercise on page 87 of Business Ethics. Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Review of Concepts in SkillSoft and SkillBrief

Review the following SkillSoft module:

- pd_02_a04_bs_enus: Social Responsibility in Corporations

View the following YouTube video:

- Dean Lindsey Cowen Business Law Lecture - Hon. Frank H. Easterbrook

The above is a video of the Dean Lindsay Cowen Business Law Lecture by the Hon. Frank H. Easterbrook. Given at Case Western University School of Law, the lecture presents an analysis of ethical leadership as it relates to corporate activities, and ties that to legal requirements placed on an enterprise.

Also complete the SkillSoft modules, Job Aids, or SkillBriefs that you feel will help you
understand the concepts associated with the above topics.

**Ethical Issues in Business II**

The activities in this section will continue and conclude your work with the concepts associated with ethical issues in business.

The term *ethics* is a concept that encompasses the actions, activities, and attitudes found in business and is the way in which managers act within the business environment and the larger community. *Corporate ethics* is often described as an obligation to be fair and to do good. To see that business ethics are upheld, managers must be actively involved in establishing an ethical culture within an organization. It is clear from the recent business scandals in the news that the lack of manager involvement regarding ethical issues is a recipe for disaster for the organization. In today’s business environment, ethics are front and center. Managers at all levels must be committed to upholding ethics in order for the organization to be successful.

**Concepts of Ethics in Business**

Just look at the news today and you will see that business ethics is at the forefront of the country’s concerns over the financial crisis. This is your opportunity to develop not only your recognition of business ethics issues but also your competence in applying these principles to a variety of business settings, including your own work setting and career.

This topic addresses the following competencies:

- **Competency 310.2.1: Ethical Issues in Business**
  The graduate can determine ethical and socially responsible courses of action in a given business situation.
- **Competency 310.2.4: Use of Company Resources**
  The graduate makes appropriate judgments regarding proper use of company resources.

When you have completed this topic, you will be able to do the following:

- Describe, define, and explain business ethics from an organizational perspective.
- Describe the historical foundations and the evolution of business ethics.
- List the ways in which ethical value systems support business performance.
- Define and identify ethical issues, and delineate the types of behavior that pose business ethics issues.
- Identify improper uses of company resources (e.g., e-mail, phones, computers).

**Read Chapter 4, "The Institutionalization of Business Ethics"**

Read chapter 4 ("The Institutionalization of Business Ethics") in *Business Ethics*, and then answer the end-of-chapter questions and exercises. After reading the chapter, answer the following questions in your notebook:

- How do you distinguish between voluntary and mandated boundaries of ethical behavior?
- What are the key regulatory efforts to provide incentives for ethical behavior?
- What are the ethical standards and requirements established by the Sarbanes-Oxley Act?

Review the list of end-of-chapter terms on page 116 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ

Complete the "Check Your EQ" exercise on page 116 of Business Ethics. Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Review of Concepts in SkillSoft and SkillBrief

Review the following SkillSoft module:

- pd_02_a02_bs_enus: Business Ethics for Managers

Also complete any Job Aids and SkillBriefs that you feel will help you understand the concepts associated with the above topic.

**Ethical Leadership**

The activities for this subject will introduce you to the concepts associated with ethical leadership. With any activity or program an organization undertakes, if there is not clear and strong leadership, the activity or program flounders. Thus, the importance of managers taking a clear leadership role in ethics should not be underestimated. Without ethical leadership, no ethical program can be successful.

The term *ethics* is a concept that encompasses the actions, activities, and attitudes found in business and is the way in which managers act within the business environment and the larger community. *Corporate ethics* is often described as an obligation to be fair and to do good. To see that business ethics are upheld, managers must be actively involved in establishing an ethical culture within an organization.

**Ethical Leadership**

Just look at the news today and you will see that business ethics is at the forefront of the country's concerns over the financial crisis. This is your opportunity to develop not only your recognition of business ethics issues but also your competence in applying these principles to a variety of business settings, including your own work setting and career.

This topic addresses the following competencies:

- Competency 310.2.2: Ethical Leadership
  The graduate can identify ethical considerations that shape business practices and leadership.
When you have completed this topic you will be able to do the following:

- Explain why people justify unethical behavior.
- Describe techniques for managers to use to respond to unethical behavior.
- Describe how companies can create a more ethical organizational culture.
- Explain why companies should have an ethics program.
- List the essential components of a code of ethics.

Read Chapter 5, "Ethical Decision Making and Ethical Leadership"

Read chapter 5 ("Ethical Decision Making and Ethical Leadership") in Business Ethics, and then answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- What are the components of a comprehensive framework for ethical decision making in business?
- How can knowledge about ethical decision making be used to improve ethical leadership?
- What are leadership styles and habits that promote an ethical culture in a business?

Review the list of end-of-chapter terms on page 143 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of ethics in business.

Check Your EQ

Complete the "Check Your EQ" exercise on page 143 of Business Ethics. Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Read Chapter 6, "Individual Factors: Moral Philosophies and Values"

Read chapter 6 ("Individual Factors: Moral Philosophies and Values") in Business Ethics, and then answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- How do moral philosophies and values influence group ethical decision making in business?
- What are the stages of cognitive moral development, and how do those relate to ethical development?
- How does white-collar crime relate to moral philosophies, values, and corporate culture?

Review the list of end-of-chapter terms on page 169 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ

Complete the "Check Your EQ" exercise on page 171 of Business Ethics. Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the
chapter as needed.
Read Chapter 7, "Organizational Factors: The Role of Ethical Culture and Relationships"

Read chapter 7 ("Organizational Factors: The Role of Ethical Culture and Relationships") in Business Ethics, and answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- What is the influence of corporate culture on business ethics?
- How does leadership, power, and motivation relate to ethical decision making in organizations?
- How do work groups influence ethical decision?
- What is the relationship between individual and group ethical decision making?

Review the list of end-of-chapter terms on page 201 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ

Complete the "Check Your EQ" exercise on page 202 of Business Ethics. Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Congratulations! You have completed your study of ethical issues in business, ethical leadership, and use of company resources.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment,
Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU?s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for Principles of Management. The course covers 7 competencies and represents 4 competency units.

Introduction

In this course, you will learn about strategic planning, total quality, entrepreneurship, conflict and change, human resource management, diversity, and organizational structure. All of these topics are descriptive of the working environment managers must learn to oversee. Since the overall environment in which organizations operate is always changing, they require effective managers to ensure that strategic objectives are met. Once you complete this course, you will have demonstrated a level of competence that you can immediately use to become an effective manager in your work and career experience.

Competencies

This course provides guidance to help you demonstrate the following 7 competencies:

- **Competency 317.2.1: Strategic Planning**
  The graduate can explain the strategic planning process.

- **Competency 317.2.2: Total Quality Management**
  The graduate can describe how to establish a total quality management program in a product operation and in a service operation.

- **Competency 317.2.3: Entrepreneurial Perspective**
  The graduate can describe how to establish and promote an entrepreneurial emphasis within an organization.

- **Competency 317.2.4: Conflict and Change Management**
  The graduate can recommend effective techniques for managing conflict and change.

- **Competency 317.2.5: Human Resource Management**
  The graduate can correctly apply principles of human resource management in a given situation.

- **Competency 317.2.6: Workplace Diversity**
  The graduate responds appropriately to diversity issues in the workplace.

- **Competency 317.2.7: Organizational Structure**
  The graduate can recommend an organizational structure to match a given organization's situation.

Course Mentor Assistance

As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors
act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**

The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Learning Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**McGraw-Hill Connect**

You will access all of the activities for this course, including the reading assignments, in McGraw-Hill Connect. Please note that the primary learning resource for MGC1 is the e-text. The e-text chapters will provide you with an overview of the key concepts, as well as examples of how these concepts are utilized in real-world organizations. Once you have moved through the corresponding e-text chapter for each section, there will be resources from the McGraw-Hill Connect site to provide you with additional review of the concepts found in the e-text.

The following textbook is available to you as an e-text within this course:


**Note:** *This e-text is available to you free of charge, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**Pacing Guide**

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- **Pacing Guide: Principles of Management**

**Note:** *This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*
Strategic Planning

Strategic planning is a management tool used to guide an organization's decisions and actions in response to a constantly changing business environment. Strategic planning is a disciplined effort that helps managers by focusing on what they should do, why they should do it, and how they can successfully continue to do it.

Basics of Strategic Planning

Many tools and processes are used to create a company's direction, such as creating a mission/vision, setting goals and objectives, and analyzing the internal and external environment. This topic will give you an overview of the strategic planning process. Reflect on the following questions as you go through this material:

- How is the strategic plan developed at your organization (or an organization you know well)?
- How well does the strategic plan align to the organization's mission?

This topic addresses the following competencies:

- **Competency 317.2.1 - Strategic Planning**
  The graduate can explain the strategic planning process.

This topic highlights the following key concepts:

- Basic steps in any planning process
- Integrating strategic planning with tactical and operational planning
- Elements of the external environment and internal resources of the firm that influence strategy formulation
- Core competencies
- Choices available for corporate strategy
- How companies can achieve competitive advantage through business strategy
- Keys to effective strategy implementation

Planning and Strategic Management

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 4 ("Planning and Strategic Management")

After you have read the above chapter, solidify what you learned by completing the following exercises in McGraw-Hill Connect:

- chapter 4: Sequencing/Timeline – Steps in the Strategic Management Process
- chapter 4: Sequencing/Timeline – Steps in the Formal Planning Process
- chapter 4: Drag and Drop – Internal Analysis for Planning at Organization Anywhere
• chapter 4: Video Case – Brewing a Better Starbucks
• chapter 4: Quiz

For additional review, use your study journal to write the answers to the "Discussion Questions" at the end of chapter 4. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Organizational Responsiveness
Once a strategic plan is decided upon and written, it has to be implemented and continually revised in response to customer needs and the changing environment. Reflect on the following questions as you work through this material:

• How responsive to the environment is an organization you are familiar with?
• What external pressures are being exerted on the organization to change its strategic objectives?

This topic addresses the following competencies:

• Competency 317.2.1: Strategic Planning
  The graduate can explain the strategic planning process.

This topic highlights the following learning objectives:

• Contrast organic structural models with mechanistic structural models.
• Define the value chain concept.
• Define the purpose of value chain analysis.
• Identify the steps for managing an organization's resources.
• Describe the Five Forces model of competitive forces.

Organizational Agility

Read the following sections of chapter 9 ("Organizational Agility") in Management: Leading & Collaborating in the Competitive World:

• "The Responsive Organization"
• "Strategy and Organizational Agility"
• "Organizational Size and Agility"
• "Customer Relationship Management" (found in the "Customer and Responsive Organization" section)

Complete the following exercises in McGraw-Hill Connect:

• chapter 9: Video Case – Organizational Agility at DHL
• chapter 9: Sequencing/Timeline – The Value Chain of a Snowboard Company

After reading these sections, you should be able to answer the following questions:
• What strategic alliances are present in an organization you are familiar with?
• What benefits are there to an organization being a learning organization?

The Competitive Environment

Read the following section of chapter 2 (“The External Environment...”) in Management: Leading & Collaborating in the Competitive World:

• "The Competitive Environment"

Complete the following exercise in McGraw-Hill Connect:

• chapter 2: Comprehension Case – Rubio’s Competitive Environment

Total Quality Management

Total-quality management is a management method to achieve customer satisfaction and high-quality goods and services.

Total Quality Management

Continuous improvement is a mainstay at any organization, and it is important at every level—not just at the executive ranks. To achieve top efficiencies and productivity, processes must be continuously improved to ensure consistency and reduced variation.

Reflect on the following questions as you move through the material:

• What quality initiatives are you familiar with at an organization you know well?
• Are those initiatives successful? Why or why not?

This topic addresses the following competencies:

• Competency 317.2.2: Total Quality Management
  The graduate can describe how to establish a total quality management program in a product operation and in a service operation.

This topic highlights the learning objectives:

• Identify principal benefits of implementing a total quality management system.
• Recognize principal features of specified continuous improvement methodologies.
• Select appropriate tools for implementing the quality management process in a given situation.
• Identify appropriate techniques for achieving quality improvement in delivery services in a given situation.
• Define how management can achieve a greater level of customer-focus in a given department.
• Identify appropriate strategies for meeting the demands for products and services.
Total Quality Management and Organizational Agility

Read the following sections of chapter 9 ("Organizational Agility") in Management: Leading & Collaborating in the Competitive World:

- "Customers and the Responsive Organization" (except "Customer Relationship Management," which you have already read)
- "Technology and Organizational Agility"
- "Final Thoughts on Organizational Agility"

Complete the following activities in your study journal:

- Summarize how firms organize to meet customer requirements.
- Define reengineering. How is reengineering important to an organization's success?

Complete the following exercises in McGraw-Hill Connect:

- chapter 9: Drag and Drop – Designing for Organizational Agility
- chapter 9 Quiz

For additional review, use your study journal to write the answers to the "Discussion Questions" at the end of chapter 9. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Entrepreneurial Perspective

Entrepreneurship is about innovation and creating new ideas, concepts, and products that did not exist before.

Entrepreneurship

Where would society be without the enterprising people called entrepreneurs? Society would be missing out on such products and services as computers, eBay, Amazon, cell phones, and sticky notes, to name a few. Organizations need to cultivate an entrepreneurial orientation; otherwise, it is possible that their product/service line will quickly become obsolete. As you work through this material, reflect on the following question:

- How does your organization encourage creativity and innovation?

This topic addresses the following competencies:

- Competency 317.2.3: Entrepreneurial Perspective
  The graduate can describe how to establish and promote an entrepreneurial emphasis within an organization.

This topic highlights the following learning objectives:

- Recognize the role of intrapreneurship in an organization.
• Recognize why innovation is an essential element of entrepreneurship.
• Identify the common characteristics of entrepreneurial individuals.
• Recognize common considerations for starting a new business venture.
• Compare and contrast financing issues for a new business as opposed to a well-established business.
• Identify effective techniques for maintaining an organization's entrepreneurial spirit in a given situation.

Entrepreneurship

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

• chapter 7 ("Entrepreneurship")

Complete the following exercises in McGraw-Hill Connect:

• chapter 7: Video Case – Entrepreneurship in Action at 1154 Lill Studio
• chapter 7: Drag and Drop – Opportunity Analysis for Shoes with Soul
• chapter 7: Decision Generator – To Be or Not to Be an Entrepreneur
• chapter 7 Quiz

After reading the chapter, you should be able to answer the following question:

• How does an organization cultivate intrapreneurship?

Answer the following study questions:

• What role does entrepreneurship play within an organization?
• Should organizations encourage an entrepreneurial spirit within their organization? Why or why not?
• What is the relationship between innovation and entrepreneurship?
• What are the common characteristics of an entrepreneur?
• Do the financing issues that new businesses face differ from those faced by a well-established business? How?

For additional review, answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Conflict and Change Management

Conflict and change occur naturally in all types of organizations. All institutions experience some form of conflict and change in their daily operations. Sometimes the conflict results in positive, constructive change, and other times it results in negative change. Organizations must be aware of conflict and change, analyze it, and develop strategies to put their plans into action.
Conflict Management

Conflict is a natural occurrence in the workplace. If managed well, conflict can be a healthy element of team growth. Conflict dealt with in healthy ways uncovers issues in need of addressing so that the organization can move forward. As you work through this material, reflect on the following questions:

What conflict management tools and techniques are used in an organization you are familiar with, and are they effective?

This topic addresses the following competencies:

- **Competency 317.2.4: Conflict and Change Management**
  The graduate can recommend effective techniques for managing conflict and change.

This topic highlights the following learning objectives:

- Identify the lateral role relationships found in teams.
- Identify the dimensions of conflict-management strategies.
- Identify appropriate conflict-resolution techniques to apply in a given situation.
- Identify situations in which application of constructive conflict techniques would be appropriate.
- Define the core job dimensions in the job-characteristics model of organizing and describing jobs.
- Identify how specified organizational design characteristics affect work design in a given situation.

Teamwork: Managing Lateral Relationships

Read the following section of chapter 14 ("Teamwork") in *Management: Leading & Collaborating in the Competitive World*:

- "Managing Lateral Relationships"

After reading the chapter, you should be able to complete the following:

- Explain the difference between avoidance, accommodation, compromise, competing, and collaboration as conflict styles.

Define the following key terms from chapter 14:

- accommodation
- avoidance
- collaboration
- competing
• mediator

For further review, answer "Discussion Questions" 9-11 at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Constructive Conflict

Read the following section of chapter 3 ("Managerial Decision Making") in Management: Leading & Collaborating in the Competitive World:

• "Managing Group Decision Making"

After reading the chapter, you should be able to complete the following:

• Define constructive conflict.

Motivation

Read the following sections from chapter 13 ("Motivating for Performance") in Management: Leading & Collaborating in the Competitive World:

• "Understanding People's Needs"
• "Designing Motivating Jobs"

Complete the following exercises in McGraw-Hill Connect:

• chapter 13: Video Case – Life at Google
• chapter 13: Decision Generator – The Electricity of Job Enrichment
• chapter 13: Drag and Drop – Which Motivation Theory Fits?
• chapter 13: Quiz

Communication

Communication is a cornerstone to any successful relationship, including relationships within the organization: relationships among individuals on the team, between the team members and the team leader, and between teams and departments. As you work through the material, reflect on how communication flows within an organization you are familiar with. What are the outcomes of that communication?

This topic addresses the following competencies:

• **Competency 317.2.4: Conflict and Change Management**
  The graduate can recommend effective techniques for managing conflict and change.

This topic highlights the following learning objectives:

• Identify barriers to cross-cultural communication in a given workplace setting.
• Identify the purposes for creating a boundaryless organization.
Communicating

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 15 ("Communicating")

After reading the chapter, you should be able to answer the following questions:

- What are the benefits of effective communication?
- How can organizational leaders improve communication?

Take the following quiz in McGraw-Hill Connect:

- chapter 15: Quiz

Managing Change

You often hear that the only thing you can count on is change. This is especially true in organizations as customer requirements, markets, technology, and laws change. Because change can often be a painful process that many resist, a manager's ability to help the team cope with change is especially critical. As you work through this material, reflect on the following question:

- What are some of the most effective methods a manager can use to handle change effectively?

This topic addresses the following competency:

- Competency 317.2.4 - Conflict and Change Management
  The graduate can recommend effective techniques for managing conflict and change.

This topic highlights the following learning objectives:

- Describe strategies that organizations can implement to create a successful future.
- Identify appropriate techniques for gaining support for change in a given situation.
- Select appropriate strategies for overcoming resistance to change in a given situation.

Creating and Managing Change

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 18 ("Creating and Managing Change")

Complete the following exercises in McGraw-Hill Connect:

- chapter 18: "Drag and Drop – Leading the Charge for Change"
- chapter 18: Quiz
After reading the chapter you should be able to answer the following question:

- What makes organizational change so difficult?

Answer the following questions:

- What is constructive conflict? What are some conflict resolution techniques that can be employed in an organization?
- What are the stages of change within an organization?
- How can managers solicit support from their employees for their change initiatives?
- What strategies can managers use to overcome resistance to their change initiatives?

For additional review, answer the "Discussion Questions" at the end of chapter 18. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

**Human Resource Management**

People perform the work that goes into achieving an organization's strategic objectives. This means the majority of a manager's job focuses directly on managing the individuals and their relationships: hiring, training, motivating, and evaluating. Throughout this process, the manager performs these tasks within the legal scope of labor laws and with the growing diversity of the workforce. It is important to understand these dimensions to be successful as a manager.

**Human Resource Management**

Without a qualified, well-trained, motivated staff, it is much more difficult to achieve strategic objectives. A good manager hires the right people, trains them properly (and continually), motivates them, and evaluates and rewards performance. Performing these duties well requires skill and thoughtful consideration of the legal environment and the specific individuals on the team. As you work through this material, think about the best managers you have worked with in the past and reflect on the following question:

- In what ways do these managers train, provide feedback, and motivate employees, as well as reward good performance?

This topic addresses the following competencies:

- Competency 317.2.5: Human Resource Management
  The graduate can correctly apply principles of human resource management in a given situation.

This topic highlights the following learning objectives:

- Identify specific legal considerations that affect staffing decisions in a given situation.
- Describe how strategic human resource planning can benefit an organization in a given situation.
- Identify appropriate steps to follow when selecting new employees in a given situation.
Human Resources Management

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 10 ("Human Resources Management")

After reading the chapter, you should be able to answer the following question:

- How do companies use human resource management to gain a competitive advantage?

Complete the following exercises in McGraw-Hill Connect:

- chapter 10: Video Case – Strategic Human Resources Management at Best Buy
- chapter 10: Sequence – Putting HR Planning in Perspective
- chapter 10: Drag and Drop – Employee Selection, Training, and Appraisal
- chapter 10: Quiz

For additional review, answer the "Discussion Questions" at the end of chapter 10. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

**Workplace Diversity**

Diversity is an increasingly important topic in business. As global markets continue to globalize and converge, the importance of successfully navigating workplace diversity will continue to grow. This section will help you develop these essential diversity management skills.

**Diversity**

Diversity is much broader than ethnicity, gender, and race. Diversity refers to those human qualities that are present in other individuals and groups. It is important to understand how these dimensions affect performance, motivation, success, and interactions with others within an organization. As you work through this material, reflect on the following questions:

- How diverse is an organization you are familiar with?
- How has your view of diversity changed over the years?

This topic addresses the following competency:

- **Competency 317.2.6: Workplace Diversity**
  The graduate responds appropriately to diversity issues in the workplace.

This topic highlights the following learning objectives:

- Explain why certain types of diversity are protected by law.
- Identify possible sources of conflict that may arise between younger and older workers in a given workplace situation.
• Recognize business situations in which religious preferences may inappropriately affect decision making.
• Recognize situations in which it would be appropriate to modify the workplace to accommodate the needs of an individual worker.
• Identify common elements of effective diversity training programs.

Managing the Diverse Workforce

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

• chapter 11 ("Managing the Diverse Workforce")

Complete the following exercises in McGraw-Hill Connect:

• chapter 11: Video Case – Multigenerational Office
• chapter 11: Drag and Drop – Valuing Diversity and the Obstacles of Assumptions
• chapter 11: Decision Generator – Does this Organization Age Like Fine Wine?
• chapter 11: Quiz

After reading the chapter, you should be able to answer the following questions:

• What distinctions can you make between affirmative action and managing diversity?
• In what ways does your organization (or one you know well) manage diversity well?

Answer the following study questions:

1. What is strategic human resource planning, and how does it benefit an organization?
2. What legal considerations must organizations consider when hiring employees?
3. What is the job characteristics model (JCM)?
4. Why are certain types of diversity protected by law? What are they?
5. What are some barriers to cross-cultural communication in an organization?
6. When are organizations required to modify their workplace in order to accommodate the needs of an individual employee?

For additional review, answer the "Discussion Questions" at the end of chapter 11. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Organizational Structure

Organizational design is the process by which managers select and manage various dimensions and components of organizational structure and culture so that an organization can achieve its goals.

Organizational Structure

In order to achieve an organization's strategic initiatives, it is not enough to have the qualified people in place to do the work; the right structure has to surround them. Organization structure is about division of labor (who does what, hierarchical structures, who reports to whom) and
setting those up so that information and work flows efficiently throughout the organization. It is much more complex than you might initially think. As you work through this material, reflect on the following question:

- In what ways does the organizational structure of your organization (or one you know well) help or hinder work and communication processes?

This topic addresses the following competencies:

- **Competency 317.2.7: Organizational Structure**
  The graduate can recommend an organizational structure to match a given organization's situation.

This topic highlights the following learning objectives:

- Identify the key elements that define a given organization's structure.
- Distinguish between a vertical and a horizontal organizational structure.
- Recognized wether a given organization exhibits the characteristics of a virtual organization (dynamic network).
- Recognize the common purposes of the controlling function.
- Identify the basic areas of budgetary control.
- Sequence the steps in the control process.

**Organization Structure**

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 8 ("Organization Structure")

For additional review, answer the "Discussion Questions" at the end of chapter 8. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Take the following quiz in McGraw-Hill Connect:

- chapter 8: Quiz

Answer the following study questions:

- What components make up an organization's structure?
- What is the difference between a bureaucracy and a matrix organizational structure?
- What is a boundaryless organization? What is the purpose of creating one?
- What characteristics compose a virtual organization?
- What is the difference between organic structural models and mechanistic structural models?
Organizing for Innovation

Read the following section of chapter 17 ("Managing Technology and Innovation") in Management: Leading & Collaborating in the Competitive World:

- "Organizing for Innovation"

Managerial Control

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 16 ("Managerial Control")

After reading the chapter, you should be able to complete the following:

- Describe three types of control systems.
- What types of control systems have you seen in operation in your organization (or one you know well)?

Complete the following exercises in McGraw-Hill Connect:

- chapter 16: Drag and Drop – Engaging Employees at the Ritz Carlton
- chapter 16: Drag and Drop – The Right Ratio for the Job
- chapter 16: Decision Generator – Is There Empowerment at the Ritz-Carlton?
- chapter 16: Case Analysis – Does Legal Sea Foods Take a Balanced Approach to Control?
- chapter 16: Quiz

For additional review, answer the "Discussion Questions" at the end of chapter 16. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves
Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for ORC1. The course covers 6 competencies and represents 4 competency units.

**Introduction**

**Overview**
In today's increasingly competitive global market, companies are finding that what used to be minor considerations have become of much greater importance. Aspects of a business, such as culture, leadership, teamwork, and behavior, now have taken on a much more prominent role.

Think about the difference between the corporate culture of Google, one of the most successful companies in the past decade, and AIG, one of the most disgraced companies in the past decade. Google set out to establish a clear sense of its corporate identity and culture, and has based its organization on that vision to great success. AIG, on the other hand, allowed a culture to evolve that was counterproductive to its original intend of doing business without and the results speak for themselves. Your study of organizational behavior will introduce the underlying principles of culture, leadership, teamwork, and behavior so that you will be able to understand and apply them in your own work experience.

Watch the following video for an introduction to this course

*Note: To download this video, right-click the following link and choose "Save as...": [download video]*

**Competencies**
This course provides guidance to help you demonstrate the following 6 competencies:

- **Competency 317.1.1: Behavioral Influences**
  The graduate can describe the effects of specified influences on individual behavior.

- **Competency 317.1.2: Group Development**
  The graduate can recommend appropriate principles or techniques for guiding the development of a group.

- **Competency 317.1.3: Teams and Team Building**
  The graduate can determine which type of team and team leadership should be used to accomplish a task or project.

- **Competency 317.1.4: Organizational Culture**
  The graduate analyzes the culture within an organization to determine how to work effectively within that organization.

- **Competency 317.1.5: Leadership**
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

- **Competency 317.1.6: Performance Evaluation**
  The graduate can develop and recommend how to implement effective performance-evaluation processes.
Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts
The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: This e-text is available to you free of charge, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

IMPORTANT NOTE: As you read the various assigned chapters in the e-text provided in this course you may occasionally encounter situations in which the e-text reading indicates that you should visit an outside website to view other content or participate in another activity such as the Self-Assessment Library. Due to the digital nature of this e-text it is not possible to click on embedded links within the e-text and be re-directed to other websites. It is also NOT possible to edit or make other changes within the e-text itself as this content is created by the publisher.
who then provides it to us in a digital format. Please ignore all instructions that would redirect you to an outside website.

**SkillSoft and Books 24x7**
You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

**Pacing Guide**
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- **Pacing Guide: Fundamentals of Organizational Behavior**

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Behavior Influences**

Individuals behave in certain ways for particular reasons. Reasons for behavior stem from various influences. These influences can be classified into general categories, such as biological, personal, social, or environmental. Individuals can modify the behaviors based on some influences more easily than they can modify the behaviors based on others.

**Individual Behavior**

When you have completed this section, you should be able to do the following:

- describe the effects of specified influences on individual behavior
- explain what factors determine an individual's personality
- define perception and how it affects the decision-making process in an organization
- describe how an individual's value system influences their attitude in the workplace
- explain the difference between intrinsic and extrinsic factors of motivation
- describe theories of motivation

Dealing with influences on the behavior of individuals within an organization is an integral part of a manager's responsibilities and has a clear impact on the overall performance of an organization's workforce.

This topic addresses the following competency:

- **Competency 317.1.1: Behavioral Influences**
  The graduate can describe the effects of specified influences on individual behavior.

**Personality and Values**

Read the following chapter in *Organizational Behavior*:

- chapter 5 ("Personality and Values")
Work through the chapter 5 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 5 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Perception and Individual Decision Making**

Read the following chapter in *Organizational Behavior*:

- chapter 6 ("Perception and Individual Decision Making")

Work through the chapter 6 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 6 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Motivation Concepts**

Read the following chapter in *Organizational Behavior*:

- chapter 7 ("Motivation Concepts")

Work through the chapter 7 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 7 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Review of Concepts: Behavior Influences**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- [mgmt_09_a06 bs enus: Emotions, Mindsets, and Coaching]
- [lead_01_a06 bs enus: Coaching Performance]

**Message Board Study Questions: Behavior Influences**

Post any questions you may have on the study question content in the message board. You should be able to respond to the following prompts:
• What factors determine an individual's personality? Do personality attributes predict
  work behavior? How?
• What is perception, and how does it affect the decision-making process in an
  organization?
• How does an individual's value system influence their attitude in the workplace?
• What is the difference between intrinsic and extrinsic factors of motivation?
• Describe the theories of motivation listed in chapter 6.
• What is the goal-setting theory of motivation?

**Group Development**

A number of theoretical models have been developed to explain how certain groups change
over time. In some cases, the type of group being considered had influenced the model of group
development that was proposed, as in the case of therapy groups. In general, some of these
models view group change as regular movement through a series of "stages," while others view
them as "phases" that groups may or may not go through and which might occur at different
points of a group's history. Attention to group development over time has been one of the
differentiating factors between the study of ad hoc groups and the study of teams such as those
in the workplace, the military, sports, and many other contexts.

**Group Development**

When you have completed this section, you will be able to do the following:

- describe appropriate principles or techniques for guiding group development
- define the stages of group development in the five-stage group development model
- explain the difference between group roles and group norms
- list the factors that affect group cohesiveness
- describe conflict resolution techniques available for groups

Many different researchers and theorists have studied groups to understand how they develop.
This section will cover the techniques and methods for group development. Group development
covers a wide range of different concepts and strategies in order to build and maintain effective
groups within an organization.

This topic addresses the following competency:

- **Competency 317.1.2: Group Development**
  The graduate can recommend appropriate principles or techniques for guiding the
development of a group.

**Foundations of Group Behavior**

Read the following chapter in *Organizational Behavior:*
chapter 9 ("Foundations of Group Behavior")

Work through the chapter 9 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 9 video:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Conflict and Negotiation

Read the following chapter in Organizational Behavior:

chapter 14 ("Conflict and Negotiation")

Work through the chapter 14 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 14 video:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Review of Concepts: Group Development

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- en_US_41102_ng: Organizational Behavior-Organizational Group Dynamics
- pd_04_a06_bs_enus: Group Problem Solving and Decision Making
- oper_04_a02_bs_enus: Team Dynamics

Message Board Study Questions: Group Development

Post any questions you may have on the study question content in the message board. You should be able to answer the following questions:

- What are the stages in the five-stage group development model?
- What is the difference between group roles and group norms?
- What is the difference between formal and informal group?
- What factors affect group cohesiveness?
- What conflict-resolution techniques are available for groups? How can group leaders facilitate conflict resolution within their groups?
- What is social loafing?
- Is group decision making an advantage or a disadvantage? Why?

Teams and Team Building
Team building refers to a wide range of activities, usually in a business context, for improving team performance. Team building is pursued via a variety of practices and can range from simple bonding activities to activities designed to develop a team (including group assessment and group-dynamic games), usually falling somewhere in between.

**Teams and Team Building**

When you have completed this section, you will be able to do the following:

- explain the difference between a work group and a work team
- describe a cross-functional work team and why is it used
- define characteristics that are unique to a virtual team
- identify reasons why a team might fail
- explain the way in which reward systems affect team members

Effective team building involves establishing ownership of shared goals, removing barriers to achieving those goals, employing resources that facilitate achievement of goals, and using team building processes to increase team performance.

This topic addresses the following competency:

**Competency 317.1.3: Teams and Team Building**

The graduate can determine which type of team and team leadership should be used to accomplish a task or project.

**Understanding Work Teams**

Read the following chapter in *Organizational Behavior*:

- chapter 10 ("Understanding Work Teams")

Work through the chapter 10 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 10 video:

*Note: To download this video, right-click the following link and choose “Save as...”: download video.*

**Review of Concepts: Teams and Team Building**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- mgmt_08_a03_bs_enus: Facilitating Meetings and Work Groups
- MGMT009B: Coaching Teams and Personalities Simulation
- team_01_a01_bs_enus: Launching Successful Virtual and On-Site Teams
Message Board Study Questions: Teams and Team Building

Post any questions you may have on the study question content in the message board. You should be able to answer the following questions:

- What is the difference between a work group and a work team?
- What is a cross-functional work team, and why is it used?
- What characteristics are unique to a virtual team?
- What are some reasons why a team might fail?
- What is an "effective" team? What facilitates team effectiveness?
- Do reward systems affect team members? How?
- When might a self-managed team be appropriate?

Organizational Culture

Organizational culture is an idea in the field of organizational studies and management that describes the psychology, attitudes, experiences, beliefs, and values (personal and cultural) of an organization.

Organizational Culture

When you have completed this section, you will be able to do the following:

- define organizational culture
- describe the factors that determine and maintain an organization's culture
- explain how organizations transmit their culture to employees
- describe the difference between a functional and a dysfunctional organizational culture
- identify the advantages of a strong organizational culture

Organizational culture is the personality of the organization. Some corporate cultures are very strict and formal while others are more laid-back and informal. Some organizational cultures reward processes while others reward innovation.

This topic addresses the following competency:

- Competency 317.1.4: Organizational Culture
  The graduate analyzes the culture within an organization to determine how to work effectively within that organization.

Organizational Culture

Read the following chapter in Organizational Behavior.

- chapter 16 ("Organizational Culture")

Work through the chapter 16 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 16 video:
Note: To download this video, right-click the following link and choose "Save as...": download video.

Review of Concepts: Organizational Culture

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- lead0122: Organizational Culture and Leadership
- hr_02_a02_bs_enus: Changing Corporate Culture

Message Board Study Questions: Organizational Culture

Post any questions you may have on the study question content in the message board. You should be able to answer the following questions:

- What is organizational culture? What factors determine and maintain an organizational culture?
- How do organizations transmit their culture to their employees?
- What is the difference between a functional and a dysfunctional organizational culture?
- What are the advantages of a strong organizational culture?

Leadership

In an intelligently-managed organization, leadership is not a randomly operating process; it is a purposeful force requiring joint effort. It is management's role to ensure that this organizational leadership has a substantive and meaningful core around which to form itself and to give it traction for advancing the organization toward its stated ends.

Leadership

When you have completed this section, you will be able to do the following:

- analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader
- compare and contrast transformational and transactional leaders
- define charismatic leadership
- describe the contingency theories of leadership
- explain how leaders facilitate conflict resolution

Organizational leadership focuses on building leadership skills that are applicable across industries and specific disciplines. This section will focus on the strategic relationship between leadership theories, practices, and organizational goals.

This topic addresses the following competency:

- Competency 317.1.5: Leadership
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

Contemporary Issues in Leadership
Read the following chapter in *Organizational Behavior*:

- chapter 12 ("Leadership")

Work through the chapter 12 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 12 video:

*Note: To download this video, right-click the following link and choose "Save as...":* download video.

**What Is Organizational Behavior?**

Read the following chapter in *Organizational Behavior*:

- chapter 1 ("What Is Organizational Behavior?")

Work through the chapter 1 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 1 video:

*Note: To download this video, right-click the following link and choose "Save as...":*

**Review of Concepts: Leadership**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- mgmt_09_a01_bs_enus: Business Coaching
- pd_05_a02_bs_enus: Managing From Within: Self-Empowerment

**Message Board Study Questions: Leadership**

Post any questions you may have on the study question content in the message board. You should be able to respond to the following prompts:

- Compare and contrast transformational and transactional leaders.
- What is charismatic leadership?
- Describe the contingency theories of leadership.
- Is there a difference between coaching and mentoring? If so, what is it?
- How can leaders facilitate conflict resolution in their organization?
- What is empowerment?

**Performance Evaluation**

Performance assessment methods for individuals and teams seek the measurement about
productivity, fit, and competency of employees contributing to the greater good of an organization. Performance appraisal surveys and evaluations hope to achieve higher productivity outcomes by delineating how employees meet job specifications. A major challenge for performance appraisal systems is to define performance standards while maintaining objectivity.

**Performance Evaluation**
When you have completed this section, you will be able to do the following:

- describe how to implement effective performance evaluation processes
- explain the purpose of performance evaluations
- describe the relationship between performance evaluations and motivation
- identify when the use of a 360-degree performance evaluation would be appropriate

Performance evaluations serve numerous purposes in an organization. They help management make human resource decisions regarding termination, promotions, compensation etc., and they showcase an employee’s strengths and pinpoint weaknesses in an employee’s performance weaknesses.

This topic addresses the following competency:

- **Competency 317.1.6: Performance Evaluation**
  The graduate can develop and recommend how to implement effective performance-evaluation processes.

**Power and Politics**

Read the following chapter in *Organizational Behavior*:

- chapter 13 ("Power and Politics")

Work through the chapter 13 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 13 video:

*Note: To download this video, right-click the following link and choose "Save as...": download video.*

**Human Resources Policies and Procedures**

Read the following chapter in *Organizational Behavior*:

- chapter 17 ("Human Resource Policies and Practices")

Work through the chapter 17 multiple choice questions using the knowledge you learned while reading the chapter.
After completing the multiple choice questions, watch the chapter 17 video:

*Note: To download this video, right-click the following link and choose "Save as...":*

Review of Concepts: Performance Evaluation

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- MGMT0150: 360-Degree Performance Appraisal Simulation
- MGMT0151: About 360-Degree Performance Feedback

Message Board Study Questions: Performance Evaluation

Post any questions you may have on the study question content in the message board. You should be able to answer the following questions:

- What is the purpose of performance evaluations?
- What is the relationship between performance evaluations and motivation?
- When might the use of a 360-degree performance evaluation be appropriate?
- Can performance evaluations improve the performance of teams? How?
- How do workplace politics influence behavior within an organization?

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessment associated with this course. If you have not already been directed to complete the assessment, schedule and complete your assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of
this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for RWT1. The course covers 2 competencies and represents 2 competency units.

**Introduction**

This course is designed to prepare you to demonstrate your competence in researching, evaluating, interpreting, and presenting information on an important question in your degree field. You will locate relevant reference material to understand the topic. You will create an annotated bibliography with citations that reflect observations about the sources you will use. You will then present information and justified conclusions in two different formats: the business report and the business presentation. The performance assessment consists of several separate sections, but the corresponding sections will be completed and submitted as one task into TaskStream for final grading.

**Competencies**

This course provides guidance to help you demonstrate the following 2 competencies:

- **Competency 318.2.2: Business Research and Presentation**
  The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

- **Competency 318.2.3: Organizational Communication**
  The graduate can determine appropriate uses for specified types of organizational communication.

**Course Mentor Assistance**

As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**

The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course.
For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Learning Resources**

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

**VitalSource E-Texts**

The following textbooks are available to you as e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**SkillSoft**

You will access the SkillSoft items within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources” page.

**Access Business Report Document**

Download and review the following document. It is to be used in your preparation and creation of the research report.

- [RWT1 Business Research Report Template](#)

**Business Research**

Historically, the most successful businesses have made their decisions based on sound research and analysis. While external business activities might include costly primary research, most of the operational activities that affect the majority of the employees require strong secondary research skills. From selecting a new office supply vendor to assessing the impact of external regulations, knowing how to locate and evaluate information is a key skill that helps most people progress in their careers. The activities in this section will help you learn how to do secondary business research on a selected business topic about which you will write a business report.

When you have completed this section you will be able to

- Describe an effective process for conducting business research.
- Explain criteria for evaluation the credibility of an information source.
- Provide guidelines for conducting an effective online search.
• Identify tools that can make your research more effective and more efficient.
• Define the scope of your business research project.
• Locate and evaluate relevant and meaningful information from research sources.

To begin the process of mastering the competencies of business research and writing, you will first learn about research resources and strategies. Then you will choose a business scenario to research and locate relevant information sources to support the project.

**Effective Business Research Techniques**

Are you familiar with the adage, "Garbage in, garbage out"? It is as true with making business decisions based on research as it is for managing computer databases. That is why knowing how to do secondary research is critical to gathering reliable information that important decisions will be made on. This topic will help you see the importance of effective business research for your business report and presentation as well as enable you to learn efficient ways to gather and evaluate information.

This topic addresses the following competencies:

• Competency 318.2.2: Business Research and Presentation
  The graduate conducts business research and develops business-related presentations appropriate to specific tasks.
• Competency 318.2.3: Organizational Communication
  The graduate determines appropriate uses for specified types of organizational communication.

**Finding, Evaluating, and Processing Information**

Read the following chapter in the *Business Communication Today*:

chapter 11 ("Finding, Evaluating, and Processing Information")

Pay special attention to the following concepts:

• Planning your research
• Locating data and information
• Finding information online
• Processing data and information
• Applying your findings

**Getting the Most From Business Documents**

Complete the following module in SkillSoft:

• COMM0016: Getting the Most From Business Documents

**Researching, Evaluating, and Selecting a Business Topic**

One of the first things you need to do as a researcher in order to find relevant and reliable information is to have a sound understanding of what you are looking for. Otherwise, you may spend a lot of time finding trivial information that even the best *Jeopardy!* contestant would not
use. Fully comprehending the scope of the research needed enables you to ask the right questions that will lead him to the reliable information he needs. This topic offers topic selection for this assessment and helps you get started with your own research.

This topic addresses the following competencies:

- **Competency 318.2.2: Business Research Presentation**
  The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

- **Competency 318.2.3: Organizational Communication**
  The graduate determines appropriate uses for specified types of organizational communications.

**Select a Business Research Topic From the Topic List**

Select a topic for your business research from the following topic list. Please review the seven scenarios presented below and choose one to begin your business research.

1. As a partner in a new business, one of your roles is to review information technology tools available to assist you in a certain aspect of your business (i.e., marketing, accounting, sales, quality assurance, etc.). Select a technology that emerged within the last five years and consider its impact on your business and make a decision on whether you adopt this technology.

2. As a member of the human resources department in a manufacturing organization with 120 employees, you have been asked to evaluate different compensation strategies that are available for adoption within your organization. Compare and contrast several compensation strategies and determine the appropriateness of each compensation strategy to your organization.

3. As a CPA of a newly formed publicly-held accounting firm, you have been asked to research the accounting and reporting standards of Financial Accounting Standards Board (FASB) and provide a report to your manager on the impact FASB may have on your company. In your report, you should discuss the history of FASB, the requirements imposed by FASB on public corporations, the impact FASB has on the investment community and the satisfaction of the investment community of the imposed standards.

4. Your company wants to enter into a major new venture (e.g., develop a new product line, establish a new market, create a presence in a new geographical area, etc.). What are the various means of financing such a venture? Select a new venture, and make realistic assumptions about the assets, liabilities, revenues, operational expenses, and credit history of your company. You should discuss the choices that are available and how best to go about selecting one for your organization.

5. You are employed by a firm that produces tangible products and is consistently beaten in the competitive marketplace by foreign firms that are able to produce higher quality products at a lower cost. Your manager has asked you to evaluate several quality improvement processes including Six Sigma and ISO9000 in order to determine if the company should consider a quality improvement process in an effort to produce higher profit margins. Prepare a report for your manager which compares and contrasts several quality control initiatives and make a recommendation, based on your research, as to
which process, if any, the company should adopt.

6. Your company has recently decided to expand into online sales. The company wishes to continue to sell its products in the retail stores located throughout the United States but they also wish to establish a presence on the Internet. Research the online marketing opportunities available for retail sales and provide a report to your manager which includes the advantages and disadvantages if marketing online, the potential impact of online sales to the company, and the requirements for a successful online marketing campaign.

7. The CEO of your company has asked you to research the claim that being more ethical and socially responsible in business increases efficiency in the workplace. The CEO has asked you to prepare a report that describes how business ethics and social responsibility can be used to increase efficiency, the effect that it can have on the reputation of the company, and the effect it can have on the company's relationships with employees, investors, and customers.

Message Board Activity: Selecting Business Topic

In the message board, locate the thread, "RWT1: Selecting Business Topic." Respond to that thread by posting the topic you have chosen and discuss where you are going to look for information regarding your project as well as any questions you may have. Read and respond to ideas expressed by other students. Interacting with other students is an excellent way to clarify your own understanding of concepts and develop your competence.

Critically Analyze Your Research

Review the Cornell University Library: Critically Analyzing Information Sources web page to learn how to critically analyze your research.

Locate and Evaluate Business Research Sources

Using any variety of resources available to you, research your selected business topic. In addition to traditional web searches, also consider researching professional associations, vendor information, and the WGU library.

To access the WGU library, log in to the student portal and click on "Resources" and then "Library." Enter the library and search for articles, books, and other documents that support your topic.

Writing Business Reports

The ability to write business documents with accurate, accessible information including an appropriate amount of detail is a highly valued skill. Even from just reviewing your resume, employers are looking to see how well a candidate can articulate and present information tailored to a specific audience. These same literary skills are used in writing business reports that follow a standardized format, present information clearly enabling the reader to quickly view and comprehend the key points.

Writing Business Reports

When you have completed this section, you will be able to
• Identify the key sections of a standard business report document.
• Explain how to adapt a business document to a specific audience.
• Identify characteristics of effective writing in business reports and proposals.

This topic addresses the following competencies:

• Competency 318.2.2: Business Research Presentation
  The graduate conducts business research and develops business-related presentations
  appropriate to specific tasks.
• Competency 318.2.3: Organizational Communication
  The graduate determines appropriate uses for specified types of organizational
  communications.

Writing Reports and Proposals

Read the following chapter in Business Communication Today:

• chapter 14 ("Writing Reports and Proposals")

Pay special attention to the following concepts:

• Adapting to your audience
• Drafting report content
• Helping readers find their way
• Headings and links
• Transitions

Completing Reports and Proposals

Read the following in Business Communication Today:

• chapter 15 ("Completing Reports and Proposals")

Pay special attention to the following concepts:

• Revising your reports and proposals
• Components of a formal report
• Synopsis or executive summary
• Proofreading your reports and proposals

APA Citation Basics: Appendix B

Read the following in Business Communication Today:

• appendix B ("Documentation of Report Resources")

Message Board: Segment Differences

Locate and read the message board post labeled, "BUSCOMM: Intro vs. Conclusion vs. Executive Summary." Take notes on the differences between these three segments of the
business research report.  
Organize the Body and Write Your Report Using the Business Research Report Template

Download the business research report template. Examine the template and notice how it is organized. It is recommended that you first complete the organized reference document before starting to write the report. Using the information in your completed organized reference document, plan how you will organize the body of your report so that it includes mention of the ten sources required for the task. Then write your paper by completing the template.

Note: The Executive Summary should be the very last component that you complete. This completed document will be one of three files you will submit for grading in TaskStream.

Multimedia Business Presentation

While written business reports lend themselves to full explanations and compelling details, organizational leaders often prefer the format of a multimedia presentation to communicate information. Not only does the multimedia format provide visual impact, but also the verbal or audio component clarifies and reinforces the message. Additionally, educational studies indicate that using multiple forms of communication modes (visual and verbal in this case) enables people to comprehend the information more completely. Like a written business report, preparing a multimedia presentation requires information organization, tailoring the information to the audience, and clarity. In addition, multimedia presentations require technology skills, basic graphic design knowledge, and a keen ability to prioritize and appropriately modify your text.

When you have completed this section you will be able to

- Explain how visual elements enhance oral presentations.
- Describe how to write readable content for slides.
- Explain the importance of design consistency in electronic slides.
- Understand rudimentary slide design principles.
- Describe the effective use of transitions in electronic presentations.

To begin your mastery of creating multimedia presentations for business situations, you will learn how enhancing presentations with visual elements can increase the effectiveness and impact of information. Then you will study the principles behind visual communication, appropriate use of electronic slides, and basic slide design. You will be able to demonstrate your mastery by completing a multimedia slide presentation to complement your business report.

Creating Effective Multimedia Presentations

There is a noticeable difference between a compelling, persuasive, effective business multimedia presentation and one that simply goes through the motions without having any impact. As you complete the activities associated with this topic, you will learn how to develop effective presentations that meet the needs of your audience while conveying the message that you need to get across.
This topic addresses the following competency:

- Competency 318.2.2: Business Research Presentation
  The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

**Enhancing Presentations With Slides and Other Visuals**

Read the following chapter in *Business Communication Today*:

- chapter 17 ("Enhancing Presentations with Slides and Other Visuals")

Pay special attention to the following concepts:

- selecting the type of visuals to use
- creating effective slides
- writing readable content
- selecting design elements
- achieving design consistency
- adding animation and special effects

**Search the SkillSoft/SkillPort Library**

For information and tutorials on using your particular presentation software, log in to the SkillSoft Home Page. Using a key word search, search for books and courses. In addition to searching for your software version, you could also search the following suggested keywords:

- PowerPoint presentations
- using Microsoft Office
- business presentations

**SkillSoft Job Aid: Proper Use of Slides**

Review the Job Aid document "Proper Use of Slides" associated with the following SkillSoft module:

- comm_05_a03_bs_enus: Available Presentation Resources

**Visit the Message Board Activity**

Look for the message post labeled, "RWT1: Multimedia Presentation." Respond to the post by explaining how utilizing an electronic slide presentation will help you effectively convey your research to a group. Post your initial thoughts, and read and respond to the ideas presented by your peers. Interacting with others is an excellent way to help clarify your own understanding of these concepts.

**Multimedia Business Presentation**

Your multimedia presentation (suggested length of 10 slides) should clearly and concisely cover the main points of your business report. Prepare the multimedia presentation in PowerPoint or a similar multimedia format to accompany your business report. The presentation should be
appropriate for the audience, free of spelling and grammatical errors, and well organized. When further clarification is needed, notes should be included in the notes section of PowerPoint. Save your final multimedia business presentation.

Although the performance task consists of several separate sections, the corresponding sections will be submitted as one task (with multiple attachments) for final grading in TaskStream once all sections are complete.

Submit Your Task to TaskStream

With the preceding activities completed, you should be ready to submit your work to TaskStream for grading. Be sure that you double check your work against the provided rubric before uploading. When you upload your work you should submit three separate files:

- Organized Reference Document
- Business Research Report
- Multimedia Presentation

Remember to submit your work for grading after you have uploaded the files.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, visit the following resources in The WGU Library:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback
ADA Policy

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- Policies and Procedures for Students with Disabilities
This course supports the assessments for CMO1. The course covers 8 competencies and represents 6 competency units.

Introduction

Overview
Many students choose to work for manufacturing companies. The financial accounting learned in previous coursework is great foundation for this study of internal accounting. Managerial accounting is about providing information to management to manage better by controlling costs. You will also study some techniques used to make other decisions on how to best use the capital resources of the firm. Providing information about how the business is performing is a critical aspect of accounting information. In this case the focus is on the internal operations and working in a partnership with the decision makers in the firm.

Competencies
This course provides guidance to help you demonstrate the following 8 competencies:

- Competency 308.1.1: Health Assessment
  The student understands how to use process costing.
- Competency 308.1.2: Job Order Costing
  The student understands how to use job-order costing.
- Competency 308.1.3: Variances
  The student understands how to use a standard cost system for computing variances and explaining their significance.
- Competency 308.1.4: Activity-Based Costing
  The student understands Activity-Based Costing.
- Competency 308.1.5: Variable and Absorption Costing
  The student understands variable and absorption costing.
- Competency 308.1.6: Cost/Benefit Analysis
  The student can use cost/benefit analysis in making decisions.
- Competency 308.1.7: Developing Budgets
  The student can develop various forms of operating budgets, including a flexible budget system.
- Competency 308.1.10: Management Tools and Data
  The student understands accounting data, reports, and tools used by management.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and
troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Enroll in Learning Resources

You will need to enroll in or subscribe to learning resources as a part of this course. You may already have enrolled in these resources for other courses. Please check the "Learning Resources" tab and verify that you have access to the following learning resources. If you do not currently have access, please enroll or renew your enrollment at this time.

Note: For instructions on how to enroll in or subscribe to learning resources through the "Learning Resources" tab, please see the "Acquiring Your Learning Resources" page.

McGraw-Hill Connect

This learning resource is required and is considered a valuable resource for understanding the course material. It provides an intensive training program to aid in completion of this course. This resource includes access to the following e-text:


The three major activities in the program involve:

- LearnSmart modules or narrated presentations;
- interactive exercises and problems;
- and chapter quizzes.

It is recommended that you complete the LearnSmart module or the narrated presentations for each chapter, then complete the questions assignment, and finally take the quiz for the same chapter. You are also encouraged to complete the chapters in order, without skipping any, including the appendices.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.
SkillSoft and Books 24x7
You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

Introduction to Accounting: The Language of Business
The Introduction to Accounting: The Language of Business courseware contains modules with lessons that are instructor-led with on-screen presentation of material. There are numerous helps built into each lesson. You will be directed to specific links to this resource in the activities that follow.

Other Learning Resources

You will use the following learning resources for this course.

Financial Accounting Standards Boards Database
Activities within this course will direct you to utilize the Financial Accounting Standards Board (FASB) database. Here is the log-in information for access to the FASB Codification database.

Log in at the link above using the following:

- Username: AAA52071
- Password: 9ZTct8x

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Concepts in Cost/Managerial Accounting

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Cost-Volume-Profit

Planning is a key management function. What is the break-even point for your products? What is the target profit you hope to achieve? The planning process can be directed to achieve these goals. Then the manager can track progress as the accounting period progresses.

The ability to predict how costs and profit will respond to changes in activity is critical for making decisions, controlling operations, and evaluating performance. Three major classifications of costs are discussed in this section: variable, fixed, and mixed. You will also learn about the contribution margin and its value as a tool for evaluating decision alternatives or possible changes in sales volume and their impact on net operating income. Be sure that you understand break-even analysis, identifying potential target profits and margins of safety, and operating leverage.

CVP-Break-Even, Target Profit, and Margin of Safety
Managers use the methods presented in this unit to forecast the operational requirements to
achieve successful operation and even a projected profit.

This topic addresses the following competency:

- Competency 308.1.6: Cost/Benefit Analysis
  The student can use cost/benefit analysis in making decisions.

After completing this topic's activities, you will be able to do the following:

- Explain how changes in activity affect contribution margin and net operating income.
- Prepare and interpret a cost-volume-profit (CVP) graph and a profit graph.
- Use the contribution margin ratio (CM ratio) to compute changes in contribution margin and net operating income resulting from changes in sales volume.
- Show the effects on contribution margin of changes in variable costs, fixed costs, selling price, and volume.
- Determine the level of sales needed to achieve a desired target profit.
- Determine the break-even point.
- Compute the margin of safety and explain its significance.
- Compute the degree of operating leverage at a particular level of sales and explain how it can be used to predict changes in net operating income.
- Compute the break-even point for a multiproduct company and explain the effects of shifts in the sales mix on contribution margin and the break-even point.

Managerial Accounting Overview

Access McGraw-Hill Connect to read the following chapters in *Managerial Accounting*:

- chapter 1 ("Managerial Accounting: An Overview")
- chapter 2 ("Managerial Accounting and Cost Concepts")

There is good background information about managerial accounting in chapter 1 and some very important terminology is covered in chapter 2. Be sure you understand direct costs, indirect costs, variable costs, fixed costs, opportunity costs, and sunk costs.

You should also view the chapter 1 and chapter 2 videos from the video library. Use the textbook companion website's chapter 2 practice exams to check your understanding. The answers are at the end of the exam so be sure to make your best effort on the questions prior to going to the end of the exam.

Cost-Volume-Profit

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- chapter 5 ("Cost-Volume-Profit Relationship")

After reading this chapter you should understand variable costs, fixed costs, how to do a break-even analysis, and the contribution margin income statement.

Chapter 5 Website Support
Use the textbook companion website to do the following activities for chapter 5:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Introduction to Accounting Lessons 12 and 16**

Complete the following lessons in *Introduction to Accounting: The Language of Business*:

- Expanded Lesson 12
- Expanded Lesson 16

Study the basics of cost accounting in lesson 12 and then continue your study of cost estimation and cost-volume-profit techniques and concepts in lesson 16.

**Message Board: Operating Leverage**

Perform an Internet search to locate an article that identifies a company's break-even point or operating leverage. After reading the article, write a brief summary with comments on the article. Post your summary to the message board. Also respond to the posts of your peers.

**Expanding your C-V-P Knowledge With SkillSoft**

Check out the following SkillSoft lessons. Be sure to use the relevant accompanying Job Aids and SkillBriefs.

- FIN0161 Creating and Analyzing an Operating Budget
- FIN0244 Cost Accounting Decisions

**Introduction to Accounting Lesson 17**

Complete the following lessons in *Introduction to Accounting: the Language of Business*:

- Expanded Lesson 17

Use the lesson to review the budget techniques used to forecast the future period's operations.

**Job-Order Costing**

In a job-order costing system, the three costs of a product are tracked from raw materials to finished goods. Materials requisition forms and labor time tickets are used to assign direct materials and direct labor costs to jobs in a job costing system. Manufacturing overhead costs are assigned to jobs using a predetermined overhead rate. The predetermined overhead rate is most frequently allocated using direct labor hours and machine hours. Overhead is applied to jobs by multiplying the predetermined overhead rate by the actual amount of the allocation base used by the job. When overhead is over-applied or under-applied, the manufacturing overhead costs must be adjusted to ensure that all actual costs are recorded. Inventories and/or
expenses must be adjusted to reflect the necessary change.

As a new graduate accountant you could be hired by a home construction company. Each house built would be a discrete project or job. It would be your responsibility to monitor the costs added to the project so management can be informed about any cost problems on a timely basis. You will need to be able to determine what a product cost is and what a period cost is so you can provide management with accurate, reliable data.

**Cost Flow in Job-Order Costing**
Job-order costing is used to accumulate the costs of a project. This costing system is used for discrete items not produced in a continuous flow operation.

This topic addresses the following competency:

- Competency 308.1.2: Cost/Benefit Analysis
  The student understands how to use job-order costing.

After completing this topic's activities, you will be able to answer the following questions:

- How direct costs flow through a job-order costing system?
- In what type of situations job-order costing would be appropriate to use?

**Job-Order Costing**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- pages 85-102 of chapter 3 ("Job-Order Costing")

Be sure to identify the three primary costs that go into a product and how the costs are tracked from raw materials through finished goods.

**Introduction to Accounting Lesson 13**

Complete the following lesson in *Introduction to Accounting: The Language of Business* as you study the differences in job order costing and process costing:

- Expanded Lesson 13

**Estimating and Correcting Overhead Costs**
Overhead is applied to projects as estimates since the actual data is not available. For instance utilities are overhead costs and companies usually have some historical records that could provide a good basis for estimates. The key is providing timely, accurate cost data for management decisions.

This topic addresses the following competency:

- Competency 308.1.2: Cost/Benefit Analysis
  The student understands how to use job-order costing.
After completing this topic's activities, you will be able to answer the following questions:

- How are overhead costs applied in a job-order costing system?

**Overhead**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- pages 104-107 of chapter 3 ("Job-Order Costing")

Overhead is estimated during production so management can have reliable estimations of the costs in the product in a timely manner. Study how overhead is added to the "Work in Process" inventory account as production occurs.

**Correcting Applied Overhead Cost to Actual Costs**

Once the actual overhead costs are known, the cost data is corrected. You will learn the technique used to make this correction to the accounting system.

This topic addresses the following competency:

- Competency 308.1.2: Cost/Benefit Analysis
  The student understands how to use job-order costing.

After completing this topic's activities, you will be able to answer the following questions:

- What are the alternative methods for disposing of applied overhead balances?

**Correcting Cost Data**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- pages 104-107 of chapter 3 ("Job-Order Costing")

Study how the estimation used for overhead is corrected when the actual costs are known.

**Chapter 3 Website Support**

Use the textbook companion website to do the following activities for chapter 3:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Job-Order Costing**

Use the Science Channel's How It's Made website to access some short clips. You can select a different product that is interesting to you from a tabulated list on the right.
Write a brief summary that identifies the product and why the company making the product would or would not use a job-order costing system. Post your summary on the product to the "Correcting Applied Overhead Cost to Actual Cost" topic in the message board. Also respond to the posts of your peers.

**Process Costing**

Processing cost reporting is based on a set time period. There will usually be some production in process at the end of the time period. You will study how equivalent full units are determined. The activity in a department is summarized on a production report, which has three separate (though highly interrelated) parts. This report summarizes the full equivalent units produced and summarizes the costs of the production.

As the managerial accountant for a company that produces paint you would be responsible for determining the units made during the period and the number of equivalent units in production when the period ended. The total cost and total number of equivalent units would be used to determine the cost of a single unit of output.

Process costing is used in situations where homogeneous products or services are produced on a continuous basis. A process costing system differs from a job-order system primarily in that costs are accumulated by department (rather than by job) and the department production report replaces the job cost sheet.

**Process Costing - Equivalent Units**

In a continuous flow production environment the cost reporting is completed based on the number of units produced during a time period and the costs added to make the units. Some units will be partially complete so the managerial accountant needs to determine the number of equivalent complete units represented in production at the end of the time period.

This topic addresses the following competency:

- Competency 308.1.1: Process Costing
  The student understands how to use process costing.

After completing this topic's activities, you will be able to answer the following questions:

- How materials costs and conversion costs flow through a process costing system?
- How the cost per equivalent unit is calculated when using the weighted-average method?

**Process Costing**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- pages 143–151 of chapter 4 ("Process Costing")
- pages 168–172 (Appendix 4A "FIFO Method") of chapter 4 ("Process Costing")

**The Production Report**

The equivalent units calculations studied in the last topic will provide data for a summary of the
costs added to the units produced with the cost of each unit produced substantiated on the departmental production report.

This topic addresses the following competency:

- Competency 308.1.1: Process Costing
  The student understands how to use process costing.

After completing this topic’s activities, you will be able to answer the following questions:

- How is total cost accounted for on a production report when using the weighted-average method?
- How is the cost per equivalent unit calculated when using the First in-First out method?

**Operation Costing**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- pages 151-153 of chapter 4 ("Process Costing")
- pages 168–172 (Appendix 4A" FIFO Method") of chapter 4 ("Process Costing")

**Chapter 4 Website Support**

Use the textbook companion website to do the following activities for chapter 4:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Process Costing**

Using the list of company websites below, choose a website to review the information about the operations of one company and decide whether the company would be likely to use a process costing system. Write a brief summary (one paragraph) about your findings describing the reasons why the company most likely would or would not use process costing. Post your summary under the "Production Report" topic in the message board. Also respond to the posts of your peers.

- Biolea
- Evian
- Iicon International Limited
- Gulf Craft Inc.

**Variable and Absorption Costing**

Variable and absorption costing are alternative methods of determining unit product costs. Variable costing is useful for management decisions but cannot be used for financial reporting.
Absorption costing reports are in the form of the normal financial accounting income statement. As you study the overhead, reporting differences in the income statements, focus on the relevant information, the items that change. Managerial accounting is primarily concerned with cost control and cost accuracy. There are some advantages to the separation that the variable format provides. Are there disadvantages? Consider the question as you study the methods.

The primary difference in the two methods is how fixed costs are reported. In your study for this unit you will discover the impacts of these two methods and determine advantages and disadvantages of each income statement type.

**Net Income Effects and Reporting Choice**

The variable costing and absorption costing concepts are important as the managerial accountant completes the CVP analysis for management. It is up to you as the managerial accountant to provide a full view to management on the firm’s net income. The costing method matters.

This topic addresses the following competency:

- Competency 308.1.5: Variable and Absorption Costing
  The student understands variable and absorption costing.

After completing this topic's activities, you will be able to answer the following questions:

- What is the effect of variable costing on net income?
- What is the effect of absorption costing on net income?
- What is the difference in net income calculated under absorption costing versus net income calculated under variable costing?
- What are the advantages and disadvantages of variable costing?
- What are the advantages and disadvantages of absorption costing?

**Variable Costing**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:


**Chapter 6 Website Support**

Use the textbook companion website to do the following activities for chapter 6:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Variable Costing**
Respond to one of the statements below and post your views to the "Variable Costing vs. Absorption Costing: Choosing a Method" topic in the message board. Also respond to the posts of your peers. Use a web resource if you like, but be sure to provide the appropriate citation for the article.

- Variable costing does not have any effect on the balance sheet.
- The manager of a service business will get excellent information for management decisions by using variable costing techniques.
- The income statement used to report to outside stakeholders is providing misinformation.

Expanding Your Variable and Absorption Costing Knowledge With SkillSoft

Review the following SkillSoft lessons. Be sure to use the relevant accompanying Job Aids and SkillBriefs.

- FIN0244 Cost Accounting Decisions

Note: "Variable costs" are identified as "direct costs" in the SkillSoft lesson.

Activity Based Costing

To build an activity-based costing (ABC) system, companies typically choose a small set of activities that summarize much of the work performed in overhead departments. Associated with each activity is an activity cost pool. To the extent possible, overhead costs are directly traced to these activity cost pools. Interviews with managers often form the basis for these allocations.

There are two stages of allocation. In the first allocation, an activity rate is computed for each cost pool by dividing the costs assigned to the cost pool by the measure of activity for the cost pool. In the second-stage allocation, the activity rates are used to apply costs to cost objects. In your study you should follow the steps of the ABC process from the costs included through the allocation process and then the amount of cost assigned to each product.

Traditional cost accounting methods suffer from several defects that can result in distorted costs for decision-making purposes. The activity based costing system is designed to correct these traditional costing methods deficiencies by assigning costs to the productive unit that used the resource.

ABC and Allocating Costs

Activity-based costing provides a more accurate application of overhead costs to jobs that require the overhead item. If you are asked to help implement an ABC system you will find that it requires a lot of data, many decisions about the relevant costs, and cooperation from the production staff. A successful implementation will require a collaborative team effort.

This topic addresses the following competency:

- Competency 308.1.5: Activity-Based Costing
  The student understands activity-based costing.
After completing this topic's activities, you will be able to answer the following questions:

- What are the correct criteria to use when assigning overhead costs to products? (Note: Consider both manufacturing and non-manufacturing costs)
- How does recording idle capacity cost in an activity-based costing system differ from recording idle capacity cost in a traditional cost system?
- What are first-stage and second-stage allocations in activity-based costing systems?

**Activity-Based Costing**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- chapter 7 ("Activity-Based Costing: A Tool to Aid Decision Making")

After reading this chapter you should understand what a production standard is, how a deviation from the standard is reported, and if the reason for the deviation should be investigated.

**Chapter 7 Website Support**

Use the [textbook companion website](#) to do the following activities for chapter 7:

- Review the chapter material in the student PowerPoint presentation.
- Click on the [video library](#) and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Activity-Based Costing**

Use the [Science Channel's How It's Made website](#) to access some short. The link will show a short promotional video first. A product video will begin showing immediately thereafter. You can select a different product that is interesting to you from a tabulated list on the right.

View a video and write a brief summary that identifies the product and if activity-based costing would benefit the company with improved product costing or if one of the traditional approaches is sufficient. Post your summary and thoughts to the "ABC and Allocating Costs" topic discussion in the message board. Also respond to the posts of your peers.

**Expanding Your Activity Based Costing Knowledge With SkillSoft**

Review the following SkillSoft lesson:

- [FIN0244 Cost Accounting Decisions](#)

**Introduction to Accounting: Language of Business**

Complete the following lessons in [Introduction to Accounting: Language of Business](#):

- Expanded Lesson 15

Use the lesson to review activity based costing techniques and how this costing method
compares to the traditional approaches to costing.

**Budgeting**

The flexible budget is an important management tool. It can be used for forecasting costs based on production ranges and after the operations are complete it can be used to compare actual costs against the standard costs that were expected for the actual units produced.

The master budget is a static budget based on one expected sales level. A flexible budget shows what the costs should be for various levels of activity. The flexible budget is very useful when comparing the established production standards against the actual costs incurred. Any difference is considered a variance.

**Flexible Budgeting**

The flexible budget is one of the primary tools used by the managerial accountant to assess if the products were made in a cost-effective manner. The actual units produced are valued at the standard costs, which is then compared to the actual costs in making the products. This is a valuable tool in the managerial accountant's toolbox.

This topic addresses the following competency:

- Competency 308.1.7: Developing Budgets
  
The student can develop various forms of operating budgets, including a flexible budget system.

After completing this topic's activities, you will be able to answer the following question:

- What are the benefits and limitations of a flexible budget system?

**Flexible Budgets**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- chapter 9 ("Flexible Budgets and Performance Analysis")

**Chapter 9 Website Support**

Use the textbook companion website to do the following activities for chapter 10:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Flexible Budget**

Take a tour and learn how chocolate is made on the Hershey website. You will need to post your reply to one of the following questions:
1. What types of specific factory overhead costs might the company incur?
2. If the company prepared a flexible budget, which specific types of costs might be variable? Fixed?
3. On what basis might factory overhead costs be applied to the products as they are produced?

Post your comments in the message board. Also respond to the posts of your peers.

Expanding Your Budgeting Knowledge With SkillSoft

Review the following SkillSoft lesson. Be sure to use the relevant accompanying Job Aids and SkillBriefs.

- FIN0161 Creating and Analyzing an Operating Budget.

Variance

Standards are normally set so that they can be attained by reasonable, though highly efficient, efforts. Such "practical" standards are believed to positively motivate employees.

Variance are computed and reported to management on a regular basis for both the price and the quantity elements of direct materials, direct labor, and overhead.

Not all variances require management time or attention. Only unusual or particularly significant variances should be investigated. The point of the investigation is to pinpoint the problem so that it can be fixed and operations improved.

A standard is a benchmark or norm for measuring performance. Standards are set for both the cost and the quantity of inputs needed to manufacture goods or to provide services. Quantity standards indicate how much of an input, such as labor time or raw materials, should be used to make a product or provide a service. Cost standards indicate what the cost of the input should be. A deviation from these prescribed production standards is a variance.

Variance occur due to many circumstances. Traditional standard cost variance reports are often supplemented with other performance measures. Overemphasis on standard cost variances may lead to problems in other critical areas such as product quality, inventory levels, and on-time delivery. The balanced scorecard is a promising approach to managing organization that provides a means for guiding the company and also provides feedback concerning the effectiveness of the company's strategy.

**Reporting Variances from Standards**

Once the flexible budget is produced, the standard costs and actual costs incurred are compared and variances are produced. The managerial accountant can then provide the variances as an evaluation tool for the production managers for any corrective actions necessary.

This topic addresses the following competency:
• Competency 308.1.3: Variances
  The student understands how to use a standard cost system for computing variances and explaining their significance.

After completing this topic's activities, you will be able to answer the following questions:

• What are direct materials standards?
• What are direct labor standards?
• How are direct materials variances computed? (Address price and quantity variances)
• How are direct labor variances computed? (Address rate and efficiency variances)
• How are variable manufacturing overhead variances computed? (Address spending and efficiency variances)
• What criteria are used to decide whether a variance is favorable or unfavorable?
• What are possible causes of each type of favorable and unfavorable variances?

**Standard Costs and Variances**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

• chapter 10 ("Standard Costs and Variances")

After reading the chapter you should understand what a production standard is, how a deviation from the standard is reported, and if the reason for the deviation should be investigated.

**Chapter 10 Website Support**

Use the textbook companion website to do the following activities for chapter 10:

• Review the chapter material in the student PowerPoint presentation.
• Click on the video library and watch the video(s) for this chapter.
• Complete the multiple-choice quiz.
• Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Introduction to Accounting Lesson 14**

Complete the following lessons in *Introduction to Accounting: The Language of Business* as you study the flexible budget, setting standards, and variances:

• Expanded Lesson 14

**Message Board: Standards and Variances**

Take a tour of Linetec Company on the Linetec website. Standards are set and used by companies for budgeting, benchmarking, performance measurement, and control purposes. From the virtual plant tour of Linetec Company, identify a standard that should be set, who should be responsible for setting it, how it should be measured, and what corrective action should be taken if the standard is not being maintained.

Post your comments to the "Standards and Variances" discussion thread in the message board.
Also respond to the posts of your peers.

**Relevant Costs for Decision Making**

Only those costs and benefits that differ between alternatives are relevant in a decision. All other costs and benefits are irrelevant and should be ignored.

This simple idea of costs that differ is applied in a variety of situations including decisions that involve making or buying a component, adding or dropping a product line, processing a joint product further, and using a constrained resource. This list includes only a small sample of the possible applications of the relevant cost concept. Indeed, any decision involving costs hinges on the proper identification and analysis of the costs that are relevant.

Some processes produce a product that can be sold but also provide companies the chance to take advantage of other market opportunities by adding further processes to get a different product. The oil industry is a great example. Refining oil further will yield a different product.

Managers use costs organized by behavior as a basis for many decisions. To facilitate this use, the income statement can be prepared in a contribution format. The contribution format income statement classifies costs by cost behavior (i.e., variable versus fixed) rather than by the functions of production, administration, and sales.

**Differential and Cost/Benefit Analysis**

As a managerial accountant you will be asked to help management determine the best approach to take in many business decisions.

This topic addresses the following competency:

- Competency 308.1.6: Cost/Benefit Analysis
  The student can use cost/benefit analysis in making decisions.

After completing this topic, you will be able to answer the following questions:

- How does differential analysis affect decisions?
- What is the impact of marginal costs, sunk costs, and opportunity costs on decisions?
- What are the relevant costs and benefits that should be considered when deciding whether to drop or add a product line or department?
- What costs and benefits should be considered when deciding whether to accept or reject a special order?
- What costs and benefits should be considered when deciding whether to make or buy?
- What costs and benefits should be considered when deciding whether to sell joint products at the split-off point or to process them further?

**Differential Analysis**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- chapter 12 ("Differential Analysis: The Key to Decision Making")
After reading this chapter you should be familiar with relevant costs, the basics of differential analysis, and methods used to make special decisions related to products offered by the company.

**Chapter 12 Website Support**

Use the textbook companion website to do the following activities for chapter 12:

- Review the chapter material in the student PowerPoint presentation.
- Click on the video library and watch the video(s) for this chapter.
- Complete the multiple-choice quiz.
- Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board: Relevant Costs for Decision Making**

Perform an Internet search for "joint costs." Find an article that identifies a raw material that outputs multiple main products. Write a brief summary of your findings. (Your critique should provide the appropriate citation for the article.)

Post your comments to the "Relevant Costs for Decision Making" discussion thread in the message board. Also respond to the posts of your peers.

**Introduction to Accounting: Language of Business**

Complete the following lessons in Introduction to Accounting: The Language of Business:

- Basic Lesson 15
- Expanded Lesson 17

Use these lessons to study special decisions that management sometimes must consider for special orders, shutting down part of the operation, etc., and the budgeting techniques that can be used in the analysis necessary to make these decisions.

**Expanding Your Differential Analysis Knowledge With SkillSoft**

Complete the following SkillSoft lessons. Be sure to use the relevant accompanying Job Aids and SkillBriefs.

- FIN0242 Managerial Decisions and Capital Budgeting

*Note: Focus on the "Decision Making" section and applicable SkillBriefs.*

**Quality Reporting**

Customers seek a quality product at a reasonable price. The cost of quality varies depending on when a product deficiency is identified and corrected.

This topic addresses the following competency:

- Competency 308.1.6: Cost/Benefit Analysis
The student can use cost/benefit analysis in making decisions.

After completing this topic, you will be able to do the following:

- Identify the costs of quality;
- Produce a quality cost report.

**Cost of Quality**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

- Pages 73-80 (Appendix 2B "Cost of Quality") in chapter 2 ("Managerial Accounting and Cost Concepts")

After reading these pages you should be familiar with different levels of cost and the quality cost report.

**Cost Centers, Segments, Decentralization, and Balanced Scorecard**

Cost centers are commonly evaluated using standard cost and flexible budget variances. Profit centers and investment centers are evaluated using the techniques discussed in this section.

Segmented income statements provide information for evaluating the profitability and performance of divisions, product lines, sales territories, and other segments of a company. A cost is considered traceable to a segment only if the cost is caused by the segment and could be avoided by eliminating the segment.

Return on investment (ROI) and residual income, and its cousin economic value added (EVA), are widely used to evaluate the performance of investment centers. You will discover some of the advantages and disadvantages of these measures as you work in the material.

How should two divisions of the same company that are both profit or investment centers charge each other for the goods used in the final finished product? There are multiple methods that can be used to price the goods.

There are three different types of cost centers: cost, profit, and investment. The management responsibilities differ for each type of center. Operational evaluation is enhanced with some of the other tools presented in the unit.

**Cost Centers and Reportable Segments**

Managers sometimes compete with each other in the same company. In a decentralized structure managers have substantial decision-making responsibilities. These managers could also earn bonuses based on their success. You could be asked to evaluate how well the factory has used the company's invested capital.

This topic addresses the following competency:
• Competency 308.1.10: Management Tools and Data
  The student understands accounting data, reports, and tools used by management.

After completing this topic’s activities, you will be able to do the following:

• Identify the type of cost center is applicable to a company segment
• Determine if centralized or decentralized management should be used for given situations
• Calculate return on investment and economic value added

**Performance Management**

Access McGraw-Hill Connect to read the following in *Managerial Accounting*:

• chapter 11 ("Performance Measurement in Decentralized Organizations")

After reading this chapter you should understand cost centers, segment reporting, and also measurement tools like return on investment (ROI) that measure success in using the limited capital of the business organization.

**Chapter 11 Website Support**

Use the textbook companion website to do the following activities for chapter 11:

• Review the chapter material in the student PowerPoint presentation.
• Click on the video library and watch the video(s) for this chapter.
• Complete the multiple-choice quiz.
• Complete the practice exams for the chapter, then check your answers at the end of the exam.

**Message Board**

The Coca-Cola Company uses an EVA approach to measure performance which it calls economic profit. Go to Coca-Cola’s website and locate its most recent annual report to shareowners. Read the "Financial Highlights" and "Glossary" sections for further information and reporting of the company’s economic profits. Review the method that the company used to calculate economic profit, and comment on how Coke’s economic profits have been reported over the last three years. Post your comments to the "Measures of Success" discussion thread in the message board. Also respond to the posts of your peers.

**Expanding Your Cost Center and Reportable Segment Knowledge With SkillSoft**

Complete the following SkillSoft lesson. Be sure to use the relevant accompanying Job Aids and SkillBriefs.

• **FIN0242 Managerial Decisions and Capital Budgeting**

*Note: Focus on the "Decision Making" section and applicable SkillBriefs.*

**Transfer Pricing**
As a managerial accountant you could be called on to help a manager determine the best transfer price for the factory's product.

This topic addresses the following competency:

- Competency 308.1.10: Management Tools and Data
  The student understands accounting data, reports, and tools used by management.

After completing this topic’s activities, you will be able to do the following:

- Determine the appropriate use of transfer pricing.

**Additional Website Support**

Click on the textbook companion website’s video library and view the following videos in the "Additional Videos" section:

- "Transfer Pricing"
- "Balanced Scorecard"

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:
• Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

• Policies and Procedures for Students with Disabilities
This course supports the assessments for EGC1. The course covers 11 competencies and represents 4 competency units.

**Introduction**

**Overview**
Billions of economic decisions are constantly being made concerning what to buy, how much to pay, how much labor to supply and demand, whether or not to expand a business, and numerous other everyday events. Government (fiscal policy) decisions and the monetary policy decisions made by the Federal Reserve impact the entire economy (consumers and producers), not only domestically, but in global markets as well.

You will learn the concepts and tools needed to make optimal decisions such as the following: marginal analysis; supply and demand; competition; economic variables; monetary and fiscal policy; international business environment; international trade; global operations; cultural sensitivity; decision-making models; and forecasting.

Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

**Competencies**
This course provides guidance to help you demonstrate the following 11 competencies:

- **Competency 309.1.1: Marginal Analysis**
  The graduate correctly applies marginal analysis.

- **Competency 309.1.2: Supply and Demand**
  The graduate applies the laws of supply and demand to develop a desirable relationship between supply and demand in a given situation.

- **Competency 309.1.3: Competition**
  The graduate analyzes a firm’s competitive environment to determine whether the market exhibits characteristics of perfect competition, monopoly, oligopoly, and monopolistic competition.

- **Competency 309.1.4: Economic Variables and the Economy**
  The graduate analyzes how changes in specified variables affect the economy.

- **Competency 309.1.5: Monetary and Fiscal Policy**
  The graduate analyzes monetary and fiscal policy and how policy makers use policy levers to manipulate economic outcomes to make appropriate recommendations for courses of actions.

- **Competency 309.2.1: International Business Environment**
  The graduate understands and can make recommendations for competing in the global business arena.

- **Competency 309.2.2: International Trade**
  The graduate can recognize the implications of international trade and make recommendations based on a firm’s mission.
• Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of
global operations.
• Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business
practice in foreign markets.
• Competency 309.3.3: Expected Value Decision Analysis
  The graduate uses expected value concepts as decision-making tools.
• Competency 309.3.4: Forecasting
  The graduate can describe quantitative and qualitative forecasting methods.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course
mentors stand ready to help you reach your educational goals. As subject matter experts,
mentors enjoy and take pride in helping students become reflective learners, problem solvers,
and critical thinkers. Course mentors are excited to hear from you and eager to work with you.
Successful students report that working with a course mentor is the key to their success. Course
mentors are able to share tips on approaches, tools, and skills that can help you apply the
content you're studying. They also provide guidance in assessment preparation strategies and
troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors
act as a support system to guide you through the revision process. You should expect to work
with course mentors for the duration of your coursework, so you are welcome to contact them
as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you
complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course.
For many resources, WGU has provided automatic access through the course. However, you
may need to manually enroll in or independently acquire other resources. Read the full
instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Learning Resources

You can access the learning resources listed in this section by clicking on the links provided
throughout the course. You may be prompted to log in to the WGU student portal to access the
resources.

VitalSource E-Texts
The following textbooks are available to you as e-texts within this course. You will be directly
linked to the specific readings required within the activities that follow.

*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**Thinkwell**
You will access Thinkwell materials in the following Thinkwell course at the activity level within this course. This web-based resource includes multimedia video lectures, review notes, interactive animations, and sample exercises.

• Thinkwell Economics

**Other Learning Resources**

**Textbook Companion Websites**

• *Economics:* McConnell 19/e
• *International Business:* Ball 13/e
• *Quantitative Methods:* Anderson

Become familiar with the online publisher provided resources that support each respective text by clicking on the appropriate link above. When using the resources for specific chapters, select the chapter you want to review from the drop box at the top of the screen and review the various learning resources available.

*Note: Publishers provide free additional content on their respective websites as linked here. The content varies by publisher. “Premium Content” as marked with an asterisk (*) is also available as a student purchase if desired. The resources provided by WGU (e-texts and accompanying “free content”) is more than sufficient to prepare for this course.*

**Pacing Guide**
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.


*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Supply & Demand; Elasticity**
Chapter 1 in *Economics* introduces the basic ideas and assumptions that form the foundation for the economic way of thinking. Economists use models and assumptions to help simplify and explain a very complex and ever-changing economy. These core assumptions will help you understand some of the key features that underlie economic analysis.

Chapter 3 in *Economics* covers supply and demand. The law of supply tells you that the supply curve slopes upward because the quantity supplied of a good increases when its price increases, holding other factors constant. The other side of the market is the consumer. Demand refers to the amount of a good or service buyers are able and willing to purchase. The law of demand indicates that the demand curve slopes downward, because the quantity demanded of a good increases when its price decreases, holding other factors constant.

Chapter 4 in *Economics* covers elasticity, a concept that helps you understand how people respond to changes in the price of the good, their income, or the price of a related good. The total revenue test helps business owners make important pricing decisions based on the elasticity of demand.

**What Are the Core Assumptions of Economics?**

Chapter 1 ("Limits, Alternatives and Choices") in *Economics* establishes the basic assumptions of economics and helps you understand how society allocates its scarce resources among competing uses.

This topic addresses the following competency:

- Competency 309.1.2: Supply and Demand
  
  The graduate applies the laws of supply and demand to develop a desirable relationship between supply and demand in a given situation.

**Read Chapter 1 in Economics**

Read the following in *Economics*:

- chapter 1 ("Limits, Alternatives, and Choices")

When you have completed the reading, you will be able to

- define economics and the features of the economic perspective,
- explain the role of economic theory in economics,
- see why resources are scarce and create the economizing problem, and
- show how production possibilities curves explain trade-offs, opportunity costs, and economic growth

**Supply & Demand; Elasticity**

Supply and demand are the foundation of economic analysis and it is essential that you have a thorough understanding of these concepts. Pay close attention to the more subtle nuances of supply and demand, especially the "movement along a curve" versus a "shift" of the curve. Once you master those ideas the elasticity concept will help you understand market behavior as it pertains to responsiveness to changes in price or other factors that influence supply or
demand respectively.

This topic addresses the following competency:

- Competency 309.1.2: Supply and Demand
  The graduate applies the laws of supply and demand to develop a desirable relationship between supply and demand in a given situation.

Chapter 3 in Economics

Read the following chapter in Economics:

- chapter 3 ("Demand, Supply and Market Equilibrium")

When you have completed the reading, you will be able to do the following:

- understand supply and demand
- know factors that affect supply and demand
- differentiate between elastic and inelastic demand
- discuss the application of elastic and inelastic demand in a given marketing situation
- use demand and supply concepts to determine market equilibrium
- explain how changes in supply and demand affect equilibrium prices and quantities
- describe what causes surpluses and shortages in the product market

Chapter 4 in Economics

Read the following in Economics:

- chapter 4 ("Elasticity")

When you have completed the reading, you will be able to do the following:

- differentiate between elastic and inelastic demand
- discuss the application of elastic and inelastic demand in a given marketing situation
- use demand and supply concepts to determine market equilibrium explain how changes in supply and demand affect equilibrium prices and quantities
- describe what causes surpluses and shortages in the product market calculate price elasticity of demand and price elasticity of supply
- show the relationship between total revenue and price elasticity of supply explain the differences between price elasticity of demand and income elasticity of demand

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 1 ("Limits, Alternatives, and Choices")
- chapter 3 ("Demand, Supply and Market Equilibrium")
- chapter 4 ("Elasticity")

Thinkwell Activities: Chapter 2
To supplement your understanding, use the following resources from Thinkwell Economics Online:

- chapter 2 ("Understanding Markets")

**Marginal Analysis**

Chapter 6 in *Economics* applies marginal analysis at the consumer level. Consumers are said to make the best or optimal decisions when they maximize their marginal utility.

Chapter 7 in *Economics* applies this concept to the decision-making behavior of businesses—businesses compare the marginal cost to the marginal revenue to determine the level of output that would maximize profit. Regardless of the entity, optimal decisions are said to occur when the marginal cost is equal to the marginal benefit.

Chapters 8, 9, 10 and 11 in *Economics* explain the four market structures. In contrast to perfect competition, imperfect competition refers to markets characterized by monopoly (only one firm and no rivals) and also to monopolistic competition and oligopoly, where firms have rivals but do not face as much competition as purely competitive firms. Regardless of the structure, firms use marginal analysis to maximize their profits.

**How Do Households and Firms Use Marginal Analysis?**

Chapter 6 in *Economics* explains consumer behavior and utility maximization. Marginal utility describes the extra or additional satisfaction a person receives from consuming the next unit. Chapters 7 through 11 cover the “Markets Structures” and will help you understand how industrial organization affects virtually all aspects of business behavior as companies compete with others within their respective “market space” (i.e. pure competition, monopolistic competition, oligopoly, or monopoly).

This topic addresses the following competencies:

- Competency 309.1.1: Marginal Analysis
  The graduate correctly applies marginal analysis.
- Competency 309.1.3: Competition
  The graduate analyzes a firm’s competitive environment to determine whether the market exhibits characteristics of perfect competition, monopoly, oligopoly, and monopolistic competition.

**Chapters 6?11 in Economics**

Read the following chapters in *Economics*:

- chapter 6 ("Consumer Behavior")
- chapter 7 ("Business and the Costs of Production")
- chapter 8 ("Pure Competition in the Short Run")
- chapter 9 ("Pure Competition in the Long Run")
- chapter 10 ("Pure Monopoly")
- chapter 11 ("Monopolistic Competition and Oligopoly")
When you have completed the reading, you will be able to the following:

- identify the relationship between marginal revenue, marginal cost, and profit
- know why economic costs include both explicit costs and implicit costs
- explain how the law of diminishing returns relates to the firm's short-run production costs
- differentiate among fixed costs, variable costs, total costs, average costs, and marginal costs
- compare and contrast the main characteristics of the four basic market models
- explain the conditions required for purely competitive markets
- know how purely competitive firms maximize profits or minimize losses
- tell how industry entry and exit produce economic efficiency
- describe why firms in any structure use the MR = MC rule of profit maximization

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 6 ("Consumer Behavior")
- chapter 7 ("Business and the Costs of Production")
- chapter 8 ("Pure Competition in the Short Run")
- chapter 9 ("Pure Competition in the Long Run")
- chapter 10 ("Pure Monopoly")
- chapter 11 ("Monopolistic Competition and Oligopoly")

Thinkwell Activities: Chapters 3, 4, 5 and 6

To supplement your understanding, use the following resources from Thinkwell Economics Online:

- chapter 3 ("Consumer Choice and Household Behavior")
- chapter 4 ("Productions and Costs")
- chapter 5 ("Pure Competition")
- chapter 6 ("Other Market Models")

Microeconomics: Industrial and Social Regulation by Government

Some have called deregulation the greatest social experiment of the last fifty years. Many industries have been deregulated since the 1980s, and there have been mixed results. The intention was to introduce more competition into those industries so that prices would decrease. That would be a good thing for consumers, but did it actually happen? How has regulation or deregulation affected your life? Is regulation a good or bad idea? What ought to be the role of government in relation to the economy? How much regulation do you think is appropriate? Why?

What Is Government Regulation and Why Does It Occur?

Deregulation came about in the 1970s and 1980s as a result of the greater acceptance of the legal cartel theory, which gave increasing evidence of inefficiency in regulated industries, and
the contention that government was regulating potentially competitive industries. Industries that
were deregulated included airline, trucking, banking, railroad, natural gas, television
broadcasting, electricity, and telecommunications.

Some criticize deregulation, but for the most part it appears to have caused lower prices, lower
costs, and increased output, primarily from airlines, railroads, and trucking. Deregulation has
also been attributed to technological advances in new and improved products.

This topic addresses the following competency:

- Competency 309.1.3: Competition
  The graduate analyzes a firm's competitive environment to determine whether the
  market exhibits characteristics of perfect competition, monopoly, oligopoly, and
  monopolistic competition.

Chapter 18 in Economics

Read the following chapter in Economics:

- chapter 18 ("Antitrust Policy and Regulation")

When you have completed the reading, you will be able to do the following:

- describe the characteristics of natural monopoly
- describe the core elements of the major antitrust (antimonopoly) laws in the United
  States
- identify key issues relating to the interpretation and application of antitrust laws
- discuss the optimal level of social regulation

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 18 ("Antitrust Policy and Regulation")

FAQs: Competition and Government Regulation

Read the FAQs for this topic.

Macroeconomic Measurements

Macroeconomics is the study of how the economy works as a whole and allows you to analyze
a wide range of critical issues.

You will study variables such as inflation, unemployment, national income, national
expenditures, gross domestic product (GDP), output, consumption, investment, imports, and
exports.

Gross Domestic Product (GDP)
Gross domestic product (GDP) is a macroeconomic measurement that tells us how large our
economy is at any given point in time. When you look at an economy and want to see if that economy is healthy or unhealthy, it is common to look at the total income that people in that economy receive. GDP is used to measure income. At the same time, it is used to measure expenditures for the economy. GDP is not a perfect measurement, because it does not include clean air, clear environment, leisure, and volunteer work, but GDP is one of the best indicators to measure a country's well-being.

This topic addresses the following competency:

- Competency 309.1.4: Economic Variables and the Economy
  The graduate analyzes how changes in specified variables affect the economy.

**Chapter 24 in Economics**

Read the following chapter in *Economics*:

- chapter 24 ("Measuring Domestic Output and National Income")

When you have completed the reading, you will be able to do the following:

- define gross domestic product (GDP)
- describe the relationships among GDP, net domestic product, national income, personal income, and disposable income
- explain the nature and function of the GDP price index
- distinguish between nominal GDP and real GDP
- describe some limitations of the GDP measure

**Growth, Business Cycles, Unemployment, and Inflation**

Unemployment, inflation, and economic growth are intricately tied to the business cycle. During good times, unemployment is low and the economy expands. The opposite happens when the business cycle has a downturn, also known as a recession (when GDP growth is negative for two quarters). Chapter 25 in *Economics* builds on your understanding of GDP as you further explore economic growth. Chapter 26 in *Economics* introduces the important macroeconomic measurements and helps you understand some common economic statistics used to assess economic well-being.

This topic addresses the following competency:

- Competency 309.1.4: Economic Variables and the Economy
  The graduate analyzes how changes in specified variables affect the economy.

**Chapters 25 and 26 in Economics**

Read the following chapters in *Economics*:

- chapter 25 ("Economic Growth")
- chapter 26 ("Business Cycles, Unemployment, and Inflation")
When you have completed the reading, you will be able to do the following:

- explain how economic growth is measured
- define the business cycle
- describe the relationship between unemployment and inflation
- explain how unemployment is measured
- differentiate among the types of unemployment and know what happens to jobs at various phases of the business cycle
- explain how inflation is measured, and what happens to prices at various phases of the business cycle
- compare why some people are hurt by inflation while others benefit from inflation

**Aggregate Demand and Aggregate Supply**

The one-product model of supply and demand presented in Microeconomics is a building block for this section. Aggregate demand–aggregate supply model (AD/AS) is the macroeconomic equivalent of the model covered in microeconomics courses. The difference is that AD/AS includes all the goods and services produced within the economy whereas supply and demand graphed one good or service. A good understanding of the aggregate demand–aggregate supply model will be important as you move into your policy chapters (fiscal policy and monetary policy).

This topic addresses the following competency:

- Competency 309.1.4: Economic Variables and the Economy
  The graduate analyzes how changes in specified variables affect the economy.

**Chapter 29 in Economics**

Read the following chapter in *Economics*:

- chapter 29 ("Aggregate Demand and Aggregate Supply")

When you have completed the reading, you will be able to do the following:

- describe aggregate demand and aggregate supply
- explain how changes in consumer spending, investment spending, government spending, or net exports affects aggregate demand
- explain why changes in input prices, productivity, or the legal environment affect aggregate supply
- graph the curves to illustrate how cost-push or demand-pull inflation impacts the price level and real GDP

**Textbook Companion Website Activities**

Review the following chapters in *Economics* by engaging with the textbook companion website:

- chapter 24 ("Measuring Domestic Output and National Income")
- chapter 25 ("Economic Growth")
• chapter 26 ("Business Cycles, Unemployment, and Inflation")
• chapter 29 ("Aggregate Demand and Aggregate Supply")

Thinkwell Activities: Chapters 10, 11, and 14

To supplement your understanding, use the following resources from Thinkwell Economics Online:

• chapter 10 ("Macroeconomic Measurements")
• chapter 11 ("Economic Fluctuations: Unemployment and Inflation")
• chapter 14 ("Aggregate Demand / Aggregate Supply Model")

Macroeconomics: Monetary and Fiscal Policy

Fiscal policy is used to offset swings of the business cycle. Through direct government intervention in the economy, policy makers attempt to correct an economic upturn that has grown too quickly or an economic downturn that leaves resources idle.

Monetary policy also affects economic outcomes via changes to the money supply and is used to offset business cycle vacillations. The Federal Reserve Bank is tasked with controlling the size of the money supply, thereby protecting the currency from losing value due to inflation: Banking in the United States operates on a fractional reserve system. That means the deposit/lending process that banks engage in every day has a big impact on the size of the money supply. The Federal Reserve plays a huge role in determining the level of interest rates. Through their various policy tools, they target interest rates as a means of influencing the size of the money supply.

Fiscal Policy

Fiscal policy is conducted as a means of correcting economic upturns (booms) and downturns (recessions). You learned how business cycles affect many variables in the economy. Fiscal policy is legislated as a means of correcting problems in the economy, such as high unemployment and inflationary pressures. Tax law changes are part of the fiscal policy process. At various times the government runs a deficit to cover spending that is not completely funded by tax revenues. These deficits add to the public debt.

This topic addresses the following competency:

• Competency 309.1.5: Monetary and Fiscal Policy
  The graduate analyzes monetary and fiscal policy and how policy makers use policy levers to manipulate economic outcomes to make appropriate recommendations for courses of actions.

Chapter 30 in Economics

Read the following chapter in Economics:

• chapter 30 ("Fiscal Policy, Deficits and Debt")

When you have completed the reading, you will be able to do the following:
• identify and explain the two “tools” of fiscal policy
• know who is in charge of creating and implementing changes in fiscal policy
• explain how various policy changes affect aggregate demand or aggregate supply
• identify how policy is used to bring about changes to unemployment and/or inflation
• understand the built-in stabilizers and explain whether or not they are effective
• understand deficits and their implications to the economy
• understand the public (national) debt and its implications on the economy

The Federal Reserve Bank & Monetary Policy
Monetary policy also affects economic outcomes via changes to the money supply and is used to offset business cycle vacillations. Money can be thought of as the oil that keeps the economic engine running smoothly. The Federal Reserve is tasked with the job of controlling the money supply, thereby protecting the currency from losing value due to inflation. Deflation can also disrupt the economy, so it is important that the money supply also be managed during recessionary times. The policy chapters include many important concepts about the role of money, the Federal Reserve, monetary policy, and how different schools of economic thought view expansionary policy.

This topic addresses the following competency:
• Competency 309.1.5: Monetary and Fiscal Policy
  The graduate analyzes monetary and fiscal policy and how policy makers use policy levers to manipulate economic outcomes to make appropriate recommendations for courses of actions.

Chapters 31 and 32 in Economics

Read the following chapters in Economics:
• chapter 31 ("Money, Banking and Financial Institutions")
• chapter 32 ("Money Creation")

When you have completed the reading, you will be able to do the following:
• identify and explain the functions of money;
• realize if and how the value of your money can change and the impact it has on your life;
• know what backs the U.S. dollar
• understand the functions of the Federal Reserve Bank
• explain the fractional reserve system and why it was adopted
• calculate money creation with one bank or multiple banks
• describe the functions banks perform
• understand and explain the monetary multiplier and how the money supply changes as a result

Chapter 33 in Economics

Read the following chapter in Economics:
chapter 33 ("Interest Rates and Monetary Policy")

When you have completed the reading, you will be able to do the following:

- identify the "tools" of monetary policy
- know who is in charge of creating and implementing changes in monetary policy
- explain how various policy changes affect aggregate demand (AD) and aggregate supply (AS)
- relate how unemployment and inflation can be affected
- know when expansionary monetary policy would be used versus restrictive monetary policy

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 30 ("Fiscal Policy, Deficits, and Debt")
- chapter 31 ("Money, Banking, and Financial Institutions")
- chapter 32 ("Money Creation")
- chapter 33 ("Interest Rates and Monetary Policy")

Thinkwell Activities: Chapters 13 and 15

To supplement your understanding, use the following resources from Thinkwell Economics Online:

- chapter 13 ("Money: Banking, Spending, Saving and Investing")
- chapter 15 ("Monetary and Fiscal Policy")

International Business: Cultural Sensitivity (Part 1)

The term cultural sensitivity refers to an appreciation of the cultural differences found within a global economy. People everywhere share many common attributes and characteristics, but regional, ethnic, and cultural differences also exist. Businesses that operate internationally must decide on the "right" approach for bringing their products to various markets. Political, legal and financial forces also impact the way business can be conducted in various parts of the world.

Core Concepts of International Business

A global economy requires an understanding and appreciation for the forces and institutions that shape this environment. Basic concepts that are important to any business entering or doing business internationally are introduced here.

This topic addresses the following competencies:

- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make
recommendations based on a firm's mission.

- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.

Chapter 1 in International Business

Read the following chapter in *International Business*:

- chapter 1 ("The Rapid Change of International Business")

When you have completed the reading, you will be able to do the following:

- explain how the internationalization of markets has forced dramatic changes in business practice
- list the various names given to firms that have substantial operations in more than one country
- explain how the Internet has impacted international business firms
- identify the five drivers/changes leading international firms toward globalization
- contrast how international business differs from domestic business
- know the three environments in which an international company operates

Chapter 2 in International Business

Read the following chapter in *International Business*:

- chapter 2 ("International Trade and Foreign Direct Investment")

What strategy can be used to begin or expand operations in a foreign company? How will this activity be funded? Chapter 2 introduces considerations regarding international trade and how to approach this process.

When you have completed the reading, you will be able to do the following:

- explain how international trade has grown
- know what direction international trade is heading and who trades with whom
- know what direction foreign direct investment is heading and how fast it is growing
- show what the reasons are for entering foreign markets
- explain why globalization of an international firm occurs over at least seven dimensions
- explain how a company can be partially global in some dimensions and completely global in others

Chapter 4 in International Business

Read the following chapter in *International Business*:

- chapter 4 ("International Institutions from an International Business Perspective")

International trade requires international organizations that are able to act as liaisons between
trading entities. At times, disputes occur. Who will mediate? How are decisions enforced? What is the role of the trading bloc and how has this affected trade on a global basis? You will cover topics like these in chapter 4.

When you have completed the reading, you will be able to do the following:

- understand and appreciate how international institutions and agreements affect international businesses
- identify the activities of the United Nations (UN) in economic and social fields
- tell why the World Trade Organization (WTO) is important to world business and trade
- know about the European Union (EU) and how it affects business
- list the major purposes of the Organization for Economic Cooperation and Development (OECD), and
- explain the four major levels of economic integration agreements and list other regional integration agreements

**Textbook Companion Website Activities**

*Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.*

Review the following chapters in *International Business* by engaging with the textbook companion website:

- chapter 1 ("The Challenging World of International Business")
- chapter 2 ("International Trade and Foreign Direct Investment")
- chapter 3 ("International Institutions from an International Business Perspective")

**FAQs: International Business**

Read the FAQs for this topic.

**Sociocultural Forces and Labor Forces**

People everywhere share many common attributes and characteristics, but regional, ethnic, and cultural differences also exist. How does a business that operates internationally decide on the "right" approach for bringing their products to various markets?

This topic addresses the following competency:

- Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

**Chapter 5 in International Business**

Read the following chapter in *International Business:*
• chapter 5 ("Sociocultural Forces")

When you have completed the reading, you will be able to do the following:

• describe how multicultural issues impact the marketing approach for products in a given market
• explain how cross-cultural communication issues affect marketing strategies
• evaluate the impact of cross-cultural ethical differences on marketing strategies
• understand the significance of culture for international business
• understand the sociocultural components of culture

Chapter 11 in International Business

Read the following chapter in International Business:

• chapter 11 ("Labor Forces")

When you have completed the reading, you will be able to:

• recognize forces beyond management control that affect the availability of labor
• understand the basics of the immigration system in the United States discuss labor productivity
• understand women's labor, employment, and social roles

Markets, Entry Modes & Marketing

As a business owner you have decided that it is a good idea to go international. Now what? Is your current marketing strategy appropriate? What cultural considerations need to be included in your marketing strategy? How do you enter the targeted market in the first place?

This topic addresses the following competencies:

• Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
• Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
• Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.

Chapter 14 in International Business

Read the following chapter in International Business:

• chapter 14 ("Assessing and Analyzing Markets")

When you have completed the reading, you will be able to do the following:
• describe how multicultural issues impact the marketing approach for products in a given market
• explain how cross-cultural communication issues affect marketing strategies

Chapters 15 and 16 in International Business

Read the following chapter in International Business:

• chapter 15 ("Entry Modes")
• chapter 16 ("Export and Import Practices")

When you have completed the reading, you will be able to do the following:

• understand international market entry methods
• identify two different forms of piracy and discuss which might be helpful and harmful to firms doing international business
• explain why firms export and the three problem areas of exporting
• identify some sources of export financing

Textbook Companion Website Activities

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Review the following chapters in International Business by engaging with the textbook companion website:

• chapter 4 ("Sociocultural Forces")
• chapter 12 ("Assessing International Markets")
• chapter 13 ("Entry Modes")
• chapter 14 ("Export and Import Practices")

International Business: Cultural Sensitivity (Part 2)

It has been said that in the global marketplace (where there is no global standardization of products or brands because consumers are not standardized), businesses aim for either the lowest common denominator advertising or advertising that is specific to a particular market, and not anywhere else. What is your opinion?

Export and Import Practices and Marketing Internationally

This section continues to answer the questions every business that wants to operate internationally needs to address about marketing practices, cultural considerations, and financing. These are all serious issues that must be carefully thought through to be successful.

This topic addresses the following competencies:
• Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
• Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
• Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.
• Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Chapter 17 in International Business

Read the following chapter in International Business:

• chapter 17 ("Marketing Internationally")

When you have completed the reading, you will be able to do the following:

• understand why there are differences between domestic and international marketing
• explain why international marketing managers may wish to standardize the marketing mix
• explain why the design of organizational structures is important to international companies

Textbook Companion Website Activities

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Review the following chapters in International Business by engaging with the textbook companion website:

• chapter 15 ("Marketing Internationally")

FAQs: Marketing Internationally

Read the FAQs for this topic.

International Business: Forces that Affect International Trade (Part 3)

Political forces affect international business, and businesses have become more and more sensitive to these political forces as they plan operations. A hospitable political atmosphere
permits business to flourish, even if the country is poor in natural resources. The opposite is also true, and some countries blessed with natural resources are poor because of government instability or hostility.

Legal forces also affect firms doing business internationally, and they must be aware of the size and complexity of various legal problems. A myriad of laws exist that differ from one country to another. How are disputes settled? How will contracts be enforced? How are copyrights and patents protected?

Financial forces also create issues for firms when doing business internationally. Considerations must be given to foreign currency exchange quotations, spot and forward rates, government intervention, and government controls in exchange markets. The impact of inflation is also a concern.

**Political, Legal, and Financial Forces**

If all politics are local, what must a business know and learn about the political forces that exist in the foreign country it operates in? What about the legal and financial forces? Lack of understanding or appreciation of the differences in the foreign country could spell disaster for the domestic business. Knowledge is power.

This topic addresses the following competencies:

- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.

- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.

- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.

- Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

**Chapter 8 in International Business**

Read the following chapter in *International Business*:

- chapter 8 ("Political Forces")

When you have completed the reading, you will be able to do the following:

- identify how ideological forces affect business
- explain the meaning of government privatization of business
- describe the importance of government stability and policy continuity for business
- define and assess country risk
Chapter 9 in International Business

Read the following chapter in *International Business*:

- chapter 9 ("Intellectual Property and Other Legal Forces")

When you have completed the reading, you will be able to do the following:

- define the legal forces that confront international business
- explain why foreign law is important
- define contract devices and intellectual property
- define antitrust laws
- describe how U.S. laws affect international business operations

Chapter 10 in International Business

Read the following chapter in *International Business*:

- chapter 10 ("Understanding the International Monetary System and Financial Forces")

When you have completed the reading, you will be able to do the following:

- define foreign exchange (FX) markets;
- define currency exchange risks and currency exchange controls
- explain how financial forces such as balance of payments, tariffs, taxes, inflation, fiscal and monetary policies, and differing accounting practices affect business
- explain how the world monetary system developed from the end of World War II to the present
  - know about the original and revised activities of the International Monetary Fund
- tell about the purposes of the World Bank
- list the relative strengths and weaknesses of currencies and the reasons for them
- understand the balance of payments (BOP)
- realize how "Big Mac Currencies" and purchasing power parity theory relate
- list the major foreign currency exchange (FX) markets of the world

Textbook Companion Website Activities

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Review the following chapters in *International Business* by engaging with the textbook companion website:

- chapter 6 ("Political and Trade Forces")
- chapter 7 ("Intellectual Property and Other Legal Forces")
FAQs: Political, Legal, and Financial Forces

Read the FAQs for this topic.

International Business: Global Operations

This section of international business will prepare you for the EGC1 assessment. International strategy is concerned with the way firms make fundamental choices about developing and deploying scarce resources internationally. International strategy involves decisions that deal with all of the various functions and activities of a company, not merely a single area such as marketing or production.

To be effective, a company's international strategy needs to be consistent among the various functions, products, and regional units of the company (internal consistency) as well as with the demands of the international competitive environment (external consistency). You also need to consider global operations and supply chain management. Global markets and global competition have forced management to search for methods to lower costs and improve the quality of products.

Often, the solution is to outsource non-core activities in an effort to focus on firm core competencies. Outsourcing of non-core activities has accelerated due to increasing technology and decreasing cost of international communication. Plant location, size, and inventory techniques are also important. Another factor to consider is that international companies without effective human resource policies will find themselves failing to execute in the international marketplace. Effective managers for international companies are in high demand but often in short supply.

Strategic Management Concepts for Competing Globally

What are the essential elements of a successful international strategy? Does one size fit all or does a business need to be knowledgeable about and employ the best possible strategy in every unique situation? How does outsourcing affect the business and what are the appropriate strategies for inventory? These and other considerations are essential for the success of any international business.

This topic addresses the following competencies:

- **Competency 309.2.1: International Business Environment**
  The graduate understands and can make recommendations for competing in the global business arena.

- **Competency 309.2.2: International Trade**
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.

- **Competency 309.2.3: Global Operations**
  The graduate can determine the advantages and disadvantages of various types of global operations.

- **Competency 309.3.2: Cultural Sensitivity**
The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Chapter 12 in International Business

Read the following chapter in *International Business*:

- **chapter 12** ("International Competitive Strategy")

When you have completed the reading, you will be able to do the following:

- determine international strategy, competencies, and international competitive advantage
- conduct the steps in the global strategic planning process
- describe why new directions in strategic planning are important
- explain how to use global, multidomestic, and transnational strategies
- define industrial espionage

Chapter 18 in International Business

Read the following chapter in *International Business*:

- **chapter 18** ("Global Operations and Supply Chain Management")

When you have completed the reading, you will be able to do the following:

- explain the concept of supply chain management and design
- list the five global sourcing arrangements
- explain why the added costs of global sourcing are important
- define just-in-time (JIT) production systems and identify their problems
- define six-sigma systems
- list impediments to global standardization of production processes and procedures

Chapter 19 in International Business

Read the following chapter in *International Business*:

- **chapter 19** ("Human Resources Management")

When you have completed the reading, you will be able to do the following:

- describe regional or cultural differences in labor conditions
- define **global mind-set**
- show the relationships among competitive strategies (international, multi-domestic, regional, and transnational) and international human resource management approaches (ethnocentric, polycentric, region-centric, and global)
- define **IC executives** and explain why it is difficult to find qualified executives for international companies (ICs)

Textbook Companion Website Activities
NOTE: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.

Review the following chapters in International Business by engaging with the textbook companion website:

- chapter 9 ("International Competitive Strategy")
- chapter 16 ("Global Operations and Supply Chain Management")
- chapter 17 ("Managing Human Resources in an International Context")

FAQs: Competing Globally

Read the FAQs for this topic.

**Quantitative Methods: Using Statistics for Decision Making**

The term decision-making models refers to quantitative concepts that include simulation, linear programming, integer linear programming, inventory models, waiting line models, transportation, assignment, and transshipment problems.

**Probability and Statistics**

Chapters 1, 3, and 4 in Quantitative Methods for Business are an introduction to problem solving and decision making. Random variables are explained in chapter 3. These provide numerical descriptions of the outcomes of experiments, and computations of the expected value, variance, and standard deviation are very helpful in decision making.

Chapter 4 builds on the notion of expected value as it is used in decision analysis when risk and uncertainty are present. Influence diagrams, payoff tables, and decision trees are explored as methods for making optimal decisions. Students who have a solid foundation in probability and statistics should review chapters 1 and 3, and focus on the content in chapter 4.

This topic addresses the following competency:

- Competency 309.3.3: Expected Value Decision Analysis
  The graduate uses expected value concepts as decision-making tools.

**Chapter 1 in Quantitative Methods for Business**

Read the following chapter in Quantitative Methods for Business:

- chapter 1 ("Introduction")

When you have completed the reading, you will be able to do the following:

- develop a general understanding of the management science/operations research approach to decision making
• realize that quantitative applications begin with a problem situation
• understand that managerial problem situations have both quantitative and qualitative considerations that are important in the decision-making process
• learn about models in terms of what they are and why they are useful (the emphasis is on mathematical models)
• identify the step-by-step procedure that is used in most quantitative approaches to decision making
• learn about basic models of cost, revenue, and profit and be able to compute the break-even point

Chapter 3 in Quantitative Methods for Business

Read the following chapter in Quantitative Methods for Business:

• chapter 3 ("Probability Distributions")

When you have completed the reading, you will be able to do the following:

• obtain an understanding of the role probability information plays in the decision-making process
• understand probability as a numerical measure of the likelihood of occurrence
• use the three methods (classical, relative frequency, and subjective) commonly used for assigning probabilities and understand when they should be used
• understand the concepts of a random variable and a probability distribution
• distinguish between discrete and continuous random variables
• compute and interpret the expected value, variance, and standard deviation for a discrete random variable
• compute probabilities using a binomial probability distribution
• understand the difference between how probabilities are computed for discrete and continuous random variables
• compute probabilities using a normal probability distribution
• understand the role of the standard normal distribution in this process

Chapter 4 in Quantitative Methods for Business

Read the following chapter in Quantitative Methods for Business:

• chapter 4 ("Decision Analysis")

When you have completed the reading, you will be able to do the following:

• describe a problem situation in terms of decisions to be made, chance events, and consequences
• analyze a simple decision analysis problem from both a payoff table and decision tree point of view
• determine the potential value of additional information
• Learn how new information and revised probability values can be used in the decision analysis approach to problem solving
• understand what a decision strategy is

Textbook Companion Website Activities

Review the following chapters in Quantitative Methods by engaging with the textbook companion website:

• chapter 1 ("Introduction")
• chapter 3 ("Probability Distributions")
• chapter 4 ("Decision Analysis ")

FAQs: Probability and Statistics

Read the FAQs for this topic.

Quantitative Methods: Game Theory and Forecasting

How are optimal decisions made? What can these mathematical models tell you about what the "right" choice is? Game theory is an intriguing branch of mathematics that has numerous practical applications to real-world events. You look at game theory in chapter 5, and then switch your attention to chapter 6 as you learn about forecasting. You may not have a crystal ball, but with these tools you have the next best thing.

Using Game Theory and Forecasting for Strategic Decisions

Game theory is yet another useful mathematical option for decision making, and was first developed for military applications. Game theory provides an optimal "payoff" when two entities must make a personal best decision (i.e., a strategy) given the fact that their opponent's actions will affect that outcome but not knowing what their opponent will do. Besides military applications, game theory has relevance in police interrogations, gambling, and (as you studied in economics) to decisions made by oligopolists.

Forecasting is a decision tool used to identify trends and cyclical components in data. Forecasts are often based on either simple linear regression or multiple regression analysis methods. The Delphi forecasting technique is another option for analysis.

This topic addresses the following competency:

• Competency 309.3.4: Forecasting
  The graduate can describe quantitative and qualitative forecasting methods.

Chapter 5 in Quantitative Methods for Business

Read the following chapter in Quantitative Methods for Business:

• chapter 5 ("Utility and Game Theory")

When you have completed the reading, you will be able to do the following:

• know what is meant by utility
• develop a utility function for money
describe the role a lottery plays in helping a decision maker assign utility values
understand why risk-avoiding and risk-taking decision makers would assign different
utility values in the same decision-making situation
know what is meant by a two-person zero-sum game
identify a mixed strategy and compute optimal probabilities for mixed strategies

Chapter 6 in Quantitative Methods for Business

Read the following chapter in *Quantitative Methods for Business*:

- chapter 6 ("Forecasting")

When you have completed the reading, you will be able to do the following:

- know the various components of a time series
- use smoothing techniques such as moving averages and exponential smoothing
- use the least squares method to identify the trend component of a time series
- understand how the classical time series model can be used to explain the pattern or
behavior of the data in a time series and to develop a forecast for the time series
- determine and use seasonal indexes for a time series
- understand how regression models can be used in forecasting

Textbook Companion Website Activities

Review the following chapters in *Quantitative Methods* by engaging with the textbook companion website:

- chapter 5 ("Utility and Game Theory")
- chapter 6 ("Forecasting")

FAQs: Game Theory and Forecasting

Read the FAQs for this topic.

**Quantitative Methods: Linear Programming Concepts and Waiting Line Models**

The quantitative methods section will prepare you for the EGC1 assessment. What business does not want to minimize its costs? Doing so adds to the bottom line and makes the firm more profitable. In fact, when costs are actually at the minimum, profits are said to be maximized. Linear programming is a mathematical model that helps businesses make the most efficient decisions when faced by constraints. You have heard the saying "time is money"—well, all resources are scarce, so making the most efficient use of them should always be a top priority. Hate waiting in lines? Ever wonder what the most efficient route to a destination is? Linear programming can help solve these problems.

Have you ever been annoyed at the time you have to wait in line to be served at a bank or restaurant, especially during peak business hours? Waiting time models allow businesses to manage waiting times in order to provide a targeted level of service to their customers.
Linear Programming

Linear programming is an optimization tool that describes the best solution to a particular situation, given a number of constraints that may occur. Typically, linear programming is used to obtain an optimal outcome (such as minimizing costs or maximizing profits) given certain constraints. Transportation, assignment, and transshipment problems provide a specific instance in which linear programming models may be used in the decision-making process in the real world.

This topic addresses the following competency:

- Competency 309.3.4: Forecasting
  The graduate can describe quantitative and qualitative forecasting methods.

Chapter 7 in Quantitative Methods for Business

Read the following chapter in Quantitative Methods for Business:

- chapter 7 ("Introduction to Linear Programming")

When you have completed the reading, you will be able to do the following:

- learn how to develop linear programming models for simple problems
- identify the special features of a model that make it a linear programming model
- learn how to solve two variable-linear programming models by the graphical solution procedure
- understand the importance of extreme points in obtaining the optimal solution

Chapter 10 in Quantitative Methods for Business

Read the following chapter in Quantitative Methods for Business:

- chapter 10 ("Distribution and Network Models")

When you have completed the reading, you will be able to do the following:

- become familiar with the types of problems that can be solved by applying a transportation model
- develop network and linear programming models of the transportation problem
- become familiar with the types of problems that can be solved by applying an assignment model
- develop network and linear programming models of the assignment problem

Waiting Line Models

Waiting line models are statistical models that help businesses achieve a targeted level of service at minimum cost. Waiting line models are based on the idea that customers arrive at random intervals. Waiting line models can tell us how long a typical customer will have to wait in line and how many employees are needed to serve the expected number of customers.
This topic addresses the following competency:

- Competency 309.3.4: Forecasting
  The graduate can describe quantitative and qualitative forecasting methods.

**Chapter 15 in Quantitative Methods for Business**

Read the following chapter in *Quantitative Methods for Business*:

- chapter 15 ("Waiting Line Models")

When you have completed the reading, you will be able to do the following:

- identify where waiting line problems occur
- explain how the Poisson distribution is used to describe arrivals and how the exponential distribution is used to describe services times
- use formulas to identify operating characteristics of the following waiting line models: single-channel model with Poisson arrivals and exponential service times, single-channel model with Poisson arrivals and arbitrary service times, single-channel model with Poisson arrivals, and exponential service times and a finite calling population
- demonstrate how to incorporate economic considerations to arrive at decisions concerning the operation of a waiting line

**Textbook Companion Website Activities**

Review the following chapters in *Quantitative Methods* by engaging with the textbook companion website:

- chapter 7 ("Introduction to Linear Programming")
- chapter 10 ("Distribution and Network Models")
- chapter 15 ("Waiting Line Models")

**FAQs: Linear Programming and Waiting Line Models**

Read the FAQs for this topic.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for EGT1. The course covers 7 competencies and represents 4 competency units.

Introduction

Overview
You will learn the concepts and tools needed to make optimal decisions such as the following: marginal analysis; supply and demand; competition; anti-trust laws and government regulations; international business environment; international trade; global operations; and cultural sensitivity.

Watch the following video for an introduction to this course:

Note: View the video in full screen at 720p for best results.

Competencies
This course provides guidance to help you demonstrate the following 7 competencies:

- Competency 309.1.1: Marginal Analysis
  The graduate correctly applies marginal analysis.
- Competency 309.1.2: Supply and Demand
  The graduate applies the laws of supply and demand to develop a desirable relationship between supply and demand in a given situation.
- Competency 309.1.3: Competition
  The graduate analyzes a firm’s competitive environment to determine whether the market exhibits characteristics of perfect competition, monopoly, oligopoly, and monopolistic competition.
- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm’s mission.
- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.
- Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.
Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Learning Resources

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

VitalSource E-Texts
The following textbooks are available to you as e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

Thinkwell
You will access Thinkwell materials in the following Thinkwell course at the activity level within this course. This web-based resource includes multimedia video lectures, review notes, interactive animations, and sample exercises.

- Thinkwell Economics

Other Learning Resources
Textbook Companion Websites

- Economics: McConnell 19/e
- International Business: Ball 13/e

Become familiar with the online publisher provided resources that support each respective text by clicking on the appropriate link above. When using the resources for specific chapters, select the chapter you want to review from the drop box at the top of the screen and review the various learning resources available.

Note: Publishers provide free additional content on their respective websites as linked here. The content varies by publisher. "Premium Content" as marked with an asterisk (*) is also available as a student purchase if desired. The resources provided by WGU (e-texts and accompanying “free content”) is more than sufficient to prepare for this course.

Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Economics and Global Business Applications

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Marginal Analysis

Study Note: If you are new to the study of economics, reviewing the "Supply & Demand: Elasticity" section first will give you foundational information that will make it easier to understand the "Marginal Analysis" section.

Chapters 8, 9, 10 and 11 in Economics explain the four market structures. In contrast to perfect competition, imperfect competition refers to markets characterized by monopoly (only one firm and no rivals) and also to monopolistic competition and oligopoly, where firms have rivals but do not face as much competition as purely competitive firms. Regardless of the structure, firms use marginal analysis to maximize their profits.

How Do Households and Firms Use Marginal Analysis?
Chapter 7 in Economics applies this concept to the decision-making behavior of businesses—businesses compare the marginal cost to the marginal revenue to determine the level of output that would maximize profit. Regardless of the entity, optimal decisions are said to
occur when the marginal cost is equal to the marginal benefit.

This topic addresses the following competency:

- Competency 309.1.1: Marginal Analysis
  The graduate correctly applies marginal analysis.

Read Chapters 7 - 11 in Economics

Read the following chapters in Economics:

- chapter 7 ("Business and the Costs of Production")
- chapter 8 ("Pure Competition in the Short Run")
- chapter 9 ("Pure Competition in the Long Run")
- chapter 10 ("Pure Monopoly")
- chapter 11 ("Monopolistic Competition and Oligopoly")

When you have completed the reading, you will be able to do the following:

- identify the relationship between marginal revenue, marginal cost, and profit
- know why economic costs include both explicit costs and implicit costs
- explain how the law of diminishing returns relates to the firm's short-run production costs; and
- differentiate among fixed costs, variable costs, total costs, average costs, and marginal costs
- compare and contrast the main characteristics of the four basic market models
- explain the conditions required for purely competitive markets
- know how purely competitive firms maximize profits or minimize losses
- tell how industry entry and exit produce economic efficiency
- describe why firms in any structure use the MR = MC rule of profit maximization

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 7 ("Business and the Costs of Production")
- chapter 8 ("Pure Competition in the Short Run")
- chapter 9 ("Pure Competition in the Long Run")
- chapter 10 ("Pure Monopoly")
- chapter 11 ("Monopolistic Competition and Oligopoly")

Thinkwell Activities: Chapters 4, 5 and 6

To supplement your understanding, use the following resources from Thinkwell Economics Online:

- chapter 4 ("Productions and Costs")
- chapter 5 ("Pure Competition")
- chapter 6 ("Other Market Models")
Economics and Global Business Applications Performance Task

Complete the following task in TaskStream:

- Economics and Global Business Applications: Task 309.1.1.05, 06

For details about this performance assessment, see the "Assessment" tab in this course.

Supply & Demand; Elasticity

Chapter 3 covers supply and demand. The law of supply tells you that the supply curve slopes upward because the quantity supplied of a good increases when its price increases, holding other factors constant. The other side of the market is the consumer. Demand refers to the amount of a good or service buyers are able and willing to purchase. The law of demand indicates that the demand curve slopes downward, because the quantity demanded of a good increases when its price decreases, holding other factors constant.

Chapter 4 in Economics covers elasticity, a concept that helps you understand how people respond to changes in the price of the good, their income, or the price of a related good. The total revenue test helps business owners make important pricing decisions based on the elasticity of demand.

Supply & Demand; Elasticity

Supply and demand are the foundation of economic analysis and it is essential that you have a thorough understanding of these concepts. Pay close attention to the more subtle nuances of supply and demand, especially the "movement along a curve" versus a "shift" of the curve. Once you master those ideas the elasticity concept will help you understand market behavior as it pertains to responsiveness to changes in price or other factors that influence supply or demand respectively.

This topic addresses the following competency:

- Competency 309.1.2: Supply and Demand
  The graduate applies the laws of supply and demand to develop a desirable relationship between supply and demand in a given situation.

Chapter 3 in Economics

Read the following chapter in Economics:

- chapter 3 ("Demand, Supply and Market Equilibrium")

When you have completed the reading, you will be able to do the following:

- understand supply and demand
- know factors that affect supply and demand
- differentiate between elastic and inelastic demand
- discuss the application of elastic and inelastic demand in a given marketing situation
- use demand and supply concepts to determine market equilibrium
- explain how changes in supply and demand affect equilibrium prices and quantities
- describe what causes surpluses and shortages in the product market

Read Chapter 4 in Economics

Read the following chapter in Economics:

- chapter 4 ("Elasticity")

When you have completed the reading, you will be able to do the following:

- differentiate between elastic and inelastic demand
- discuss the application of elastic and inelastic demand in a given marketing situation
- use demand and supply concepts to determine market equilibrium explain how changes in supply and demand affect equilibrium prices and quantities
- describe what causes surpluses and shortages in the product market calculate price elasticity of demand and price elasticity of supply
- show the relationship between total revenue and price elasticity of supply explain the differences between price elasticity of demand and income elasticity of demand

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 3 ("Demand, Supply and Market Equilibrium ")
- chapter 4 ("Elasticity")

Thinkwell Activities: Chapter 2

To supplement your understanding, use the following resources from Thinkwell Economics Online:

- chapter 2 ("Understanding Markets")

Economics and Global Business Applications Performance Task

Complete the following task in TaskStream:

- Economics and Global Business Applications: Task 309.1.2.08, 09

For details about this performance assessment, see the "Assessment" tab in this course.

Microeconomics: Industrial and Social Regulation by Government

Some have called deregulation the greatest social experiment of the last fifty years. Many industries have been deregulated since the 1980s, and there have been mixed results. The intention was to introduce more competition into those industries so that prices would decrease. That would be a good thing for consumers, but did it actually happen? How has regulation or
deregulation affected your life? Is regulation a good or bad idea? What ought to be the role of government in relation to the economy? How much regulation do you think is appropriate? Why?

What Is Government Regulation and Why Does It Occur?
Deregulation came about in the 1970s and 1980s as a result of the greater acceptance of the legal cartel theory, which gave increasing evidence of inefficiency in regulated industries, and the contention that government was regulating potentially competitive industries. Industries that were deregulated included airline, trucking, banking, railroad, natural gas, television broadcasting, electricity, and telecommunications.

Some criticize deregulation, but for the most part it appears to have caused lower prices, lower costs, and increased output, primarily from airlines, railroads, and trucking. Deregulation has also been attributed to technological advances in new and improved products.

This topic addresses the following competency:

- Competency 309.1.3: Competition
  The graduate analyzes a firm’s competitive environment to determine whether the market exhibits characteristics of perfect competition, monopoly, oligopoly, and monopolistic competition.

Chapter 18 in Economics

Read the following chapter in Economics:

- chapter 18 ("Antitrust Policy and Regulation")

When you have completed the reading, you will be able to do the following:

- describe the characteristics of natural monopoly
- describe the core elements of the major antitrust (antimonopoly) laws in the United States
- identify key issues relating to the interpretation and application of antitrust laws
- discuss the optimal level of social regulation

Textbook Companion Website Activities

Review the following chapters in Economics by engaging with the textbook companion website:

- chapter 18 ("Antitrust Policy and Regulation")

Message Board and FAQs: Competition and Government Regulation

Visit the message board. Post comments, questions, and helpful learning hints. Read the FAQs and make suggestions for additional topics.

Economics and Global Business Applications Performance Task

Complete the following task in TaskStream:
• Economics and Global Business Applications: Task 309.1.3-06

For details about this performance assessment, see the "Assessment" tab in this course.

**International Business: The Global Business Environment**

Understanding international business begins with knowing historic events and appreciating the forces and institutions that shape this environment. International trade requires international organizations that are able to act as liaisons between trading entities. Trading blocs exist and impact trade among nations. Currency exchange, how the exchange rate is determined, and the role of the IMF must also be considered.

**Core Concepts of International Business**

A global economy requires an understanding and appreciation for the forces and institutions that shape this environment. Basic concepts that are important to any business entering or doing business internationally are introduced here.

This topic addresses the following competencies:

• **Competency 309.2.1: International Business Environment**
  The graduate understands and can make recommendations for competing in the global business arena.

• **Competency 309.2.2: International Trade**
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.

• **Competency 309.2.3: Global Operations**
  The graduate can determine the advantages and disadvantages of various types of global operations.

**Chapter 1 in International Business**

Read the following chapter in *International Business*:

• chapter 1 ("The Rapid Change of International Business")

When you have completed the reading, you will be able to do the following:

• explain how the internationalization of markets has forced dramatic changes in business practice
• list the various names given to firms that have substantial operations in more than one country
• explain how the Internet has impacted international business firms
• identify the five drivers/changes leading international firms toward globalization
• contrast how international business differs from domestic business
• know the three environments in which an international company operates

**Chapter 2 in International Business**

Read the following chapter in *International Business*:
• chapter 2 ("International Trade and Foreign Direct Investment")

What strategy can be used to begin or expand operations in a foreign company? How will this activity be funded? Chapter 2 introduces considerations regarding international trade and how to approach this process.

When you have completed the reading, you will be able to do the following:

• explain how international trade has grown
• know what direction international trade is heading and who trades with whom
• know what direction foreign direct investment is heading and how fast it is growing
• show what the reasons are for entering foreign markets
• explain why globalization of an international firm occurs over at least seven dimensions
• explain how a company can be partially global in some dimensions and completely global in others

Chapter 4 in International Business

Read the following chapter in International Business:

• chapter 4 ("International Institutions from an International Business Perspective")

International trade requires international organizations that are able to act as liaisons between trading entities. At times, disputes occur. Who will mediate? How are decisions enforced? What is the role of the trading bloc and how has this affected trade on a global basis? You will cover topics like these in chapter 4.

When you have completed the reading, you will be able to do the following:

• understand and appreciate how international institutions and agreements affect international businesses
• identify the activities of the United Nations (UN) in economic and social fields
• tell why the World Trade Organization (WTO) is important to world business and trade
• know about the European Union (EU) and how it affects business
• list the major purposes of the Organization for Economic Cooperation and Development (OECD)
• explain the four major levels of economic integration agreements and list other regional integration agreements

Textbook Companion Website Activities

Review the following chapters in International Business by engaging with the textbook companion website:

• chapter 1 ("The Challenging World of International Business")
• chapter 2 ("International Trade and Foreign Direct Investment")
• chapter 3 ("International Institutions from an International Business Perspective")
Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.

Message Board and FAQs: International Business

Visit the message board. Post comments, questions, and helpful learning hints. Read the FAQs and make suggestions for additional topics.

International Business: Cultural Sensitivity (Part 1)

The following chapters of the "International Business" section of this course will prepare you to submit the "Cultural Sensitivity" task (309.2.4-05-07) in TaskStream for grading.

The term cultural sensitivity refers to an appreciation of the cultural differences found within a global economy. People everywhere share many common attributes and characteristics, but regional, ethnic, and cultural differences also exist. Businesses that operate internationally must decide on the "right" approach for bringing their products to various markets. Political, legal and financial forces also impact the way business can be conducted in various parts of the world.

Sociocultural Forces and Labor Forces

People everywhere share many common attributes and characteristics, but regional, ethnic, and cultural differences also exist. How does a business that operates internationally decide on the "right" approach for bringing their products to various markets?

This topic addresses the following competency:

- Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Chapter 5 in International Business

Read the following chapter in International Business:

- chapter 5 ("Sociocultural Forces")

When you have completed the reading, you will be able to do the following:

- describe how multicultural issues impact the marketing approach for products in a given market
- explain how cross-cultural communication issues affect marketing strategies
- evaluate the impact of cross-cultural ethical differences on marketing strategies
- understand the significance of culture for international business
- understand the sociocultural components of culture

Chapter 11 in International Business
Read the following chapter in *International Business*:

- chapter 11 ("Labor Forces")

When you have completed the reading, you will be able to do the following:

- recognize forces beyond management control that affect the availability of labor
- understand the basics of the immigration system in the United States discuss labor productivity
- understand women's labor, employment, and social roles

**Markets, Entry Modes & Marketing**

As a business owner you have decided that it is a good idea to go international. Now what? Is your current marketing strategy appropriate? What cultural considerations need to be included in your marketing strategy? How do you enter the targeted market in the first place?

This topic addresses the following competencies:

- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.

**Chapter 14 in International Business**

Read the following chapter in *International Business*:

- chapter 14 ("Assessing and Analyzing Markets")

When you have completed the reading, you will be able to do the following:

- describe how multicultural issues impact the marketing approach for products in a given market
- explain how cross-cultural communication issues affect marketing strategies
- understand international market entry methods

**Chapter 15 in International Business**

Read the following chapter in *International Business*:

- chapter 15 ("Entry Modes")

When you have completed the reading, you will be able to do the following:
• identify two different forms of policy and discuss which might be helpful and harmful to firms doing international business
• explain why firms export and the three problem areas of exporting
• identify some sources of export financing

Textbook Companion Website Activities

Review the following chapters in International Business by engaging with the textbook companion website:

• chapter 4 ("Sociocultural Forces")
• chapter 12 ("Assessing International Markets")
• chapter 13 ("Entry Modes")
• chapter 14 ("Export and Import Practices")

Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.

International Business: Cultural Sensitivity (Part 2)

It has been said that in the global marketplace (where there is no global standardization of products or brands because consumers are not standardized), businesses aim for either the lowest common denominator advertising or advertising that is specific to a particular market, and not anywhere else. What is your opinion?

Export and Import Practices and Marketing Internationally
This section continues to answer the questions every business that wants to operate internationally needs to address about marketing practices, cultural considerations, and financing. These are all serious issues that must be carefully thought through to be successful.

This topic addresses the following competencies:

• Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
• Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
• Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.
• Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Chapter 16 in International Business
Read the following in *International Business*:

- chapter 16 ("Export and Import Practices")

When you have completed the reading, you will be able to

- explain the three problems associated with exporting for firms,
- identify and explain terms of sale, and
- identify the sources of export financing and how firms use them.

**Chapter 17 in International Business**

Read the following chapter in *International Business*:

- chapter 17 ("Marketing Internationally")

When you have completed the reading, you will be able to do the following:

- understand why there are differences between domestic and international marketing
- explain why international marketing managers may wish to standardize the marketing mix
- explain why the design of organizational structures is important to international companies

**Textbook Companion Website Activities**

Review the following chapters in *International Business* by engaging with the textbook companion website:

- chapter 14 ("Export and Import Practices")
- chapter 15 ("Marketing Internationally")

*Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.*

**Message Board and FAQs: Marketing Internationally**

Visit the message board. Post comments, questions, and helpful learning hints. Read the FAQs and make suggestions for additional topics.

**International Business: Forces that Affect International Trade (Part 3)**

Political forces affect international business, and businesses have become more and more sensitive to these political forces as they plan operations. A hospitable political atmosphere
permits business to flourish, even if the country is poor in natural resources. The opposite is also true, and some countries blessed with natural resources are poor because of government instability or hostility.

Legal forces also affect firms doing business internationally, and they must be aware of the size and complexity of various legal problems. A myriad of laws exist that differ from one country to another. How are disputes settled? How will contracts be enforced? How are copyrights and patents protected?

Financial forces also create issues for firms when doing business internationally. Considerations must be given to foreign currency exchange quotations, spot and forward rates, government intervention, and government controls in exchange markets. The impact of inflation is also a concern.

**Political, Legal, and Financial Forces**

If all politics are local, what must a business know and learn about the political forces that exist in the foreign country it operates in? What about the legal and financial forces? Lack of understanding or appreciation of the differences in the foreign country could spell disaster for the domestic business. Knowledge is power.

This topic addresses the following competencies:

- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.
- Competency 309.3.2: Cultural Sensitivity
  The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

**Chapter 8 in International Business**

Read the following chapter in *International Business*:

- chapter 8 ("Political Forces")

When you have completed the reading, you will be able to do the following:

- identify how ideological forces affect business
- explain the meaning of government privatization of business
- describe the importance of government stability and policy continuity for business
- define and assess country risk
Chapter 9 in International Business

Read the following chapter in *International Business*:

- chapter 9 ("Intellectual Property and Other Legal Forces")

When you have completed the reading, you will be able to do the following:

- define the legal forces that confront international business
- explain why foreign law is important
- define contract devices and intellectual property
- define antitrust laws
- describe how U.S. laws affect international business operations

Chapter 10 in International Business

Read the following chapter in *International Business*:

- chapter 10 ("Understanding the International Monetary System and Financial Forces")

When you have completed the reading, you will be able to do the following:

- define foreign exchange (FX) markets;
- define currency exchange risks and currency exchange controls
- explain how financial forces such as balance of payments, tariffs, taxes, inflation, fiscal and monetary policies, and differing accounting practices affect business
- explain how the world monetary system developed from the end of World War II to the present
  - know about the original and revised activities of the International Monetary Fund
- tell about the purposes of the World Bank
- list the relative strengths and weaknesses of currencies and the reasons for them
- understand the balance of payments (BOP)
- realize how "Big Mac Currencies" and purchasing power parity theory relate
- list the major foreign currency exchange (FX) markets of the world

Textbook Companion Website Activities

Review the following chapters in *International Business* by engaging with the textbook companion website:

- chapter 6 ("Political and Trade Forces")
- chapter 7 ("Intellectual Property and Other Legal Forces")
- chapter 8 ("The International Monetary System and Financial Forces")

*Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the*
12th edition.

Message Board and FAQs: Political, Legal, and Financial Forces

Visit the message board. Post comments, questions, and helpful learning hints. Read the FAQs and make suggestions for additional topics.

**International Business: Global Operations**

International strategy is concerned with the way firms make fundamental choices about developing and deploying scarce resources internationally. International strategy involves decisions that deal with all of the various functions and activities of a company, not merely a single area such as marketing or production.

To be effective, a company's international strategy needs to be consistent among the various functions, products, and regional units of the company (internal consistency) as well as with the demands of the international competitive environment (external consistency). You also need to consider global operations and supply chain management. Global markets and global competition have forced management to search for methods to lower costs and improve the quality of products.

Often, the solution is to outsource non-core activities in an effort to focus on firm core competencies. Outsourcing of non-core activities has accelerated due to increasing technology and decreasing cost of international communication. Plant location, size, and inventory techniques are also important. Another factor to consider is that international companies without effective human resource policies will find themselves failing to execute in the international marketplace. Effective managers for international companies are in high demand but often in short supply.

**Strategic Management Concepts for Competing Globally**

What are the essential elements of a successful international strategy? Does one size fit all or does a business need to be knowledgeable about and employ the best possible strategy in every unique situation? How does outsourcing affect the business and what are the appropriate strategies for inventory? These and other considerations are essential for the success of any international business.

This topic addresses the following competencies:

- Competency 309.2.1: International Business Environment
  The graduate understands and can make recommendations for competing in the global business arena.
- Competency 309.2.2: International Trade
  The graduate can recognize the implications of international trade and make recommendations based on a firm's mission.
- Competency 309.2.3: Global Operations
  The graduate can determine the advantages and disadvantages of various types of global operations.
- Competency 309.3.2: Cultural Sensitivity
The graduate demonstrates sensitivity to cultural differences that impact business practice in foreign markets.

Chapter 12 in International Business

Read the following chapter in *International Business*:

- chapter 12 ("International Competitive Strategy")

When you have completed the reading, you will be able to do the following:

- determine international strategy, competencies, and international competitive advantage
- conduct the steps in the global strategic planning process
- describe why new directions in strategic planning are important
- explain how to use global, multidomestic, and transnational strategies
- define industrial espionage

Chapter 18 in International Business

Read the following chapter in *International Business*:

- chapter 18 ("Global Operations and Supply Chain Management")

When you have completed the reading, you will be able to do the following:

- explain the concept of supply chain management and design
- list the five global sourcing arrangements
- explain why the added costs of global sourcing are important
- define just-in-time (JIT) production systems and identify their problems
- define six-sigma systems
- list impediments to global standardization of production processes and procedures

Chapter 19 in International Business

Read the following chapter in *International Business*:

- chapter 19 ("Human Resources Management")

When you have completed the reading, you will be able to do the following:

- describe regional or cultural differences in labor conditions
- define *global mind-set*
- show the relationships among competitive strategies (international, multidomestic, regional, and transnational) and international human resource management approaches (ethnocentric, polycentric, region-centric, and global)
- define *IC executives* and explain why it is difficult to find qualified executives for international companies (ICs)

Textbook Companion Website Activities
Review the following chapters in *International Business* by engaging with the textbook companion website:

- chapter 9 ("International Competitive Strategy")
- chapter 16 ("Global Operations and Supply Chain Management")
- chapter 17 ("Managing Human Resources in an International Context")

Note: McGraw-Hill has changed their publisher-provided website to reflect the 13th edition of International Business. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 13th edition information on the McGraw-Hill website, but the information aligns to your reading in the 12th edition.

**Message Board and FAQs: Competing Globally**

Visit the message board. Post comments, questions, and helpful learning hints. Read the FAQs and make suggestions for additional topics.

**Economics and Global Business Applications Performance Task**

Complete the following task in TaskStream:

- Economics and Global Business Applications: Task 309.2.4-05-07

For details about this performance assessment, see the "Assessment" tab in this course.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- [WGU: Accessing the Library](#)
- [WGU Library: Finding Articles, Books, & E-Reserves](#)

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.
Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for Fundamentals of Finance, Accounting, and Information Technology. The course covers 9 competencies and represents 6 competency units.

Introduction

This course of study is aligned to the FNC1 objective assessment. The same study materials are utilized in the FNT1 performance assessment. If you have previously completed the FNT1 assessment, then you should have already completed the required study activities found in this course of study. You may wish to review the assignments here, but you are not required to repeat these activities. If you have not yet completed the FNT1 assessment, then please proceed through this course of study in full.

Overview
As you begin this course, you might ask the question: Why study finance, accounting, and information technology? In today's economy it is imperative that business leaders make sound financial decisions in order for their companies to be profitable and competitive. We live in an information age — a time of communication and immediate access to information. Providing information about what businesses own, what they owe, and how they are performing is a critical aspect of accounting information. Accounting is an information and measurement system that identifies, records, and communicates relevant, reliable, and comparable information about an organization's activities and investments. Accounting is often called the "language of business" because all organizations set up an accounting information system to communicate data in order to help people make better decisions. The study of finance, accounting, and information technology is a critical component of all business organizations.

At WGU, we have captured common themes around finance, accounting, and information technology in our competency statements and designed this course to help you master those competencies. Mastering the competencies will prepare you to successfully pass the exam.

Once you have successfully completed this course, you should be able to analyze the financial condition of a firm using financial ratios and other financial data, as well as correctly apply time value of money techniques and techniques that ignore present value for capital investment decisions. You should also be able to demonstrate the use of information technology tools for specified business purposes. In addition, you should be able to demonstrate the ability to select appropriate technology applications to manage information and make decisions in given situations.

One of the most anticipated outcomes from your studies will be the help it gives you in putting what you have learned into practice. You will find that the competencies, topics, and activities presented here will have direct application to your professional life. They are designed to empower you with this newfound knowledge so you can put it to work today! Throughout this course you will have an opportunity to share what you have learned and learn from others in our message board, adding a wealth of knowledge and utility to your educational experience as you progress through your program.
Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

**Competencies**
This course provides guidance to help you demonstrate the following 9 competencies::

- **Competency 319.1.1: Financial Accounting**
  The graduate analyzes historical and budgeted financial data.

- **Competency 319.1.2: Ratios**
  The graduate determines the financial condition of a firm using financial ratios and other financial data.

- **Competency 319.1.3: Capital Budgeting Analysis**
  The graduate correctly applies time value of money techniques and techniques that ignore present value for capital investment decisions.

- **Competency 319.1.4: Cost Analysis**
  The graduate performs cost analysis.

- **Competency 319.1.5: Capital Structure**
  The graduate determines the most advantageous capital structure for a given situation.

- **Competency 319.2.2: Competing with Information Technology**
  The graduate determines appropriate uses of information technology in creating strategic advantage.

- **Competency 319.2.3: Privacy and Security**
  The graduate analyzes privacy and security concerns related to technology in the workplace in terms of their potential impact on business operations, and recommends appropriate countermeasures to satisfy these concerns.

- **Competency 319.2.4: Roles and Systems**
  The graduate recommends courses of action taking into consideration the role of personnel, hardware, and software components while differentiating between business decision making and information technology management decision making.

- **Competency 319.2.5: Information Management**
  The graduate selects appropriate technology applications to manage information and make decisions in given situations.

**Activities at a Glance Outline**
This course includes an Activities at a Glance outline to help you briefly visualize the elements of this course.
This will also provide general pacing guidelines for your work through the course and can be printed and used as a quick checklist for your progress.

- **Fundamentals of Finance, Accounting, and Information Technology Activities at a Glance**

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course
mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

E-texts are available to you free of charge, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

VitalSource E-Texts

The following textbooks are available to you as e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


Skillsoft and Books 24x7

You will access the following Skillsoft items within this course. For more information on accessing Skillsoft items, please see the "Accessing Skillsoft Learning Resources" page.


Note: Because you are automatically enrolled in the preceding resources, if they appear in the "Learning Resources" tab, DO NOT click "Show Sections" or "Enroll Now." If you have already
done so, contact your course mentor.

**Introduction to Accounting: The Language of Business**
The Introduction to Accounting: The Language of Business courseware contains modules with lessons that are instructor-led with on-screen presentation of material. There are numerous helps built into each lesson. You will be directed to specific links to this resource in the activities that follow.

**Enroll in Learning Resources**
You will need to enroll in or subscribe to several learning resources as a part of this course.

Please access your Degree Plan and verify that you have access to the following learning resources. If you do not currently have access, please enroll or renew your enrollment at this time.

*Note: For instructions on how to enroll or subscribe through your Degree Plan, please see the "Acquiring Your Learning Resources" document.*

**MyAccountingLab**
Check to make certain your subscription is active after enrolling. If not, contact your mentor.


Watch the following video, "FNC1/FNT1 Learning Resources," to familiarize yourself with the MyAccountingLab learning resource:

*Note: To download this video, right-click the following link and choose “Save as...”: download video.*

**Financial Accounting Standards Boards Database**
Activities within this course will direct you to utilize the Financial Accounting Standards Board (FASB) database. Here is the log-in information for access to the FASB Codification database.

Log in at the link above using the following:

- Username: AAA52071
- Password: 9ZTcT8x

**Accounting Fundamentals - Financial Accounting Concepts**
If you have a strong background in accounting coursework or extensive work experience in the accounting field, you should be able to move quickly through the Accounting Primer by taking
and passing the Check Out assessments for each chapter.

Accounting is generally called the "language of business." Regardless of the business form (whether it is a profit or non-profit) or its size, the entity will use accounting in some form to determine the success or lack of success of the organization. As you work through this study of both financial and managerial accounting concepts consider this scenario:

You have just graduated from Western Governors University with your BS in one of the business disciplines. You have been hired by your employer of choice, and as an initial project you have been assigned to serve on the budget committee working on the company's annual budget. Do you currently have sufficient accounting expertise to make a contribution in this initial assignment?

Financial statements are the communication tools used by business to show interested parties the results of operations and the financial condition of the company. The interested parties could include owners, lenders, government agencies, and others.

**Financial Accounting Concepts and Procedures**

There are principles, conventions, and assumptions used when completing accounting entries. In this chapter you will be introduced to some of these concepts providing a foundation for the entries that will be made in future work.

When you have completed your study in this unit, you will be able to do the following:

- Apply accounting principles and concepts.
- Use the accounting equation.
- Analyze business transactions.
- Prepare financial statements.
- Use the financial statements to evaluate business performance.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**
  The graduate analyzes historical and budgeted financial data.

**MyAccountingLab-Horngren Chapter 1**

Complete the structured learning steps in the Accounting Primer for this study of the accounting and business environment. When learning about the financial statements, focus on page 22. Financial statements have a particular purpose and must be completed in a set order. Be sure to take note of this important page for future reference in the course.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 1 as you review an introduction to accounting concepts, principles, and the accounting cycle.

- **Introduction to Accounting: The Language of Business**
Accounting Fundamentals Message Board

Are you having difficulty in the task? Post a question for peer assistance in the course message board. Of course, no answers can be given, but it should be able to offer you some guidance.

As you visit the message board for this topic, look for the subject line "Financial Statements." Specifically address "Why does the Income Statement have to be prepared first?" Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Accounting Fundamentals - Recording Business Transactions

Chapter 2 in Horngren's *Accounting* 8th edition provides information on how to record business transactions. Understanding how a business processes transactions is critical to the study of accounting fundamentals.

Understanding how to record business transactions using debits and credits is one of the most important accounting concepts. It is helpful to employ a methodical approach to analyzing transactions. Think of the questions below as a decision model.

1. Understand the transaction from the source document.
2. Determine the accounts involved from the chart of accounts.
3. Determine if the accounts increased or decreased.
4. Apply the rules of debit and credit for each account's classification (asset, liability, ...)
5. Record in the journal.

The decision model should help you determine the correct accounts to be debited and credited. With repetition and reinforcement, you will quickly find that you are automatically using these steps to journalize correctly.

Recording Business Transactions

The first steps of the accounting cycle are covered in chapter 2 of Horngren's *Accounting* 8th edition. The daily work in accounting tends to be repetitive as business events occur. Analyze what happened, journalize the event, and then post the journal entry to the ledger. Repeat the process until the end of the accounting period.

When you have completed your study in this unit, you will be able to do the following:

- Apply the rules of debits and credits.
- Identify how to record to the journal and ledger.
- Create a trial balance.

This topic addresses the following competencies:
• Competency 319.1.1: Financial Statements
  The graduate analyzes historical and budgeted financial data.

MyAccountingLab-Horngren Chapter 2

Complete the structured learning steps in the Accounting Primer for this study of Recording Business Transactions. It is important that you tie the rules of debits and credits to the asset classifications. Note that the chart of accounts has a set format and can be used as a reference list to locate the account needed for recording. The rules of debit and credit and the account classifications must be linked to enhance your understanding.

Introduction to Accounting: Language of Business

Use Basic Lessons 1 and 2 to review the accounting concepts and the financial statements you have been studying in the Accounting Primer in MyAccountingLab.

• Introduction to Accounting: The Language of Business

Expanding Your Knowledge With SkillSoft

Review the following SkillSoft lesson with relevant accompanying Job Aids and SkillBriefs:

• FIN0121: Accounting Fundamentals

Questions/Exercises in the Recording Business Transactions Message Board

Are you having difficulty in the task? Post a question for peer assistance and input in the course message board. Of course no answers can be given, but may be able to offer you some guidance.

As you visit the message board, look for the subject line "Recording Business Transactions." Specifically address the following statement: Give an example transaction for one of the stated formats in the discussion. Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Adjusting Process

The activities for this subject will complete the study of the accounting cycle. Adjusting entries are required for company’s using accrual accounting. Accrual accounting is required for large companies so these rules apply to all large business entities.

Adjusting entries are used to fulfill the matching principle in accounting. In short, the goal is to match the revenue and expenses of the operating period. This is the essence of accrual accounting. Major corporations are required to use accrual accounting instead of cash basis accounting, which is sometimes preferred by smaller entities.

Adjusting Entries
Large businesses are required to use accrual accounting. The goal of accrual accounting is to
match the revenue and expense of the operating period. Adjusting entries are required to ensure this matching principle is met since some items are prepaid and used over time while other items are simply not recorded until the accounting period ends.

When you have completed your study this week you will be able to do the following:

- Distinguish accrual accounting from cash basis accounting.
- Apply the revenue and matching principles.
- Create an adjusted trial balance.
- Identify the importance of the accounting period concept.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**
  The graduate analyzes historical and budgeted financial data.

**MyAccountingLab-Horngren Chapter 3**

Complete the structured learning steps in chapter 3 of the Accounting Primer for this study of adjusting entries. Adjusting entries come in two types-prepaid expenses and accruals. Prepaid expenses are recorded as assets and then the amount used during the accounting period is recorded as an expense, essentially shifting the portion of the asset that is expired to the expense. Accrual adjustments are not on the accounting records, but are added to the books when the adjusting entry is done.

**Introduction to Accounting: Language of Business**

Use Basic Lesson 4 to review the matching principle and the adjusting entries you have been working with. This lesson will be used again in the next topic in this course as you study completing the accounting cycle.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Complete the SkillSoft course with relevant accompanying Job Aids and SkillBriefs:

- **FIN0122: Accrual Accounting Procedures**

**Questions/Exercises in the Adjusting Entries Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but may be able to offer you some guidance.

As you visit the message board, look for the subject line "Adjusting Entries." Specifically address whether only assets are adjusted and why or why not. Post your initial thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of
these concepts.

Completing the Accounting Cycle

The activities in this section will complete the study of the accounting cycle.

After the financial statements are prepared, then the records are closed for the period. The income statement account balances are eliminated through the closing process.

Last Steps of the Accounting Cycle

The last steps of the accounting cycle are performed to ready the accounting records for the upcoming accounting period. Large businesses generally report business results on a quarterly basis. Some balances are maintained while others are zeroed out. You will learn the process used in this unit of study.

When you have completed Chapter 4, you will be able to do the following:

- Identify permanent and temporary accounts.
- Perform the closing entries.
- Use the financial statements to evaluate business performance.

This topic addresses the following competencies:

- Competency 319.1.1: Financial Statements
  The graduate analyzes historical and budgeted financial data.

MyAccountingLab-Horngren Chapter 4

Complete the structured learning steps for chapter 4 in the Accounting Primer as you learn how to close the accounting period. Closing entries are performed to get the financial records ready for the next accounting period. Be sure you can identify the accounts that need to be closed, the classification of those accounts, and how the income statement and balance sheet are affected.

Introduction to Accounting: Language of Business

Review Basic Lesson 4 as you complete your study of the accounting cycle.

- Introduction to Accounting: The Language of Business

Expanding Your Knowledge With SkillSoft

Complete the following SkillSoft course with relevant accompanying Job Aids and SkillBriefs:

- FIN0123: Accounting Systems and Closing Entries

Questions/Exercises in the Accounting Cycle Completion Message Board

Are you having difficulty in the task? Post a question on the course message board for peer input and assistance. Of course no answers can be given, but it may be able to offer you some guidance.
As you visit the message board, look for the subject line "Completion of the Accounting Cycle." Specifically address the following question: Will the balance sheet accounts be closed? Post your thoughts, then read and respond to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Cost Allocation

Now you will study cost allocation of long-term assets. Different allocation methods are available and management decides which provides the most benefit to the business.

Long-term assets will provide economic benefit to a business over multiple accounting periods. Accrual accounting requires that this benefit be recorded as an expense so it is matched against the revenue it supports.

Cost Allocation for Long-Term Assets

Long-term assets are cost allocated to meet the matching principle. The estimated time an asset is expected to provide economic benefit to a business is used as a base to divide the asset cost so it is matched against the revenues of those operating periods.

After completing chapter 9 of Horngren's Accounting 8th edition, you should be able to answer the following questions:

- What is the cost of property, plant, and equipment?
- How do I record the cost allocation of a long-term asset?
- How do I record the cost allocation of an intangible asset?

This topic addresses the following competencies:

- Competency 319.1.1: Financial Statements
  The graduate analyzes historical and budgeted financial data.

MyAccountingLab-Horngren Chapter 9

Complete the structured learning steps for chapter 9 in Horngren's Accounting 8th edition as you learn how to cost allocate long-term assets. Be able to identify the different methods available to cost allocate long-term assets to include straight line, double declining balance, and units of output.

Introduction to Accounting: Language of Business

Review Basic Lesson 8 as you study cost allocation for long term fixed assets.

- Introduction to Accounting: The Language of Business

Expanding Your Cost Allocation Knowledge With SkillSoft

Complete the following SkillSoft course with relevant accompanying Job Aids and SkillBriefs:
• FIN0258: Analyzing an Annual Report

Questions/Exercises in the Cost Allocation Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it may be able to offer you some guidance.

As you visit the message board, look for the subject line "Cost Allocation." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Cost Allocation Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Long-Term Liabilities

Long-term liabilities, typically bonds, are used as another source of capital acquisition. You will study different types of bonds, how the price is determined, and the entries made when the interest is paid.

Another way a company can acquire capital is through long-term debt. Bond valuation and recording bonds are covered in this unit of study.

Long-Term Liabilities

Bonds issuers pay interest based on the rate printed on the face of the bond. However, investors will demand the market rate of interest, which changes based on economic conditions. Bonds will sell at a premium or discount to ensure the bond returns the rate of interest the investor expects based on the market rate at the time.

When you have completed chapter 10 in Horngren's Accounting 8th edition, you will be able to do the following:

• Identify the characteristics of specific bond types.
• Determine the price of the bond when sold.
• Record the interest when paid.
• Identify the advantages and disadvantages of issuing bonds versus stock.

This topic addresses the following competencies:

• Competency 319.1.5: Capital Structure
  The graduate determines the most advantageous capital structure for a given situation.

MyAccountingLab-Horngren Chapter 10

Complete the structured learning steps for chapter 10 in Horngren's Accounting 8th edition. Be sure to add the appendix for Chapter 10 to your study. You will learn the time value of money concepts needed to determine the selling price of a bond.
Introduction to Accounting: Language of Business

Review Basic Lesson 9 as you study accounting for long term liabilities. In this lesson you will also be introduced to some corporate equity principles which are covered further in Chapters 11 & 12 of Horngren's Accounting.

- Introduction to Accounting: The Language of Business
- Expanding your Long-Term Liabilities Knowledge With SkillSoft

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions
- FIN0251: Principles of Financial Statements
- FIN0256: Ratio Analysis for Financial Statements

Questions/Exercises in the Long-Term Liabilities Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Long-Term Liabilities." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Long-Term Liabilities Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.

Paid in Capital and Balance Sheet

Now you will study corporate equity reporting and the balance sheet effects.

Corporate equity reporting must be different from the sole proprietorship and partnership accounting since a corporation can have infinite life. The contributed capital and earned capital are accounted for and reported separately. The reward of ownership is a dividend and potential increase in the worth of the stock owned.

Corporations: Paid-In Capital and the Balance Sheet

Corporations are owned by shareholders. These investors provide capital for the operations of the business in hopes of getting a return from two potential sources: increased share value and dividends.

After completing chapter 11 in Horngren's Accounting 8th edition, you should be able to answer the following questions:

- How do I record the issuance of shares of stock?
- How do I differentiate between common and preferred stock?
- What is done on each of the dates associated with a dividend?

This topic addresses the following competencies:
• **Competency 319.1.1: Financial Statements**
  The graduate analyzes historical and budgeted financial data.

• **Competency 319.1.5: Capital Structure**
  The graduate determines the most advantageous capital structure for a given situation.

MyAccountingLab-Horngren Chapter 11

Complete the structured learning steps for Chapter 11 in Horngren's *Accounting* 8th edition as you learn the equity terminology related to legal capital, issuing shares, and dividends.

**Expanding Your Knowledge With SkillSoft**

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions
- FIN0222: Accounting for Corporations

**Questions/Exercises in the Corporate Equity Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Corporate Equity." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Corporate Equity Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Retained Earnings and the Income Statement**

During this subject you will continue your study of corporate equity as you study stock dividends, stock splits, treasury stock, and the retained earnings account.

In chapter 12 of Horngren, many more concepts related to corporate equity and stockholder ownership are discussed. Shareholders expect some type of return for their investment – for some it would be a dividend, for others they seek market value growth, and for the rest they want both.

**Retained Earnings and the Income Statement**

Shareholders can receive an investment return in many forms including cash dividends, stock dividends, and stock splits. Some of these impact retained earnings, some do not. You will discover the ways to record these events as you work through the material in chapter 12 in Horngren’s *Accounting* 8th edition.

When you have completed chapter 12, you will be able to do the following:

- Record cash dividends, stock dividends, and stock splits.
• Account for treasury stock.
• Account for retained earnings based on many transactions that impact this account.
• Use the income statement results, calculate the earnings per share, and know what it means.

This topic addresses the following competencies:

• **Competency 319.1.1: Financial Statements**
  The graduate analyzes historical and budgeted financial data.
• **Competency 319.1.5: Capital Structure**
  The graduate determines the most advantageous capital structure for a given situation.

**MyAccountingLab-Horngren Chapter 12**

Chapter 12 in Horngren's *Accounting* 8th edition discusses additional corporate equity issues that support Task 2. Work through the structured lesson for chapter 12. The focus in this unit will be on stock (non-cash) dividends, treasury stock, and other retained earnings issues.

**Introduction to Accounting: Language of Business**

Review the equity coverage in Basic Lesson 9 to reinforce your study of the corporate equity concepts covered in Chapters 11 and 12 of Horngren's *Accounting* 8th edition.

• **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Review the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

• FIN0213: Raising Capital and Financing Decisions
• FIN0222: Accounting for Corporations

**Questions/Exercises in the Retained Earnings Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but you should be able to receive some guidance.

As you visit the message board, look for the subject line "Retained Earnings." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting your Retained Earnings Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Statement of Cash Flows**

In this section, you will study the fourth required financial statement. It is important to consider how the Statement of Cash Flows interrelates with and reacts to changes in the balance sheet.
and income statement accounts.

The Statement of Cash Flows is the fourth required financial statement. It can be completed in two ways. In your study you should review both options.

**The Statement of Cash Flows**

The Financial Accounting Standards Board has approved two different preparation methods for this statement: direct and indirect. The direct method is the preferred approach, but most companies prepare the statement using the indirect approach. The three activities reported are the same. In both methods, the investing activities and financing activities are presented identically. The major difference is in the operating activities presentation.

When you have completed chapter 13 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- List the components that comprise a typical financial statement.
- Describe how changes to a company's revenue and expenses affect their income statement.
- Know how changes in income statement and balance sheet data affect a statement of cash flows.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Accounting**
  The graduate analyzes historical and budgeted financial data.

**MyAccountingLab-Horngren Chapter 13**

Chapter 13 discusses the Statement of Cash Flows. Work through the structured lesson for chapter 13 in Horngren's *Accounting* 8th edition. The Statement of Cash Flows has three activities reported on it: operating, investing, and financing. It is important to understand what is reported in each activity and how to arrive at the balances for each one.

**View the Video**

URL: [http://highered.mheducation.com/sites/0073379611/student_view0/video_library.html](http://highered.mheducation.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 15 video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 2 as you study the Statement of Cash Flows.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Statement of Cash Flows Knowledge With SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **fin_01_a04_bs_enus: Financial Statements**
Questions/Exercises in the Statement of Cash Flows Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Statement of Cash Flows." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Statement of Cash Flows Study to Life" activity. Be sure to identify the company you chose.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Financial Statement Analysis

Now you will study some financial statement analysis tools including horizontal, vertical, and ratio analyses.

Your study of financial accounting principles concludes in this unit. All of the principles, assumptions, rules, and logic have a purpose-to present a set of financial statements that can be analyzed by a variety of users. These users include investors, managers, and loan officers. This chapter presents tools to accomplish this analysis.

Horizontal and Vertical Analyses

An analysis should never be done based on only one analysis tool. Sufficient data must be analyzed to ensure that a full view of the company’s financial well-being is achieved to include its internal financial health, as well as how it compares to other companies in the same or related business.

When you have completed chapter 14 in Horngren's Accounting 8th edition, you will be able to do the following:

- Complete the horizontal and vertical analyses.
- View the results of the analyses from the perspective of various stakeholders.

MyAccountingLab-Horngren Chapter 14

Complete chapter 14 in Horngren's Accounting 8th edition. Here you will study how financial statement analysis using different methods is done.

View the Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 16 Financial Statement Analysis video.

introduction to Accounting: Language of Business

Review Basic Lesson 10 and the Hot Cars, Inc. example as you study financial statement analysis. Remember that any ratios used in the performance assessment task must be based
on Horngren's *Accounting* 8th edition.

- Introduction to Accounting: The Language of Business

Expanding Your Horizontal and Vertical Analyses Knowledge With SkillSoft

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- FIN0253: Analyzing the Income Statement and Balance Sheet
- FIN0254: The Income Statement and Balance Sheet Connection
- FIN0258: Analyzing an Annual Report

Questions/Exercises in the Horizontal and Vertical Analyses Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Horizontal and Vertical Analyses." Post your one-paragraph comment about your findings from the internet exercise in the "Connecting Your Horizontal and Vertical Analyses Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Ratio Analysis**

Ratio analysis allows management to focus on particular areas in the financial statements. The ratios can be compared with previous accounting periods, industry performance, and individual competitors.

When you have completed chapter 14 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- Work with liquidity ratios and determine their usefulness in decision-making.
- Work with performance ratios and determine their usefulness in decision-making.
- View the ratio analysis from the perspective of various stakeholders.
- Work with investment utilization ratios and determine their usefulness in decision-making

**MyAccountingLab-Horngren Chapter 14**

Continue in Chapter 14 in MyAccountingLab-Horngren. The company's ratios are relatively easy to calculate, but stopping at these calculations would provide only a small subset of potential information that can be gleaned from the data. How do the ratios compare with last year's calculations, with the other companies in the same industry, or with the market? Remember, you are concerned with more than just calculating the values. You also need to consider the usefulness of the information and what it tells each user.

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379811/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379811/student_view0/video_library.html)
Click on the link above and view the chapter 16 Financial Statement Analysis video. 

**Expanding Your Ratio Analysis Knowledge With SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN 0256: Ratio Analysis for Financial Statements**  
  (Use this SkillSoft lesson for additional guidance. The ratios in the task must be calculated using the Horngren formulas.)

**Questions/Exercises in the Ratio Analysis Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Ratios." Post your one-paragraph comment about your findings from the internet exercise in the "Connecting Your Ratio Analysis Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.

**Introduction to Managerial Accounting**

Now you will begin building your competence in the managerial accounting concepts. Financial accounting is designed to follow generally accepted accounting principles, which create a reporting format for company financial statements. Managerial accounting is primarily concerned with cost controls and helping managers manage better.

The study of managerial accounting begins with identifying the users and classifying the costs by business type.

**Introduction to Managerial Accounting**

Generally, businesses do not have a lot of pricing power due to competition. The emphasis is placed on identifying the product costs and attempting to eliminate some of the cost to improve company earnings.

When you have completed chapter 15 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- Identify the differences between financial accounting and managerial accounting.
- Classify costs by different business types.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**  
  The graduate analyzes historical and budgeted financial data.
- **Competency 319.1.4: Cost Analysis:**  
  The graduate performs cost analysis.

*MyAccountingLab-Horngren Chapter 15*
Work through the structured learning for chapter 15 in Horngren's *Accounting* 8th edition. Study the basic cost terminology of managerial accounting including direct costs, indirect costs, direct materials, direct labor, manufacturing overhead, and conversion costs.

**View the Videos**

**URL:**  [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 1 and chapter 2 videos ("The Need for Managerial Accounting Information" and "Classifying Costs for Decision-Making").

**Introduction to Accounting: Language of Business**

Review Basic Lesson 11 as you begin studying managerial accounting concepts.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Knowledge With SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN 0241: Overview of Managerial Accounting**

**Questions/Exercises in the Introduction to Managerial Accounting Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Introduction to Management Accounting." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Introduction to Managerial Accounting Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Job Order Costing and Process Costing**

The two topics in this section focus on how to measure and account for costs in two different production styles. Management needs to project the future success or failure of company operations. Managerial accounting is primarily concerned with cost controls and helping managers manage better.

Job-order costing is used in situations where the organization offers many different products or services, such as in furniture manufacturing, hospitals, and legal firms.

Process production is the mass production of products in a continuous flow of steps. Understanding the process for companies with process operations is critical for measuring their costs.

**Job Order Costing**
Job order costing is used to accumulate the costs that go into a discrete productive unit. A home builder would use this costing method.

When you have completed chapter 16 in Horngren’s Accounting 8th edition, you will be able to do the following:

- Explain the cost accounting system.
- Describe features of job order production.
- Describe and record the flow of material, labor, and overhead costs.
- Determine adjustments for over-applied and under-applied factory overhead.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**
  - The graduate has a comprehensive understanding of historical and budgeted financial data
- **Competency 319.1.4: Cost Analysis**
  - The graduate performs cost analysis.

**MyAccountingLab-Horngren Chapter 16**

Complete the structured learning steps in chapter 16 in Horngren's Accounting 8th edition. During your study identify the three costs of a product and be able to illustrate how the costs are entered and then moved through the accounting system.

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 3 Job Order Costing video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 12 as you continue your concept coverage in managerial accounting.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Job Order Costing Knowledge with SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN0244: Cost Accounting Decisions**
  - Questions/Exercises in the Job Order Costing Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should offer you some guidance.

As you visit the message board, look for the subject line "Job Order Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Job Order Costing Study to Life" activity.
While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Process Costing**

Process production is the mass production of products in a continuous flow of steps. Understanding the process for companies with process operations is critical for measuring their costs.

When you have completed chapter 16 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- Compute equivalent units.
- Use process costing techniques to assign cost to units in both work in process inventory and finished goods inventory.
- Explain the difference between job costing and process costing.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**
  - The graduate has a comprehensive understanding of historical and budgeted financial data
- **Competency 319.1.4: Cost Analysis**
  - The graduate performs cost analysis.

**MyAccountingLab-Horngren Chapter 16**

Continue your work in the structured learning steps in chapter 16 of Horngren's *Accounting* 8th edition. Process costing is used for mass produced items like candy bars. Each bar that has chocolate, nougat, caramel, and peanuts would be made in an assembly line process. Be sure to you can compute equivalent units and arrive at the cost per unit.

**View the Video**


Click on the link above and view the chapter 4 Process Costing video.

**Connecting Your Process Costing Study to Life**

Selected company websites appear below. Review the information about the operations of one of the companies from their website and decide whether the company would be likely to use a process costing system. Write a brief summary (one paragraph) about your findings, describing the reasons why the company most likely would or would not use process costing. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

- **Biolea.**
- **Evian.**
Questions/Exercises in the Process Costing Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Process Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Process Costing Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Activity Based Costing

In this section, you will study Activity Based Costing (ABC). ABC is used to allocate costs to products in a more precise method using cost drivers.

Traditional cost accounting methods suffer from several defects that can result in distorted costs for decision-making purposes. The activity based costing system is designed to correct these traditional costing methods deficiencies by assigning costs to the productive unit that used the resource.

Activity Based Costing

Activity based costing is a method used to more accurately allocate the cost to the product that is using the cost. For instance, a company might have five products being produced and each one requiring a different amount of forklift moves during production. Using ABC, the cost per forklift move would be determined and then that cost would be assigned based on the demand of each individual product.

When you have completed chapter 17 in Horngren's Accounting 8th edition, you will be able to do the following:

- Develop activity based costs (ABC).
- Use activity based management (ABM) to achieve target costs.
- Describe a just-in-time (JIT) production system, and record its transactions.

This topic addresses the following competencies:

- Competency 319.1.1: Financial Statements
  The graduate analyzes historical and budgeted financial data.
- Competency 319.1.4: Cost Analysis
  The graduate performs cost analysis.

MyAccountingLab-Horngren Chapter 17
Complete the structured learning steps for chapter 17 in Horgren's Accounting 8th edition as you learn about how activity based costing is used to more accurately determine product cost. There are two stages of allocation when using ABC. Be sure you understand the differences.

View the Video

**URL**: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 8 ABC Overview video.

**Expanding Your Activity Based Costing Knowledge With SkillSoft**

Complete the following SkillSoft modules with relevant accompanying Job Aids and SkillBriefs:

- **FIN0161: Creating and Analyzing an Operating Budget**
- **FIN0244: Cost Accounting Decisions**

**Connecting Your Activity Based Costing Study to Life**


Use the Science Channel link above to access some short clips from the "How It's Made" television program. The link will show a short promotional video first. A product video will begin showing immediately thereafter. You can select a different product that is interesting to you from a tabulated list on the right.

View a video. Write a brief summary that identifies the product and if activity based costing would benefit the company with improved product costing or if one of the traditional approaches is sufficient. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Activity Based Costing Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Activity Based Costing." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting your Activity Based Costing Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.

**Cost-Volume-Profit**

This section focuses on how to measure and account for costs in process operations. The second chapter in the unit focuses on projecting future results. Management needs to project the future success or failure of company operations. This unit has some practical methods to find this useful information.
Planning a company's future activities and events is a crucial phase in successful management. One of the first steps in planning is to predict the volume of activity, the costs to be incurred, sales to be made, and profit to be received. One tool that management uses to carry out these steps is cost-volume-profit (CVP) analysis.

**Cost-Volume-Profit Analysis**
Managers need to predict the success the expected success of the business. Using CVP techniques the breakeven point can be determined. Multiple estimation methods are studied in this unit.

When you have completed chapter 18 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- Describe different types of cost behavior in relation to production and sales volume.
- Identify assumptions in CVP analysis and explain their impact.
- Describe applications of CVP analysis.
- Determine cost estimates using various methods.
- Compute the break-even point for a single product.
- Graph costs and sales for a single product.
- Compute the break-even point for a multiproduct company.

This topic addresses the following competencies:

- **Competency 319.1.4: Cost Analysis**
  The graduate performs cost analysis.

*MyAccountingLab-Horngren Chapter 18*

Complete the structured learning steps in chapter 18 of Horngren's *Accounting* 8th edition. Be sure to review break-even points based on units and sales dollars, how to arrive at contribution margin, and the techniques used to do the high-low method. Being able to graph a presentation of the data is also an important skill.

**View the Video**

**URL:** [http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html](http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html)

Click on the link above and view the chapter 6 Cost-Volume-Profit Relationships video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 13 as you study how cost information is used to make business decisions related to breakeven analysis and target profits.

- **Introduction to Accounting: The Language of Business**

*Expanding your CVP Knowledge With SkillSoft*

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:
- **FIN0244: Cost Accounting Decisions**

**Questions/Exercises in the CVP Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "C-V-P." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your CVP Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**Capital Investment Decisions and the Time Value of Money**

Now you will study time value of money and some techniques used to determine the best way of using available investment capital.

**Capital Investment Decisions**

In this unit you study capital investment decisions and techniques. Be sure to study time value of money techniques thoroughly.

When you have completed this unit you will be able to answer the following questions:

- The present value of a signal sum and of an annuity.
- The future value of a signal sum and of an annuity.
- Should an investment be considered as an option after using the capital budgeting analysis techniques?

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**
  The graduate analyzes historical and budgeted financial data.

- **Competency 319.1.3: Capital Budgeting Analysis**
  The graduate correctly applies time value of money techniques and techniques that ignore present value for capital investment decisions.

- **Competency 319.1.4: Cost Analysis:**
  The graduate performs cost analysis.

**MyAccountingLab-Horngren Chapter 20**

Complete the structured learning steps for chapter 20 in Horngren's *Accounting* 8th edition. You should be able to identify and use the four capital budgeting techniques presented in the chapter.

**View the Video**
URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 14 Capital Budgeting Decisions video.

**Introduction to Accounting: Language of Business**

Review Basic Lesson 14 and Expanded Lesson 7 as you work with time value of money and capital budgeting techniques that are used in the business to help determine the best options for using the limited resource - capital.

- **Introduction to Accounting: The Language of Business**

**Expanding Your Capital Investment Decisions Knowledge With SkillSoft**

Complete the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- **FIN0242: Managerial Decisions and Capital Budgeting**

**Connecting Your Capital Investment Decisions Study to Life**

Perform an Internet search using the subject "joint costs." Find an article that identifies the raw material that outputs multiple main products. Write a brief summary of your findings (your critique should provide the appropriate citation for the article; if necessary, you may wish to refer to the following website, which includes information about citations: [http://www.cod.edu/library/research/citenet.htm](http://www.cod.edu/library/research/citenet.htm)). You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

**Questions/Exercises in the Special Decisions and Capital Budgeting Message Board**

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but should be able to offer you some guidance.

As you visit the message board, look for the subject line "Capital Investment Decisions." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Capital Investment Decisions Study to Life" activity.

While in the message board, read and respond to the ideas presented by other students.

**Budgeting: The Master Budget**

The master budget is a static forecast based on one expected sales level. It is the financial plan for the expected sales and production needs for the budget period.

A budget is a formal statement of a company's future plans. At some point all managers should be involved in the process of planning a company's future activities.

**The Master Budget**

The master budget is a series of smaller budgets beginning with sales projections and ending with pro forma financial statements, which show the expected outcomes at the end of the
budgeted period.

When you have completed chapter 21 in Horngren's Accounting 8th edition, you will be able to do the following:

- Learn how to use a budget.
- Prepare an operating budget.
- Prepare a financial budget.
- Prepare performance reports for responsibility center.

This topic addresses the following competencies:

- Competency 319.1.1: Financial Statements
  The graduate analyzes historical and budgeted financial data.
- Competency 319.1.4: Cost Analysis
  The graduate performs cost analysis.

MyAccountingLab-Horngren Chapter 21

Complete the structured learning steps for chapter 21 in Horngren's Accounting 8th edition as you study the master budget process. Be sure to identify the steps in the process and what is necessary to begin the master budget. Then answer the question: what is budgetary slack?

View the Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the link above and view the chapter 9 The Budget Process video.

Introduction to Accounting: Language of Business

Review Basic Lesson 14 as you study budgeting concepts.

- Introduction to Accounting: The Language of Business

Expanding Your Knowledge With SkillSoft

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- FIN0161: Creating and Analyzing an Operating Budget
Questions/Exercises in the Master Budget Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

As you visit the message board, look for the subject line "Master Budget." Post your one-paragraph comment about your findings from the Internet exercise in the "Connecting Your Master Budget Study to Life" activity.
While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

**The Flexible Budget and Standard Costs**

The flexible budget is very useful when comparing the established production standards against the actual costs incurred.

In chapter 22 you will work with standard setting and the analysis of actual differences from standards that occur in production.

**The Flexible Budget and Standard Costs**

Flexible budgeting can be used when the master budget is produced to show the expected results if there are deviations from the expectations in the static master budget. Flexible budgets are also used to analyze the production based on standards after the period is over so that performance variations can be analyzed and corrected.

When you have completed chapter 22 in Horngren's *Accounting* 8th edition, you will be able to do the following:

- Create a flexible budget.
- Perform a variance analysis of the materials, labor, and overhead.
- Record transactions at standard cost.

This topic addresses the following competencies:

- **Competency 319.1.1: Financial Statements**  
  The graduate analyzes historical and budgeted financial data.
- **Competency 319.1.4: Cost Analysis**  
  The graduate performs cost analysis.

MyAccountingLab-Horngren Chapter 22

Complete the structured learning steps in chapter 22 of Horngren's *Accounting* 8th edition. Standards are established so that there is a cost plan for the product being made. A deviation from the standard is called a variance. Be sure to consider if a variance is favorable or unfavorable. Consider whether or not you think a favorable variance is necessarily good.

**View the Video**


Click on the Flexible Budgets link above and view the chapter 10 Flexible Budget video and the Chapter 11 video on Setting Standards.

**Introduction to Accounting: Language of Business**

Review Expanded Lesson 14 as you study the flexible budget, setting standards, and variances.
Introduction to Accounting: The Language of Business

Expanding your Flexible Budget and Standard Costs Knowledge with SkillSoft

Review the following SkillSoft module with relevant accompanying Job Aids and SkillBriefs:

- fin_01_a02_bs_enus: The Basics of Budgeting
- Questions/Exercises in the Flexible Budget and Standard Costs Message Board

Are you having difficulty in the task? Post a question in the course message board for peer input and assistance. Of course no answers can be given, but it should be able to offer you some guidance.

Visit the message board. Look for the subject line "Flexible Budget and Standard Costs." Post your reply to the chocolate question here. Take the time to collaborate with your peers by reading and responding to the ideas presented by other students.

Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Information Technology I: Competing With Information Technology

Information technology plays a key role in developing corporate strategies and competitive advantage. In this section you will learn about the fundamentals of information systems and how businesses can complete more effectively by harnessing the power of information systems.

Businesses today need to take advantage of any and all techniques to succeed in today's competitive environment. They hire the best in the market, review and improve their processes, and look for strategic changes and improvements. The key to success with these functions is using the newest and best technology solutions. These solutions need to be well integrated to existing transactional systems as well as to the Internet, to customers, suppliers, and vendors.

Competing With Information Technology

A company's use of information technology can provide a competitive advantage. During the study in this unit you will discover how a company can use IT to compete, and beat, the competition.

By the end of this section's activities, you will be able to do the following:

- List the standard components of information systems.
- Describe how information systems support an organization's business processes.
- Describe the primary roles and responsibilities of information technology personnel in an organization.
- Describe information technology strategic planning and how it differs from business management strategy planning.
- Describe software applications that support specific tasks or functions.
• Describe how information technology (specifically internet strategies) can be used to develop competitive strategies in an organization.
• Determine how information technology is used to re-engineer business processes.
• Determine if creating a virtual company provides a company with a competitive advantage.

This topic addresses the following competencies:

• Competency 319.2.2: Competing with Information Technology
  The graduate determines appropriate uses of information technology in creating strategic advantage.

Foundations of Information Systems in Business

Read the following in the *Introduction to Information Systems* text by O'Brien and Marakas:

• chapter 1 ("Foundations of Information Systems in Business")

The goal in reading this chapter is to determine the following:

• Understand the concepts of a system and how it relates to information systems.
• Explain why knowledge of information systems is important for business professionals.
• List major types of information systems.
• List ethical challenges that accompany the use of information systems.

Competing With Information Technology

Read the following in the *Introduction to Information Systems* text:

• chapter 2 ("Competing with Information Technology")

The goal in reading this chapter is to determine the following:

• List several strategic uses of information technology.
• Describe a customer-focused business.
• Describe how technology supports business process re-engineering.
• Describe the aspects of an agile company.
• Define a virtual company and list technology they tend to use.

Computer Software

Read the following in the *Introduction to Information Systems* text:

• chapter 4 ("Computer Software")

The goal in reading this chapter is to determine the following:

• Clarify the difference between systems software and application software.
• Describe enterprise applications and list their advantages and disadvantages for
companies.

Chapter Quizzes

NOTE: McGraw-Hill has changed their publisher-provided website to reflect the 16th edition of Introduction to Information Systems. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 16th edition information on the McGraw-Hill website, but the information aligns to your reading in the 15th edition.

Access the following website:

- Introduction to Information Systems companion website

Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false questions on the textbook companion website at the above link. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

Visit the Message Board

Share your thoughts, questions, or ideas on the message board.

Information Technology II: Databases and Networks

Databases, networks, and e-commerce are increasingly important to businesses. As firms collect more data, they must take steps to keep their data secure. In this section you will review how data is managed and used as well as how it is communicated across vast expanses.

Way back when, all a company had to worry about was how to get their transactional data (invoices, purchase orders, work time, etc.) collected and saved in files. Then someone thought that perhaps there was value in looking at summaries and exceptions to trends that the data could provide. This was the start of databases, which provide great quantities of data in summarized fashion to analysts. Analysis reports and graphs, queries and dashboards became common-place and a required way of doing business. Now, with advanced technology it is possible to share this information around the world with suppliers, customers, field personnel, etc. In this section you will explore what this technology is and how it works.

Databases and Networks
In this section you will explore what database and network technology is and how it works.

As you work through these topics keep in mind the following concepts:

- Describe networking alternatives and the advantages and disadvantages to each.
- How can using a database management approach to managing data resources be an advantage to an organization?
- Describe data retention or destruction policies.
• Explain the concept of client/server networking.
• Explain the business value of e-commerce marketplaces.

This topic addresses the following competencies:

• **Competency 319.2.5: Information Management**
  The graduate selects appropriate technology applications to manage information and make decisions in given situations.

• Describe the correct use of an information portal in an organization.

**Data Resource Management**

Read the following in *Introduction to Information Systems*:

• *chapter 5 ("Data Resource Management")*

The goal in reading this chapter is to determine the following:

• Explain the difference between a file and a database.
• Explain the business value of a data resource management process.
• Explain how a database supports business processes.
• Explain the difference between a database and a data warehouse.

**Telecommunications and Networks**

Read the following in *Introduction to Information Systems*:

• *chapter 6 ("Telecommunications and Networks")*

The goal in reading this chapter is to be able to answer the following questions:

• What does the term telecommunications mean?
• What is the business use of an intranet? An internet? An extranet?
• What is the concept of client/server architecture?
• What are the fundamentals of wide area network (WAN), local area network (LAN), and wireless network?

**Electronic Commerce Systems**

Read the following in *Introduction to Information Systems*:

• *chapter 8 ("e-Commerce Systems").*

The goal in reading this chapter is to be able to answer the following questions:

• What are the major trends in e-commerce applications?
• What are the general processes of e-commerce?
• What is the business value in the use of e-commerce?
• What are the benefits and trade-offs in using e-commerce to a business?

Chapter Quizzes

NOTE: McGraw-Hill has changed their publisher-provided website to reflect the 16th edition of Introduction to Information Systems. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 16th edition information on the McGraw-Hill website, but the information aligns to your reading in the 15th edition.

Access the following website:

• Introduction to Information Systems companion website

NOTE: chapter 8 ("e-Commerce Systems") will be listed as chapter 9 ("e-Commerce Systems") on the companion site.

Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false questions on the textbook companion website linked above. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

SkillSoft Module

Complete the following module in SkillSoft:


Visit the Message Board

Share your thoughts, questions, or ideas on the message board.

Information Technology III: Roles and Systems, Part 1

Information technology plays a key role in developing corporate strategies and competitive advantage.

Just look at a website listing jobs for hire. There are more diversified positions listed every year. As technology introduced new functionality, new roles have developed to ensure the best use of the application for the company.

Roles and Systems

In this section you will review the new applications and the organizational changes that occur in response to the changes in technology.

As you work through these topics keep in mind the following concepts:

• How do the roles and responsibilities of information technology management and business management differ in an organization?
• How can the application of decision support systems, business intelligence, or
knowledge management systems help a business achieve their goals?

- What is an enterprise system?

This topic addresses the following competencies:

- Competency 319.2.4: Roles and Systems
  The graduate recommends courses of action taking into consideration the role of personnel, hardware, and software components while differentiating between business decision making and information technology management decision making.

**Decision Support Systems**

Read the following in Introduction to Information Systems:

- chapter 9 ("Decision Support Systems")

The goal in reading this chapter is to determine the following:

- List the systems that provide analytical information to executives.
- Explain how a decision support system differs from a transaction based system.
- Describe how expert systems change the decision-making processes.
- Understand the role of decision support systems.
- List various types of output of decision support systems.

**Developing Business/IT solutions**

Read the following in Introduction to Information Systems:

- chapter 10 ("Developing Business/IT Solutions")

The goal in reading this chapter is to be able to answer the following questions:

- What is meant by SDLC? How does that compare to stages in project management?
- What are the various types of project management tools (i.e. Gantt Chart)?
- What is the role of the project manager? Of the project sponsor?
- How does the project manager track the progress of a project?
- What is required to ensure excellent communications across the team and at all levels?
- How would you list and rate the several system conversion strategies?
- What is the role of change management?

**Enterprise and Global Management of IT**

Read the following in Introduction to Information Systems:

- chapter 12 ("Enterprise and Global Management of Information Technology")

The goal in reading this chapter is to be able to do the following:

- Explain how failure in IT management can be reduced by the involvement of business
managers in IT planning.
- Describe the difficulties in managing global IT teams.
- Describe methods for managing an IT team.

Chapter Quizzes

NOTE: McGraw-Hill has changed their publisher-provided website to reflect the 16th edition of Introduction to Information Systems. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 16th edition information on the McGraw-Hill website, but the information aligns to your reading in the 15th edition.

Access the following website:

- Introduction to Information Systems companion website

NOTE: The following differences will be found in the updated companion website

- chapter 9 ("Decision Support Systems") will be listed as chapter 10 ("Supporting Decision Making")
- chapter 10 ("Developing Business/IT Solutions") will be listed as chapter 11 (Business/IT Strategies for Development)
- chapter 12 ("Enterprise and Global Management of Information Technology") will be listed as chapter 14 ("Enterprise and Global Management of Information Technology")

Review what you have learned in the previous three activities. Review the multimedia presentation summary of the chapters and answer the multiple-choice quizzes and true-false questions on the textbook companion website linked above. Look up those questions you did not answer correctly in the textbook and add the correct answers to your notes.

Visit the Message Board

Share your thoughts, questions, or ideas with the message board.

Information Technology IV: Roles and Systems, Part 2

Information technology plays a key role in developing corporate strategies and competitive advantage.

It is hard to go a month without some Internet virus scare or an article about how a business was the victim of cybercrime. The stakes are higher now with general access of our servers to the Internet. We need to keep our business data safe, yet highly available to those with permission. We want to target market our customers, yet keep their personal data safe from others and restrain ourselves from using their personal information for our purposes, which may not be in line with the "understood" use of the data. In this section you will review methods to protect a business and engage in ethical uses of data.

Privacy and Security
In this unit you will analyze privacy and security concerns related to technology in the workplace
in terms of their potential impact on business operations, and recommends of appropriate countermeasures to satisfy these concerns.

As you work through these topics keep in mind the following questions:

- What are ethical considerations for using information technology in an organization?
- What are information security risks inherent to an organization?
- How do organizations prevent internet-based attacks on their technology infrastructure?
- What are effective disaster recovery methods?
- What are examples of a security breach in an organization?

This topic addresses the following competencies:

- **Competency 319.2.3: Privacy and Security**
  The graduate analyzes privacy and security concerns related to technology in the workplace in terms of their potential impact on business operations, and recommends appropriate countermeasures to satisfy these concerns.

**Security and Ethical Challenges**

Read the following in *Introduction to Information Systems*:

- *chapter 11 ("Security and Ethical Challenges")*

The goal in reading this chapter is to be able to answer the following questions:

- What security risks are associated with the use of data in a business?
- What ethical risks are introduced with the use of data in a business?
- What security measures should be implemented?
- What is the role of the business user in terms of keeping data safe and using it ethically?

**Chapter Quizzes**

**NOTE:** McGraw-Hill has changed their publisher-provided website to reflect the 16th edition of *Introduction to Information Systems*. Some chapters have changed names, been renumbered, or eliminated. The links to the companion site below have been updated to reflect the new 16th edition information on the McGraw-Hill website, but the information aligns to your reading in the 15th edition.

Access the following website:

- *Introduction to Information Systems companion website*

**NOTE:** *chapter 11 ("Security and Ethical Challenges")* will be listed as *chapter 13 ("Security and Ethical Challenges")* on the updated companion site.

Review what you have learned in the previous activity. Review the multimedia presentation summary of the chapter and answer the multiple-choice quizzes and true-false questions on the
textbook companion website linked above. Look up those questions you did not answer correctly in textbook and add the correct answers to your notes.

**SkillSoft Module**

Complete the following module in SkillSoft:


Visit the Message Board

Share your thoughts, questions, or ideas with the message board.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The [WGU Library](#) is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on [The WGU Channel](#):

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA
Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for FNT1. The course covers 5 competencies and represents 6 competency units.

**Introduction**

**Overview**
Now that you have passed the FNC1 objective assessment you have proven competency in the basic knowledge of financial and managerial accounting. In this course there are two comprehensive tasks that will incorporate much of that knowledge.

Watch the following video introduction for this course:

*Note: To download this video, right-click the following link and choose “Save as...”:* [download video](#)

**Competencies**
This course covers the following competencies:

- **Competency 319.1.1: Financial Accounting Statements**
  The graduate analyzes historical and budgeted financial data.
- **Competency 319.1.2: Ratios**
  The graduate determines the financial condition of a firm using financial ratios and other financial data.
- **Competency 319.1.3: Capital Budgeting Analysis**
  The graduate correctly applies time value of money techniques and techniques that ignore present value for capital investment decisions.
- **Competency 319.1.4: Cost Analysis**
  The graduate performs cost analysis.
- **Competency 319.1.5: Capital Structure**
  The graduate determines the most advantageous capital structure for a given situation.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!
Preventing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Manually Enrolled Resources

Take a moment to enroll in the learning resources listed in this section. To enroll, navigate to the "Learning Resources" tab, click the "Sections" button, and then click the "Enroll Now" button for each resource. Once your mentor approves your enrollment in the resource, you will receive an e-mail from the Learning Resources Department at WGU with further access instructions. You must complete the registration process outlined in that email in order to access the course materials. Contact your mentor if you have questions.

MyAccountingLab
Check to make certain your subscription is active after enrolling. If not, contact your mentor.


Watch the following video, "FNC1/FNT1 Learning Resources," to familiarize yourself with the MyAccountingLab learning resource:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Financial Accounting Standards Boards Database
Activities within this course will direct you to utilize the Financial Accounting Standards Board (FASB) database. Here is the log-in information for access to the FASB Codification database.

Log in at the link above using the following:

- Username: AAA52071
- Password: 9ZTcT8x

Project in Finance, Accounting, and Information Technology

The work you previously completed in preparation for the FNC1 objective assessment is
relevant for completing the performance assessment for this course.

Complete the Performance Tasks
The work you previously completed in preparation for the FNC1 objective assessment is relevant for completing the performance assessment for this course.

Completing FNT1 Task 1: Financial Statement Analysis

Review the following chapter in MyAccountingLab:

- chapter 14

It is also recommended that you review concepts related to shares of Common Stock, Preferred Stock, and Treasury Stock in the following chapters:

- chapter 11
- chapter 12

After completing your review of chapters 11, 12, and 14 complete the excel template for task 1 and the written memo.

Self score your task using the scoring rubrics in TaskStream. In TaskStream, each task has a posted scoring rubric. Review your work using the provided scoring rubric, which is the same rubric that the grader uses to score your task. Make sure that your work meets the minimum requirements as set out by the scoring rubric.

Submit your task to TaskStream to be graded. After a few days, check on the status of your task. If the grader did not give you a passing grade for your task, your mentor will send it back to you to review and resubmit with corrections. If there are any areas where you do not understand a concept, please contact the course mentor for assistance.

FNT1 Task 2: Capital Budgeting

Review the following chapters in MyAccountingLab:

- chapter 13
- chapter 20

After completing your review of chapters 13 and 20 complete the excel template for task 2 and the PowerPoint presentation.

Self score your task using the scoring rubrics in TaskStream. In TaskStream, each task has a posted scoring rubric. Review your work using the provided scoring rubric, which is the same rubric that the grader uses to score your task. Make sure that your work meets the minimum requirements as set out by the scoring rubric.

Submit your task to TaskStream to be graded. After a few days, check on the status of your task. If the grader did not give you a passing grade for your task, your mentor will send it back
to you to review and resubmit with corrections. If there are any areas where you do not understand a concept, please contact the course mentor for assistance.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessment associated with this course. If you have not already been directed to complete the assessment, schedule and complete your assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for QAT1. The course covers 3 competencies and represents 6 competency units.

Introduction

Overview
This course covers decision-making models, including simulation models, linear programming models, and inventory models; the development of project schedules using the PERT/CPM (Program Evaluation and Review Technique/Critical Path Method); and decision making analysis.

You have made many decisions in your lifetime and used information to help guide your choices. Hence, you have a wealth of experience that you can draw on to help you in your study of quantitative analysis. You will be able to compare your "casual" methods of decision analysis with the best practice "formal" methods you will learn about in this course of study. However, quantitative analysis involves a considerable amount of technical knowledge of statistics. Learning statistics requires a lot of practice to master.

Watch the following video for an introduction to this course:

Note: View the video in full screen at 720p for best results.

Outcomes and Evaluation

This course provides guidance to help you demonstrate the following 3 competencies:

- **Competency 309.3.1: Decision-Making Models**
  The graduate uses optimizing models and other models as aids for making more informed decisions.

- **Competency 309.3.2: PERT/CPM Techniques**
  The graduate correctly applies PERT/CPM techniques to project management tasks.

- **Competency 309.3.3: Expected Value Decision Analysis**
  The graduate uses expected value concepts as decision-making tools.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the
content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

NOTE: Previews of task instructions and evaluation rubrics for most courses are available via the "Assessment Preparation" box in the online course of study. However, due to concerns about assessment versions for existing students, the link has been deliberately disabled in this course. If you have questions about your assessment details, log into TaskStream or contact a course mentor for more information.

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts

The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


Note: The companion website for Quantitative Analysis for Management

Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

SkillSoft

You will access SkillSoft items at the activity level within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Quantitative Analysis

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Additional Preparation
These additional preparations will help you as you complete this course.

Business Undergraduate Quantitative Learning Community

In the Business Undergraduate Quantitative Learning Community, find the thread titled "Welcome to QAT1." In this thread, you will find links to "Mechanics" videos and "Boot Camp" videos, sample submissions, relevant tools, practice problems with answers, and PowerPoint presentations, all of which help explain the way to address tasks included as part of QAT1.

You are also invited to attend QAT1 webinars. For date and time, topic, URL, and telephone information go to the Undergraduate Business Calendar.

Supplemental Math Review

If it has been a while since you took a math class or you simply find that you need additional study material, please use the Supplemental Review document to access various short videos on math concepts. These videos are not required but are an excellent source of review information.

Decision-Making Models I

These activities will introduce you to the concepts associated with decision-making models. The first topic you will study is simulation. Simulation allows managers to take complex systems and model them so that they can experiment with different strategies and outcomes. Simulations produce results that are both insightful and easily communicated, providing other managers confidence in the results. Understanding simulation can help you progress in your career by allowing you to analyze a wide range of decisions in a rigorous and accurate manner.

The term decision-making models refers to quantitative concepts which include simulation, linear programming, integer linear programming, inventory models, waiting line models, and transportation, assignment, and transshipment problems.

Concepts of Simulation
This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more
informed decisions.

This section addresses the following learning objectives:

- Explain what a simulation is and how it aids in the analysis of a problem.
- Recognize why simulation is a significant problem-solving tool.
- Identify the important role probability distributions and random numbers play in implementing simulation models.
- Apply the concepts of a discrete random variable and a probability distribution to simulation.
- Develop a discrete probability distribution based on a given simulation.

Simulation models are used to analyze a variety of complex and dynamic processes. Simulations are often used when managers face a variety of possible outcomes with different probabilities. Simulations can be used in areas such as inventory modeling, production planning, budgeting, and many other areas to improve business decision making.

Understanding Simulation

Read the following chapter of Quantitative Analysis for Management:

- chapter 14 ("Simulation Modeling")

After reading the chapter you should be able to answer the following questions:

- What is a simulation and how does it aid in the analysis of a problem?
- Why is simulation a significant problem-solving tool?
- What roles do probability distributions and random numbers play in implementing simulation models?

Connecting Terms I

Think about the glossary listed at the end of the chapter 14 ("Simulation Modeling") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to simulation concepts.

Check Your Understanding of Simulation

Review the solved problems starting on page 561.

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 14 ("Simulation Modeling") of Quantitative Analysis for Management:

- problems 14, 18, 19 (pg 565)

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.
Understanding Discrete Random Variables

Read the following sections in chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management:

- section 2.8 ("Random Variables")
- section 2.9 ("Probability Distributions") (starting on pg 33)

After reading the chapter you should be able to answer the following questions:

- What are discrete random variables and probability distributions?
- How do you develop a discrete probability distribution?

Connecting Terms II

Think about the key terms listed in sections 2.8 and 2.9 of chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how the term relates to the concept of a discrete random variable.

Determining Properties and Applications of Probability Distributions

Complete the following SkillSoft Module:

- OPER0194: Properties and Applications of Probability Distributions

Review Concepts and Terms

Review the resources for the following chapters at the textbook companion website:

- chapter 14 ("Simulation")
- chapter 2 ("Probability Concepts and Applications")

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as average material costs, average labor costs, utility costs, average total costs, and selling price.

**QAT Task 309.3.1-01**

This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more informed decisions.

Now that you have completed your study of the simulation concept it is time to for you to apply
your knowledge by completing the performance task.

Complete: Task 309.3.1-01 Performance Task

Complete the following task in TaskStream:

- QAT1: Task 309.3.1-01

PLEASE NOTE: To ensure you have the most recent version of the task instructions, you must log into TaskStream. Do not use the Assessment Preparation link through the course of study. If you are not officially enrolled in this course please contact your student mentor to obtain the task instructions.

Decision-Making Models II

These activities will continue to introduce you to concepts associated with decision-making models. In this section, you will study linear programming. Linear programming is one of the most heavily used methods in quantitative analysis. The goal of linear programming is to maximize profit or minimize cost subject to a number of constraints. For example, a large retail chain (e.g., Wal-Mart) must distribute products to each of its stores as efficiently as possible subject to constraints on the number of trucks it has available, how much they can carry, and how fast they can travel. Linear programming will help you analyze a wide variety of managerial decisions in your career, particularly in operations management, supply chain management, and logistics.

Concepts of Linear Programming and Integer Linear Programming

This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more informed decisions.

This topic addresses the following learning objectives:

- Describe the kinds of problems linear programming can be used to solve.
- Develop linear programming models for simple problems.
- Identify the special features of a model that make it a linear programming model.
- Solve two variable linear programming models by the graphical solution procedure.
- Explain the importance of constraints in obtaining the optimal solution.
- Solve small integer linear programs with a graphical solution procedure.

Decision-making models are widely used to help managers make optimal decisions. Integer linear programming is one of the most important tools for analyzing problems such as transportation, assignment and transshipment problems. Linear programming allows the manager to solve for a constrained maximum, which is the optimal action given the constraints which exist in the situation.

Introduction to Linear Programming
Read the following sections of chapter 7 ("Linear Programming Models: Graphical and Computer Methods") in Quantitative Analysis for Management:

- section 7.1 ("Introduction")
- section 7.2 ("Requirements of a Linear Programming Problem")
- section 7.3 ("Formulating LP Problems")
- section 7.4 ("Graphical Solution to an LP problem")
- section 7.7 ("Four Special Cases in LP")

After reading the chapter you should be able to answer the following questions:

- How do you develop linear programming models for simple problems?
- What are the special features of a model that make it a linear programming model?
- How do you use constraints to solve two variable linear programming models by the graphical solution procedure?

Connecting Terms I

Think about the glossary listed at the end of the chapter 7 ("Linear Programming Models: Graphical and Computer Methods") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to linear programming concepts.

Check Your Understanding of Linear Programming

Review solved problems on pages 286-290 and complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 7 ("Linear Programming Models: Graphical and Computer Methods") of Quantitative Analysis for Management:

- problems 14, 16, 18, 26, and 28

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Integer Linear Programming

Read the following chapter of Quantitative Analysis for Management and answer the assigned problems at the end of the chapter.

- chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming")

After reading section 10.2 ("Integer Programming") you should be able to answer the following questions:

- How do you determine the types of situations where integer linear programming problem formulations are desirable?
- How can you solve small integer linear programs with a graphical solution procedure?

Connecting Terms II
Think about the key terms listed in chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to integer linear programming concepts.

Check Your Understanding of Integer Linear Programming

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming") of Quantitative Analysis for Management:

- problems 10 and 12

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Review Concepts and Terms

Review the resources for the following chapters at the textbook companion website:

- chapter 7 ("Linear Programming Models: Graphical and Computer Methods")
- chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming")

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as linear programming, linear functions, constraint functions, objective functions, solutions, optimal solutions, and feasible solutions.

**QAT1 Task 309.3.1-03, 11, 12**

This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more informed decisions.

Now that you have completed your study of the linear programming and integer linear programming concepts it is time for you to apply your knowledge by completing the performance task.

**Complete: Task 309.3.1-03, 11, 12 Performance Task**

Complete the following task in TaskStream:

- QAT1: Task 309.3.1-03, 11, 12
PLEASE NOTE: To ensure you have the most recent version of the task instructions, you must log into TaskStream. Do not use the Assessment Preparation link through the course of study. If you are not officially enrolled in this course please contact your student mentor to obtain the task instructions.

Decision-Making Models III

These activities will continue to introduce you to the concepts associated with decision-making models. In this subject you will study inventory models. Managing inventory efficiently is one of the most important determinants of profitability in many firms. Modern companies try to minimize the amount of inventory they carry in order to keep costs low, but must be careful to avoid stock-outs. Understanding these models will help you develop the skills to manage any business in which inventory costs are important to profitability.

Concepts of Inventory Models
This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more informed decisions.

This topic addresses the following learning objectives:

- Describe where inventory costs occur.
- Demonstrate the economic order quantity (EOQ) model.
- Develop total cost models for specific inventory systems.
- Demonstrate the total cost model to make how-much-to-order and when-to-order decisions.
- Extend the basic approach of the EOQ model to inventory systems involving production lot sizes, planned shortages, and quantity discounts.
- Make inventory decisions for single-period inventory models.
- Make order quantity and reorder point decisions when demand is described by a probability distribution.
- Apply lead time demand distributions to determine acceptable service levels.

This section provides an introduction to inventory models. The economic order quantity (EOQ) model calculates the order quantity that minimizes the company’s annual holding cost plus annual ordering cost. Cycle time and demand are also considered.

Inventory Models

Read the following sections of chapter 6 "Inventory Control Models" in Quantitative Analysis for Management and answer the problems at the end of the chapter:

- section 6.1 ("Introduction")
- section 6.2 ("Importance of Inventory Control")
- section 6.3 ("Inventory Decisions")
• section 6.4 ("Economic Order Quantity: Determining How Much to Order")
• section 6.5 ("Reorder Point: Determining When to Reorder")
• section 6.6 ("EOQ Without the Instantaneous Receipt Assumption")
• section 6.7 ("Quantity Discount Models")

After reading the chapter you should be able to answer the following questions:

• Why are inventory costs an important consideration for managers in making good
  inventory policy decisions?
• What is the economic order quantity (EOQ) model?
• How do you develop total cost models for specific inventory systems?
• How does the total cost model influence decisions on how-much-to-order and
  when-to-order?
• When do you apply the basic approach of the EOQ model to inventory systems?
• How do you make inventory decisions for single-period inventory models?
• How do you make order quantity and reorder point decisions when demand is described
  by a probability distribution?
• How are lead time demand distributions and acceptable service levels associated?

Connecting Terms

Think about the glossary listed at the end of the chapter 6 "Inventory Control Models"
of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each
term, and on each card identify the term, its definition, and a short statement of how that term
relates to inventory model concepts.

Check Your Understanding of Inventory Models

Check Your Understanding of Inventory Models
Complete the following problems in the "Discussion Questions and Problems" area at the end of
chapter 6 "Inventory Control Models" of Quantitative Analysis for Management.

• problems 18, 20, 24, and 26

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go
back and review concepts in the chapter as needed.

Managing for Asset Control

Complete the following SkillSoft Module:

• FIN0243: Managing for Asset Control

Review Concepts and Terms

Review the resources for the following chapter at the textbook companion website:

• chapter 6 ("Inventory Control Models")

Message Board
Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as inventory holding costs, ordering costs, economic order quantity (EOQ), service level, order size, and lot size.

**QAT1: Task 309.3.1-06, 07**
This topic addresses the following competency:

- Competency 309.3.1: Decision-Making Models
  The graduate uses optimizing models and other models as aids for making more informed decisions.

Now that you have completed your study of inventory models, it is time to for you to apply your knowledge by completing the performance task.
**Complete: Task 309.3.1-06, 07 Performance Task**

Complete the following task in TaskStream:

- QAT1: Task 309.3.1-06, 07

**PLEASE NOTE:** To ensure you have the most recent version of the task instructions, you must log into TaskStream. Do not use the Assessment Preparation link through the course of study. If you are not officially enrolled in this course please contact your student mentor to obtain the task instructions.

**PERT/CPM Techniques**

The activities for this subject will introduce you to the concepts associated with PERT/CPM techniques. These techniques are critical to planning, scheduling and controlling complex projects that consist of multiple tasks. Business organizations rely on efficient project management to produce outcomes on time and under budget. Understanding PERT/CPM techniques will help you manage projects effectively throughout your career.

The term *PERT/CPM* refers to the program evaluation and review technique and the critical path model, respectively. In many situations, managers are responsible for planning, scheduling and controlling projects that consist of numerous separate tasks performed by a variety of departments and individuals. These managers must schedule and coordinate the various activities so that the entire project is completed on time.

**Concepts of PERT/CPM Techniques**
This topic addresses the following competency:

- Competency 309.3.2: PERT/CPM Techniques
  The graduate correctly applies PERT/CPM techniques to project management tasks.
This topic addresses the following learning objectives:

- Demonstrate PERT/CPM for project scheduling.
- Define a project in terms of a network of activities.
- Compute the critical path and the project completion time.
- Convert optimistic, most probable and pessimistic time estimates into expected activity time estimates.
- Compute the probability of the project being completed by a specific time with uncertain activity times.
- Explain the concept of crashing.
- Formulate the crashing problem as a linear programming model.
- Schedule and control project costs with PERT/Cost.

In this section, you will study the program evaluation and review technique (PERT) and the critical path method (CPM) of project scheduling. At the end, you will be able to calculate the expected completion time for project activities, identify the critical path, determine the amount of slack in the system, and calculate scheduled start times and maximum reduction time.

**Understanding Project Scheduling PERT/CPM**

Read the following chapter of *Quantitative Analysis for Management*:

- chapter 12 ("Project Management")

After reading the chapter you should be able to answer the following questions:

- What is the role of PERT/CPM for project scheduling?
- How can you define a project in terms of a network of activities?
- How do you compute the critical path and the project completion time and convert optimistic, most probable, and pessimistic time estimates into expected activity time estimates?
- How do you compute the probability of the project being completed by a specific time given uncertain activity times?
- What is the concept of crashing and when is it needed?
- How do you formulate the crashing problem as a linear programming model?
- How does a manager schedule and control project cost with PERT/CPM?

**Connecting Terms**

Think about the glossary listed at the end of chapter 12 ("Project Management") of *Quantitative Analysis for Management*. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to project scheduling PERT/CPM.

**Check Your Understanding of Project Scheduling PERT/CPM**

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 12 ("Project Management") of *Quantitative Analysis for Management*: 
• problems 14, 18, 20, 28, and 31

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Normal Probability Distribution

Read the following section in chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management:

• section 2.11 ("The Normal Distribution")

After reading the chapter you should be able to answer the following questions:

• What are concepts of a normal distribution and a probability distribution?
• How do you apply the concept of a normal distribution to Z-score calculation?

Connecting Terms II

Think about the key terms listed in section 2.11 of chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to the normal probability distribution concept.

Project Scheduling: PERT/CPM

Complete the following SkillSoft Module:

• PROJ0542: Project Scheduling

Review Concepts and Terms

Review the resources for the following chapter located at the textbook companion website:

• chapter 12 ("Project Management")

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as expected completion time and expected duration of projects, critical path, variances, slack for projects, scheduled start week and finish week for projects, maximum reduction time, crash cost per week, and so on.

QAT1 Task 309.3.2-01-06

This topic addresses the following competency:

• Competency 309.3.2: PERT/CPM Techniques
The graduate correctly applies PERT/CPM techniques to project management tasks.

Now that you have completed your study of the project scheduling PERT/CPM, it is time to for you to apply your knowledge by completing the performance task.

**Complete: Task 309.3.2-01-06 Performance Task**

Complete the following task in **TaskStream**:  
- QAT1: Task 309.3.2-01-06

**PLEASE NOTE:** To ensure you have the most recent version of the task instructions, you must log into TaskStream. Do not use the Assessment Preparation link through the course of study. If you are not officially enrolled in this course please contact your student mentor to obtain the task instructions.

**Expected Value Decision Analysis**

Decision analysis is used to determine a recommended decision alternative or an optimal decision strategy when a decision maker is faced with an uncertain and risk-filled pattern of future events. The goal of decision analysis is to identify the best decision alternative or the optimal decision strategy given information about the uncertain events and the possible payoffs.

These activities will introduce you to the concepts associated with expected value decision analysis. Every manager faces decisions involving uncertainty and risk. Expected value decision analysis allows the manager to make optimal choices given the uncertainty and risk associated with different alternatives.

**Concepts of Expected Value Decision Analysis**

In this section you will learn how to calculate the expected value of different decision alternatives, calculate the expected value of perfect information, and determine the decision alternative with the most favorable total expected value.

This topic addresses the following competency:

- Competency 309.3.3: Expected Value Decision Analysis  
  The graduate uses expected value concepts as decision-making tools.

The topic addresses the following learning objectives:

- Describe a problem situation in terms of decisions to be made, chance events and consequences.
- Analyze a simple decision analysis problem from both a payoff table and decision tree point of view.
- Determine the potential value of additional information.
- Use new information and revised probability values in the decision analysis approach to problem solving.
- Explain what a decision strategy is.
• Evaluate the contribution and efficiency of additional decision making information.

Understanding Decision Analysis, Utility and Decision Making, and Other Considerations

Read the following chapter of Quantitative Analysis for Management and answer the problems at the end of the chapter assigned below:

• chapter 3 ("Decision Analysis")

After reading the chapter you should be able to answer the following questions:

• How is a simple decision analysis problem related to payoffs and a payoff table? How do we use it in a decision tree point of view?
• What is additional information? What is its potential value?
• What is a decision strategy?
• How does additional information affect efficiency?
• How does a lottery play a role in helping a decision maker assign utility values?
• Why would risk-avoiding and risk-taking decision makers assign different utility values in the same decision making situation?

Connecting Terms I

Think about the glossary listed at the end of chapter 3 ("Decision Analysis") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to decision analysis, utility and decision making.

Check Your Understanding of Decision Analysis

Review the solved problems 3-1 through 3-4 and complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 3 ("Decision Analysis") of Quantitative Analysis for Management:

• problems 18, 24, 34 and 40

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Understanding Discrete Random Variables

Review the following sections in chapter 2 ("Probability Concepts and Applications of Quantitative Analysis for Management:

• section 2.8 ("Random Variables")
• section 2.9 ("Probability Distributions")

After rereading these sections you should be able to answer the following questions:
• What are the concepts of a discrete random variable and a probability distribution?
• How do you develop a discrete probability distribution?

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as decision making with probabilities, expected value, expected value of perfect information (EVPI), expected value with perfect information (EVwPI), expected value without perfect information (EVwoPI), risk analysis, sensitivity analysis, decision tree, decision strategy, utility and decision making, game theory, and so on.

QAT1: Task 309.3.3-04
This topic addresses the following competency:

• Competency 309.3.3: Expected Value Decision Analysis
  The graduate uses expected value concepts as decision-making tools.

Now that you have completed your study of decision analysis and the application of utility to decision making it is time to for you to apply your knowledge by completing the performance task.

Complete: Task 309.3.3-04 Performance Task

Complete the following task in TaskStream:

• QAT1: Task 309.3.3-04

PLEASE NOTE: To ensure you a have the most recent version of the task instructions, you must log into TaskStream. Do not use the Assessment Preparation link through the course of study. If you are not officially enrolled in this course please contact your student mentor to obtain the task instructions.

Final Steps

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

Center for Writing Excellence: The WGU Writing Center
If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

The WGU Library
The WGU Library is available online to WGU students 24 hours a day.
For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
Cost Accounting I
ACG 3343-Section RVC (Online)
Fall Term – 2013

GENERAL INFORMATION

Instructor: Jimmy Carmenate, CPA MAcc
Office: RB 228B
Office Hours: By appointment

Phone: (305) 348-1246
Fax: (305) 348-2914
E-mail: carmenaj@fiu.edu

Cost Accounting refers to a set of information concepts, models and system designs necessary for effectively providing information for management accounting and financial accounting. Cost Accounting measures, analyzes, and reports financial and nonfinancial information relating to the costs of acquiring or using resources in an organization for effective planning and control of an organization. Hence, topics covered during the course will enable students to analyze and interpret data used by management in carrying on the company’s daily operations, planning for future operations as well as developing the overall business strategies.

COURSE OBJECTIVES

The overall objective of this course offers an introduction to the fundamentals of cost accounting. Topics include cost accounting terminology, job costing, process costing, activity-based costing, activity-based management, cost-volume-profit analysis, budgeting, standard costing, variance analysis, responsibility accounting, variable costing, transfer pricing, and decision making.

Roll up your sleeves, in Cost Accounting you’ll get into the nuts and bolts of running a business. You will focus on the identification, gathering, and interpretation of information for planning, controlling, and evaluating the performance of a business.

You’ll learn how to measure the costs of producing goods or services and how to analyze and control these costs, how to budget and make the key decisions that affect a company’s bottom line.

Course Objectives:

1. Use cost accounting terminology appropriately
2. Use costing systems that are commonly utilized for different purposes
3. Identify and use different activity based management tools
4. Apply cost relationships for analysis
5. Prepare a master budget
6. Use standard costs and performance measures
7. Perform cost variance analysis
8. Correctly utilize costs in pricing and decisions making.
9. Expose students to the ethical dimensions of the accountant’s professional activities.

This course will introduce students to accounting concepts and tools needed for evaluating performance and enable decision making.

Cost Accounting (a Managerial Emphasis) 14th Edition
Author: Charles T. Horngren; Srikant M. Datar; Madhav Rajan
Year Published: 2012
Publisher: Prentice Hall
ISBN 13: 9780132109178

We will be using MyAccountingLab this semester for quizzes and homework assignments.

To access your MyAccountingLab online course for the first time, you need to register and log in. Whenever you want to use MyAccountingLab after that, you just need to log in. You can do both from the same starting point, at www.pearsonmylab.com.
To register for MyAccountingLab

Dear Student,

Your instructor chose MyLab / Mastering to help you succeed in this course. With rich media, your eText, and much more, your course provides you with the resources you need to master even the most difficult concepts. Your course is designed to help you get a better grade!

What You Need to Enroll in your Instructor’s Online Course

- **A Course ID**: carmenate64123
- **A valid email address that you check regularly** - This address will be used to confirm your registration and for other communication about the course. Your instructor will also use this email address to communicate with you.
- **A student access code** (Or, you can pay with a credit card or a PayPal account.) – This pre-paid code is printed inside the Student Access Code Card. The code card may be packaged with your new textbook or it may be available for purchase separately from your school’s bookstore.

To Register and Sign in to Your Instructor’s Course the First Time

1. Go to [www.pearsonmylab.com](http://www.pearsonmylab.com) or [www.pearsonmastering.com](http://www.pearsonmastering.com)
2. Click **Student** under Register.
3. Enter your Course ID and click **Continue**.
4. Verify the course information.
5. You have a Pearson Account if you have used other Pearson online products. Enter your username and password, and click **Sign In**.
6. If you don’t have a Pearson Account, click **Create**
7. Complete your account set up by entering your name, email address, a username and password, and any other required information.
8. Click **Create Account**. You now have a Pearson Account.
9. Paying for your course access.
   - If you have already purchased an access code, click **Access Code**, enter the code and click **Finish**.
   - If using a credit card or PayPal, click the button for the access you want to purchase, provide payment account information and verify your order.
10. Print the Confirmation & Summary

You now have access to your instructor’s online course.

Click **Go To Your Course**, and then in the left panel, click the course name to start your work.

To Sign in to Your Course Again Later

- Return to [www.pearsonmylab.com](http://www.pearsonmylab.com) or [www.pearsonmastering.com](http://www.pearsonmastering.com)
- Click **Sign In**.
- Enter your Pearson Account username and password and click **Sign In**.
- In the left panel, click the course name to continue your work.
TEACHING METHODOLOGY

This is a fully on-line course and you are responsible for your learning. There are NO face-to-face classes. The Blackboard course site for ACG3343 has email, discussion forum and chat facilities that should be useful to you. The Blackboard course site also has class notes in the form of power point slides, solutions to chapter problems and on-line quizzes/exams. Your textbook provides access to more learning facilities such as practice problems. You are highly recommended to use these facilities to learn better and increase your chances to perform better.

COURSE PREREQUISITES

ACG 3301 or equivalent with grade of “C” or better and admission to the Accounting Minor. Students who have not met this prerequisite should not be enrolled and are advised to drop the course through the Office of Registration and Records immediately. Students who believe that they have taken an equivalent course at another university should have these equivalents approved by the School of Accounting prior to the end of the Drop/Add period.

For information about prerequisites, click here.

COMMUNICATING WITH THE INSTRUCTOR

Blackboard Email preferred. When contacting the professor via email please use the messaging system within Blackboard. I monitor Blackboard several times/day and will respond to your questions within 24 hours.

I also encourage students to communicate with their class colleagues by starting discussions in the Discussion Board within Blackboard. I will also monitor the Discussion Board and engage the students by topic.

If you need to contact me immediately, please use your FIU email address. Please send me these important urgent emails to my campus email address carmenaj@fiu.edu. In your email to me, please write the course code “ACG3343” in the subject heading as the prefix to your subject heading. This way your email will not be recognized as junk by the FIU email system, and will help me give priority to your email.

ASSIGNMENTS

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Exam 3 | 20%
---|---
Quizzes | 15%
EXCEL Project | 10%
Writing Project | 10%
Total | 100%

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<td>A-</td>
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Note: This online section may require an on-campus final exam.

Assurance of Learning

As a college, we care about the quality of the business education we are providing you. More on the College’s commitment to Assurance of Learning can be found at the following link:

http://businessonline.fiu.edu/course_addons/Learning_Commitment.pdf

EXAMS

In order to mitigate any issues with your computer and online assessments, it is very important that you take the “Online Learning Practice Quiz” from each computer you will be using to take your graded quizzes and exams. It is your responsibility to make sure your computer meets the minimum hardware requirements.

There will be three exams. Exam 1 and exam 2 will be online BUT exam 3 will be held in-person at the Modesto A. Maidique Campus. The venue for the final exam will be announced later and you are required to bring your Panther ID to this exam. The format of each exam will be announced prior to the exam. The in-person exam may be paper based. This will be determined later.

Accounting is a cumulative discipline, and therefore students are responsible for all of the material covered in the course up through the date of the exams. The purpose of the exams is to comprehensively test the quality of students’ conceptual and technical knowledge created over the term. The exams will comprise questions that require you to address accounting problems that are technical and include decision making.
In addition, there will be quizzes given on the dates indicated in the Course Calendar. The purpose of the quizzes is to test whether you are keeping up with the class requirements (reading the chapters, doing homework questions etc) and to give you feedback so that you can develop a plan to improve your learning.

Students are expected to take all examinations and quizzes on the scheduled dates. There are no makeup exams/quizzes in this course under any circumstances.

This course is on Blackboard. The site will be used to deliver course announcements, course materials, discussion forum, chat sessions and other items of student interest. These resources are made available to facilitate your learning, not as a forum to air complaints or criticize fellow students. Please monitor the course site regularly.

Besides online quizzes/exams, homework exercises are assigned weekly and can be found in the syllabus below. Homework is a key part of this course and is critical to your success. It will be difficult to be successful in this class without completing the recommended homework problems. Accounting requires a lot of practice. The homework problems listed in the below Course Calendar are selected to ensure that you get to practice working problems that will solidify the concepts you learn in the lectures. It is essential that you work through all the selected problems and check the answers against the solutions provided in the course website to prepare for the exams. The solutions are provided so that students can check their understanding of the material in real time. Students are best served, however, when they resist the temptation to review the homework solutions prior to attempting to complete the exercises. Good students tend to study beyond the homework assignments by doing additional problems from the textbook, study guide and other sources. I strongly encourage you to do this. The homework assignments will not be graded and are NOT to be turned in.

There will also be a Writing Project assigned to evaluate your writing ability both in content and grammatical correctness.

I will also be conducting a chat session every Thursday between the hours of 3:00PM and 4:00PM. These sessions are to answer any questions you may have on the weekly chapter and assignments.

This is a fully online course, meaning that all course work will be conducted online with the
exception of the final exam that has to be done in-person on campus — see details above under Exams and Quizzes. Expectations for performance in fully online courses are the same as for traditional courses; in fact, fully online courses require a degree of self-motivation, self-discipline, and technology skills that can make them more demanding for some students. Students are required to take responsibility for their own learning and to play a proactive role in all learning activities. This necessitates that students organize and use their study time effectively and critically assess their learning and performance throughout the term.

Due to the large number of topics covered, there is a high demand of time and effort in this course. **This course moves quickly** and you must be willing to put in **serious** time and effort in order to take advantage of this.

Fully online courses are not independent study courses. You will be expected to interact online with the professor and your fellow students; to do assignments; to meet deadlines; and in many classes, to work in virtual groups.

Tips for Success in your online course, [click here.](#)
Online Etiquette, [click here.](#)

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**DISABILITY NOTICE**

If you have a disability and need assistance, please contact the [Disability Resource Center](#) (University Park: GC190; 305-348-3532) (North Campus: WUC139, 305-919-5345). Upon contact, the Disability Resource Center will review your request and contact your professors or other personnel to make arrangements for appropriate modification and/or assistance.

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**RELIGIOUS HOLIDAYS**

The University's policy on religious holy days as stated in the University Catalog and Student Handbook will be followed in this class. Any student may request to be excused from class to observe a religious holy day of his or her faith.

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**RULES, POLICIES, AND ACADEMIC MISCONDUCT**

Assignments from the text are listed below for each class session. Students are expected to pace their learning according to the posted course assignments.

It is expected that interactive learning and teaching will enrich the learning experience of all students, and that each student will work in partnership with the professor to create a positive learning experience for all. Student engagement is a necessary condition for an effective learning experience, and includes contributions to debate and discussion (if any), positive interactive learning with others, and an enthusiastic attitude towards inquiry. Everyone is expected to be a positive contributor to the class learning community, and students are expected to share the responsibility of
teaching each other.

**Statement of Understanding between Professor and Student**

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student in the College of Business taking this class:

- I will not represent someone else’s work as my own
- I will not cheat, nor will I aid in another’s cheating
- I will be honest in my academic endeavors
- I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student Handbook

Failure to adhere to the guidelines stated above may result in one of the following:

**Expulsion:** Permanent separation of the student from the University, preventing readmission to the institution. This sanction shall be recorded on the student's transcript.

**Suspension:** Temporary separation of the student from the University for a specific period of time.

Additionally the following two documents should be used by every student in business classes that require individual or group written assignments:

- Certification of Authorship Assignment Cover Page (**Individual**).
- Certification of Authorship Assignment Cover Page (**Groups**).

For details on the policy and procedure go to [ACADEMIC MISCONDUCT](#) (Section 2.44).

**NOTE:** Intensive Auditing of the course will be conducted to prevent academic misconduct.

### COURSE CALENDAR

<table>
<thead>
<tr>
<th>Week Beginning</th>
<th>Topic</th>
<th>Assignment</th>
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</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Chapter 1: The Manager and Management Accounting</td>
<td>Online Timed Quiz-Chapters 1 (MyAccountingLab)</td>
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<tr>
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<td>HW: MyAccountingLab</td>
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<tr>
<td>Week</td>
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<td>Topic</td>
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<tr>
<td>Week 2</td>
<td>September 2, 2013</td>
<td>Chapter 2: An Introduction to Cost Terms and Purposes</td>
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<td>Week 3</td>
<td>September 9, 2013</td>
<td>Chapter 3: Cost-Volume-Profit Analysis</td>
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<td>Week 4</td>
<td>September 16, 2013</td>
<td>Chapter 10: Determining How Costs Behave</td>
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<td>Week 5</td>
<td>September 23, 2013</td>
<td>Chapter 4: Job Costing</td>
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<td>EXAM 1</td>
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<td>Available on Saturday, September 28, 2013, 9AM-12PM on BlackBoard</td>
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<td>Week 6</td>
<td>September 30, 2013</td>
<td>Chapter 5: Activity-Based Costing and Activity-Based Management</td>
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<td>Week 7</td>
<td>October 7, 2013</td>
<td>Chapter 5: Activity-Based Costing and Activity-Based Management (Continued)</td>
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<td>Chapter 6: Master Budget and Responsibility Accounting</td>
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<td>Week 8</td>
<td>October 14, 2013</td>
<td>Chapter 6: Master Budget and Responsibility Accounting (Continued)</td>
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<td>Week 9</td>
<td>Chapter 7: Flexible Budgets, Direct-Cost Variances, and Management Control</td>
<td>Online Timed Quiz-Chapter 7 (MyAccountingLab) HW: MyAccountingLab</td>
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<tr>
<td>Exam 2</td>
<td>Available on Saturday, November 2, 2013, 9AM-12PM on BlackBoard</td>
<td>Chapters 4-7</td>
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<td>Week 11</td>
<td>Chapter 8: Flexible Budgets, Overhead Cost Variances, and Management Control</td>
<td>Online Timed Quiz-Chapter 8 (MyAccountingLab) HW: MyAccountingLab</td>
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<td>Week 12</td>
<td>Chapter 15: Allocation of Support-Department Costs, Common Costs, and Revenues</td>
<td>Online Timed Quiz-Chapter 15 (MyAccountingLab) HW: MyAccountingLab</td>
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<td>Week 13</td>
<td>Chapter 16: Cost Allocation: Joint Products and Byproducts</td>
<td>Online Timed Quiz-Chapter 16 (MyAccountingLab) HW: MyAccountingLab</td>
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<td>Week 14</td>
<td>Chapter 17: Process Costing</td>
<td>Online Timed Quiz-Chapter 17 (MyAccountingLab) HW: MyAccountingLab</td>
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Week 15  
December 2, 2013

Review Chapters 8, 15-17

EXAM 3

Saturday, December 14, 2013  
Room and Time - TBD  
Modesto A. Maidique Campus

Chapters 8, 15-17

ADDITIONAL INFORMATION

CHANGES IN CONTENT AND/OR SCHEDULE MAY BE MADE AS THE COURSE PROGRESSES. Any such changes will be announced on the course website. Students are responsible for making themselves aware of such announcements.

Any additional information will be posted on Blackboard.

Cell phones and beepers are to be turned off at all times while exams are in session.
ACG 3081 - Applied Accounting Principles

**GENERAL INFORMATION**

Instructor: Ruth Ann McEwen  
Office: RB 233  
Office Hours: Mondays 3:00-5:00 EST

Phone: 305-348-3260  
Fax: 305-348-2914

E-mail: RuthAnn.McEwen@fiu.edu

Link to professor’s site:  
http://business2.fiu.edu/0106184/www

**COURSE DESCRIPTION**

This course focuses on financial reporting for non-accounting majors. The objective of financial reporting is to provide information that is useful to investors and creditors in making decisions. We will use guidelines summarized by US GAAP (Generally Accepted Accounting Principles) and International Financial Accounting Standards (IFRS). Additionally, the course focuses on how to prepare financial statements, and how to analyze information in the financial statements.

Note: Expect a time commitment of 5-7 hours each week for this intensive course.

**COURSE OBJECTIVES**

At the completion of this course, students will be able to:

1. Account for basic transactions involving cash, receivables, inventories, investments, plant assets, intangible assets, current and long term liabilities, and stockholders' equity.
2. Prepare basic financial statements.
3. Evaluate financial and non-financial information under voluntary and mandatory disclosure requirements.
4. Analyze the income statement, balance sheet, statement of owners' equity, and statement of cash flows.
Module objectives are identified in each module of the course.

Intermediate Accounting, 15th Edition
by Donald E. Kieso, Jerry J. Weygandt, Terry D. Warfield
ISBN 978-1-118-14729-0

This is a fully online course.

The minor in accounting is open to all non-accounting business students who have upper-division standing (successful completion of 60 credits) and have completed ACG2021 and ACG3301 with a grade no lower than B (3.0) and all other prerequisite courses with a grade no lower than C (2.0).

For more information about prerequisites, click here.

Use the e-mail feature in Blackboard.
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As a college, we care about the quality of the business education we are providing you. More on the College's commitment to Assurance of Learning can be found at the following link:

http://businessonline.fiu.edu/course_addons/Learning_Commitment.pdf

There will be a weekly, timed quiz on each module. Quizzes and exams are open book, open notes. The works must be yours alone.

Discussion is a large part of course learning and is required through the Discussion Board.

See the Course Calendar.
If you have a disability and need assistance, please contact the Disability Resource Center (GC190; 305-348-3532) (North Campus: WUC139, 305-919-5345). Upon contact, the Disability Resource Center will review your request and contact your professors or other personnel to make arrangements for appropriate modification and/or assistance.

The University's policy on religious holy days as stated in the University Catalog and Student Handbook will be followed in this class. Any student may request to be excused from class to observe a religious holy day of his or her faith.

Assignments from the text and other resources are listed below for each class session. Students are expected to pace their learning according to the posted course assignments.

It is expected that interactive learning and teaching will enrich the learning experience of all students, and that each student will work in partnership with the professor to create a positive learning experience for all. Student engagement is a necessary condition for an effective learning experience, and includes contributions to debate and discussion (if any), positive interactive learning with others, and an enthusiastic attitude towards inquiry. Everyone is expected to be a positive contributor to the class learning community, and students are expected to share the responsibility of teaching each other.

Statement of Understanding between Professor and Student

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student in the College of Business taking this class:

- I will not represent someone else's work as my own
- I will not cheat, nor will I aid in another's cheating
- I will be honest in my academic endeavors
- I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student
Handbook

Failure to adhere to the guidelines stated above may result in one of the following:

**Expulsion:** Permanent separation of the student from the University, preventing readmission to the institution. This sanction shall be recorded on the student's transcript.

**Suspension:** Temporary separation of the student from the University for a specific period of time.

Additionally the following two documents should be used by every student in business classes that require individual or group written assignments:

- Certification of Authorship Assignment Cover Page (Individual)
- Certification of Authorship Assignment Cover Page (Groups)

For details on the policy and procedure go to ACADEMIC MISCONDUCT. (Section 2.44)

**NOTE:** Intensive Auditing of the course will be conducted to prevent academic misconduct.

**EXPECTATION OF THE COURSE**

You are expected to complete all assignments. I do not accept late assignments or give extra credit. You are always allowed to turn your assignments in early.

<table>
<thead>
<tr>
<th>Module 1</th>
<th>You must take the Academic Honesty survey by the end of the first week of class.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Go to Course Content and click on the Academic Honesty tab</td>
</tr>
<tr>
<td></td>
<td><strong>Weekly Assignments</strong></td>
</tr>
<tr>
<td></td>
<td>1. Read assigned chapters in your text</td>
</tr>
<tr>
<td></td>
<td>2. Read the PowerPoint slides</td>
</tr>
<tr>
<td></td>
<td>3. Each week, you are expected to discuss all assignments with your classmates using the Discussion Board. You</td>
</tr>
</tbody>
</table>
must contribute at least three significant comments or responses in order to receive credit for the post. Each weekly assignment is worth 2.0 points for 24% of your final score.

4. Complete the exercises and homework problems as assigned in the content section of this course. The point total varies for each assignment for 26% of your final score.

5. Take the timed quiz. Each quiz is worth 2 points for a total of 24 points across the 12 modules. Quizzes are available online each Sunday afternoon from 4-5 pm. You will have 20 minutes to complete the quiz. Quizzes comprise 24% of your final score.

| Module 2 | Chapters 4, 5  
The Financial Statements  
Ratio Analysis |
|----------|----------------|
| Module 3 | Chapters 6, 14  
Present value  
Long Term Liabilities |
| Module 4 | Chapters 7,8  
Cash, Receivables, Inventory |
| Module 5 | Chapters 10, 11  
Operational Assets  
Depreciation and Impairment |
|----------|------------------|
| Module 6 | Chapters 12  
Intangible Assets |
| Module 7 | Chapters 13, 15  
Current Liabilities and Contingencies  
Equity, Capital and Retained Earnings |
| Module 8 | Chapters 16  
Earnings per Share |
| Module 9 | Chapters 17, 18  
Investments  
Revenue Recognition |
| Module 10 | Chapters 19  
Deferred Taxes |
| Module 11 | Chapters 20  
Pensions |
| Module 12 | Chapters 23  
Statement of Cash Flows |
Final Exam  ComprFinalehensive Final

The final is 26% of your final score. It will be a timed exam.

ADDITIONAL INFORMATION

Please contact the professor directly if you have any questions.
TAX 6935 - Section G3 - Advanced Federal Tax Practice and Procedure – Summer 2012
Saturdays, June 6, 2012 to August 4, 2012, 1:30 p.m. to 6:00 p.m.
Room Number CBC155

GENERAL INFORMATION

Instructors:
Vivian N. Rodriguez B.Acc., M.Acc., J.D., LL.M., C.P.A.
Michelle M. Robles, B.Acc., J.D.

Office: RB 210
Office Hours: By Appointment Only
Link to professors' sites:
http://business2.fiu.edu/1054932/www

Phone: (305) 982-5199
Fax: (305) 348-2914
E-mail: michelle.robles@fiu.edu

INSTRUCTORS

Prof. Rodriguez earned her Bachelor of Accounting and Master of Accounting degrees from Florida International University. Prof. Rodriguez is licensed as a Certified Public Accountant by the State of Florida Board of Accountancy. Prof. Rodriguez earned her Juris Doctor and Master of Laws in Taxation degrees from the University of Miami School of Law. Prof. Rodriguez is a member of the Florida and District of Columbia Bars and is Board Certified in Tax Law by the Florida Bar Board of Legal Specialization. Prof. Rodriguez serves on the Tax Certification committee of the Florida Bar and as an Officer and Director of the Tax Section of the Florida Bar as well as the Florida Association of Attorney-CPAs. Prof. Rodriguez is a Senior Attorney with the Department of the Treasury, Office of Chief Counsel for the Internal Revenue Service (“IRS”). She is admitted to practice before the United States Tax Court as well as various other federal courts. She has extensive experience in handling tax controversy matters both administratively and in litigation.

Prof. Robles is a Senior Attorney with the IRS Office of Chief Counsel in Miami. She specializes
in federal tax litigation. Prior to joining the IRS Office of Chief Counsel, Prof. Robles worked in public accounting for four years, where she focused on federal and state and local tax planning and compliance. Prof. Robles earned a Bachelor of Accounting, cum laude, from Florida International University. Furthermore, she earned her Juris Doctor from Fordham University School of Law, where she served as Notes & Articles Editor for the Journal of Corporate and Financial Law and received the Archibald R. Murray Public Service Cum Laude Award. She is an active member of the Florida Bar and the American Bar Associations and she has held leadership positions with both organizations. Prof. Robles is also admitted to practice before the United States Tax Court.

**COURSE DESCRIPTION**

In this course, students will learn about the major aspects of handling a tax dispute before the IRS. This course will cover the administrative structure of the IRS, ethical duties of the practitioner, penalties, statutes of limitation, and the IRS's procedure in determining, reviewing, litigating, and collecting tax deficiencies.

**COURSE OBJECTIVES**

By the end of the course, students will possess an understanding of:

1. The hierarchy of taxing authorities;
2. Administrative tax practice and procedure (e.g., the assessment, collections, and appeals processes);
3. Judicial tax practice and procedure (e.g., deficiency, collection due process, and innocent spouse cases; and refund and collection suits); and
4. How to communicate and advocate tax positions before the IRS.

**MAJOR & CURRICULUM OBJECTIVES TARGETED**

The content of this course focuses on what one needs to know to be an effective tax advocate before the IRS. The goal of this course is to master the course objectives.

**TEXTBOOK**

The following is the textbook for the course:
Federal Taxation Practice and Procedure (10th Edition)

Author(s): Robert J. Misey, Jr., William T. Lundeen, and Michael G. Goller
ISBN: 978-0-8080-2686-0
Publication Date: December 6, 2011

Required: Panther card for library access. Please make sure you have library access BEFORE the second class meeting.

We will be using the tax research subscription services available through the library and online versions of the Internal Revenue Code and The Code of Federal Regulations.

Our teaching methodology relies on lectures, class discussion/participation, and written assignments. You may be called upon in class to present solutions to the discussion questions at the end of each chapter assigned for the class. A significant portion of your grade is based on active participation in class discussion and lectures. You are encouraged to ask and answer questions. You should prepare for lectures by studying the textbook material and by completing the discussion questions at the end of each chapter assigned prior to class. Note that absences or your inability to be present during an entire class session will affect your grade.

Admission to a graduate tax program or departmental permission.

All students should have completed a basic course in federal taxation that covered all the basic concepts of gross income, business, deductions, sales and exchanges of property, tax credits, determination of tax and filing/payment requirements (Tax 4001 or its equivalent). While some of the items included in this list may be reviewed as part of this course, any deficiencies in a student’s background must be made up through self-study. (Not having covered a topic in your basic course(s) is not an acceptable excuse for doing poorly in this course.)
For more information about prerequisites, click here.

**COMBINING WITH THE INSTRUCTOR**

Email is preferred. Please send us email at the address above. In your email to us, please write the course code "TAX6935" in the subject heading as the prefix to your subject heading. This way your email will not be recognized as junk by the FIU email system, and it will help us give priority to your email. All emails should be written using an appropriate professional decorum and using complete sentences and proper grammar.

**GRADING**

<table>
<thead>
<tr>
<th>Course Requirements</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Writing Assignments</td>
<td>24%</td>
</tr>
<tr>
<td>Class Participation &amp; Attendance</td>
<td>24%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Writing assignments are due by the due date and must be submitted in class. No late submissions will be accepted.

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<thead>
<tr>
<th>Letter Grade</th>
<th>Range</th>
<th>Letter Grade</th>
<th>Range</th>
<th>Letter Grade</th>
<th>Range</th>
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<tbody>
<tr>
<td>A</td>
<td>95-100%</td>
<td>B-</td>
<td>80-83</td>
<td>D+</td>
<td>67-69</td>
</tr>
<tr>
<td>A-</td>
<td>90-94</td>
<td>C+</td>
<td>77-79</td>
<td>D</td>
<td>64-66</td>
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<tr>
<td>B+</td>
<td>87-89</td>
<td>C</td>
<td>74-76</td>
<td>D-</td>
<td>60-63</td>
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<tr>
<td>B</td>
<td>84-86</td>
<td>C-</td>
<td>70-73</td>
<td>F</td>
<td>&lt;60</td>
</tr>
</tbody>
</table>

If the professor elects, in her sole discretion, to curve grades at the end of the semester, a student’s class attendance, participation and professional decorum in class will be considered in determining the extent to which he/she is entitled to the benefit of any curve. The following conditions must be satisfied for a student to qualify for the curve (if any): (1) the student may have no more than 1 absence during the semester and (2) the student must actively participate and contribute to class discussions during the semester (including being prepared for class and contributing to the presentation of solutions to assigned problems).

All grades will be posted on Panther Soft. Students must monitor their grade and notify the instructor of any errors or omissions. **ANY CORRECTIONS/REVIEW**
Attendance at ALL classes is expected. You will be allowed only ONE (1) excused absence with no penalty. Each absence beyond that one will affect your grade. We also reserve the right to take attendance at ANY TIME during the class period. If you fail to be in class when we take attendance, you will be considered absent for the entire class. [Note: The penalty points may be "earned back" in the rare situation where more than one EXCUSED absence is required for work-related reasons. The process of earning back the penalty points will involve an in-class presentation on the tax topic of current relevance that must be approved by the professor.]

The following is an exclusive list of events that will give rise to an excused absence:

- Attendance of the funeral of a family member during the scheduled class time. A family member is defined to include the student's spouse, children, grandparents, parents, siblings, nieces/nephews, and aunts/uncles. The student must provide proof of the death, his/her relationship to the decedent, and the time of the funeral.
- Illness of the student supported by a statement of the student's attending physician stating that the student had an illness that prevented him/her from attending the class that was missed.
- A work-related matter that requires your absence. The student must provide a letter or memo from his/her employer (i.e. direct supervisor) addressed to the instructor stating that the student is unable to attend class due to an employer imposed requirement to attend a work-related event. The letter must provide contact information to allow the instructor to contact the student's employer to verify the letter/memo and the reason for the absence.

As a college, we care about the quality of the business education we are providing you. More on the College’s commitment to Assurance of Learning can be found at the following link:

http://businessonline.fiu.edu/course_addons/Learning_Commitment.pdf
The writing assignments will be graded based on grammar, style of writing, logical development of ideas, critical thinking skills, and technical accuracy of the analysis and conclusions. Examples of file memoranda can be found at the M. Tx. Writing Website located at http://www2.gsu.edu/~accerl/.

Assignments will be evaluated on:
- Completion of assigned task
- Evidence of sufficient time spent appropriately
- Quality of content and research
- Presentation of material

Additional details regarding this assignment will be announced in class.

**Reading Assignments & Participation**

You are required to complete the assigned reading prior to class. You may be called on during the class to provide the answers to the discussion questions.

You may earn participation points for weeks that an exam is not administered. You will not receive the participation points for any class that you miss. A makeup in-class presentation on a recent development in taxation can be presented to make up any participation points missed due to an excused absence. The topic for the presentation must be approved by the instructor in advance. A student that misses more than one hour of class time for class attended (i.e. arriving late, returning late from breaks, leaving class to attend to personal or other matters and then returning, or leaving early) will lose participation points.

Consideration will be given to your contribution to class discussions, respect and attention to other students as they participate in class discussions, behavior conducive to a good learning environment, and active involvement in group discussions and exercises in determining your participation points for a particular class.

**Final Exam**

A final exam will be a course requirement. You are required to take the respective exam during the last class meeting. There will be no make-up exam, unless it is due to an excused absence. If a make-up exam is administered due to an excused absence, it must be scheduled before the next class meeting during regular office hours of the School of Accounting at the Modesto Maidique Campus. See the discussion of the absence policy above regarding the definition of an excused absence.

**Disability Notice**

If you have a disability and need assistance, please contact the Disability Resource Center.
(Modesto Maidique Campus: GC190; 305-348-3532) (North Campus: WUC139, 305-919-5345). Upon contact, the Disability Resource Center will review your request and contact your professors or other personnel to make arrangements for appropriate modification and/or assistance.

REligious HoliDayS

The University's policy on religious holy days as stated in the University Catalog and Student Handbook will be followed in this class. Any student may request to be excused from class to observe a religious holy day of his or her faith.

RuleS, PoLyS & AcaDeMic MiSconDuct

Assignments from the text and other resources are listed below for each class session. Students are expected to be pace their learning according to the posted course assignments.

To insure the best learning environment possible, each student should maintain a professional attitude during class. This requires devoting attention to the lecture and related classroom discussion. It also requires arriving on time and being prepared for class. Rude and disruptive behavior is unacceptable as is inappropriate language. Students behaving in such a manner will be asked to leave class.

Except in case of illness or emergency, students should refrain from leaving class until the end of the class period. Turn off cell phones during the class period and refrain from text messaging and using other electronic devices. You may use a laptop computer to take notes.

It is expected that interactive learning and teaching will enrich the learning experience of all students, and that each student will work in partnership with the professor to create a positive learning experience for all. Student engagement is a necessary condition for an effective learning experience, and includes contributions to debate and discussion (if any), positive interactive learning with others, and an enthusiastic attitude towards inquiry. Everyone is expected to be a positive contributor to the class learning community, and students are expected to share the responsibility of teaching each other.

Statement of Understanding between Professor and Student

Every student must respect the right of all to have an equitable opportunity to learn and honestly demonstrate the quality of their learning. Therefore, all students must adhere to a standard of academic conduct, demonstrating respect for themselves, their fellow students, and the educational mission of the University. As a student in the College of Business taking this class:

1. I will not represent someone else's work as my own
2. I will not cheat, nor will I aid in another’s cheating
3. I will be honest in my academic endeavors
4. I understand that if I am found responsible for academic misconduct, I will be subject to the academic misconduct procedures and sanctions as outlined in the Student Handbook

Plagiarism, cheating, and other serious acts of academic dishonesty include the following as examples only:

- The possession of any unauthorized materials during an examination. Any materials other than a pencil, calculator (non-programmable), and instructor provided guides for each test (these will be distributed on the day of the test only) are deemed authorized. The instructor may amend the above if test conditions warrant.
- Any form of verbal or written communication between students during the examination.
- Looking at the exam paper of another student will automatically constitute cheating.
- Cheating includes but is not limited to such practices as gaining help from another person (or group) or preparing an assignment in consultation with another person (or group) when the instructor expects the work to be done independently. Furthermore, any student who provides unauthorized assistance in academic work is also guilty of cheating. Cheating also includes using materials such as solutions manuals, test banks, instructor manuals and the like.

As applied specifically to this class, the following are some general guidelines regarding the academic dishonest policy. Students are encouraged to discuss the course material and assignments outside of class. This will provide you with valuable insights into the course materials. However, the actual writing of any individual written assignments must be done strictly on an individual basis.

“Plagiarism (from a Latin word for “kidnapper”) is the presentation of someone else’s ideas or words as your own. Whether deliberate or accidental, plagiarism is a serious and often punishable offense” (Aaron, 1998, p. 258).

A student must always submit work that represents his or her original words or ideas. If words or ideas that do not represent the student’s original work are used, the student must cite all relevant sources. The student should also reflect in the assignment the extent to which such sources were used. Words or ideas that require citation include, but are not limited to, all hard copy or electronic publications, whether copyrighted or not, and all verbal or visual communication when the content of such communication clearly originates from an identifiable source.

As your instructor, if I detect wording in any of your work that does not appear to be your own, I reserve the right to check various Web search engines and library databases for the wording in question. If portions of your wording are found to be copied from another source without proper attribution, the result may be a failing grade for the assignment or even the entire course if the offense is particularly severe.
Failure to adhere to the guidelines stated above may result in one of the following:

**Expulsion**: Permanent separation of the student from the University, preventing readmission to the institution. This sanction shall be recorded on the student’s transcript.

**Suspension**: Temporary separation of the student from the University for a specific period of time.

Additionally the following two documents should be used by every student in business classes that require individual or group written assignments:

1. Certification of Authorship Assignment Cover Page *(individual)*
2. Certification of Authorship Assignment Cover Page *(Group)*

For details on the policy and procedure go to [ACADEMIC MISCONDUCT](#). (Section 2.44)

**NOTE**: Intensive Auditing of the course will be conducted to prevent academic misconduct.

**EXPECTATION OF THIS COURSE**

To become an effective tax advocate before the IRS.

**COURSE CALENDAR**

Subject to revision/modification at discretion of the instructors. The schedule below included with the syllabus posted online on the CBA website cannot be relied upon by the student in scheduling events that occur on days that the class is scheduled to meet. The syllabus may be revised so that an exam or other event requiring class attendance may be necessary for a class meeting and students should plan accordingly. Any changes/modifications to the schedule will be announced in class and/or via email.

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/16/2012</td>
<td>Organization of the IRS, Tax Practice &amp; Ethics</td>
<td><strong>Read</strong>: Chapters 1, 2, &amp; 3</td>
</tr>
<tr>
<td>6/23/2012</td>
<td>The Examination Process Part I</td>
<td><strong>Read</strong>: Chapters 4, 5, &amp; 6</td>
</tr>
<tr>
<td>Date</td>
<td>Topic</td>
<td>Read</td>
</tr>
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<td>------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>6/30/2012</td>
<td>The Examination Process Part II</td>
<td>Chapters 7, 8, &amp; 16</td>
</tr>
<tr>
<td>7/7/2012</td>
<td>Tax Shelters, Interest, &amp; Penalties</td>
<td>Chapters 6 (cont'd) &amp; 12</td>
</tr>
<tr>
<td>7/14/2012</td>
<td>FOIA &amp; The Assessment Process</td>
<td>Chapters 9 &amp; 10</td>
</tr>
<tr>
<td>7/21/2012</td>
<td>The Appeals Office &amp; The Collection Process</td>
<td>Chapters 13 &amp; 14</td>
</tr>
<tr>
<td>7/28/2012</td>
<td>Claims for Refund, Innocent Spouse Relief, Third Party Liability, &amp; the CDP Process</td>
<td>Chapter 15</td>
</tr>
<tr>
<td>8/4/2012</td>
<td>Exam</td>
<td>None</td>
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</tbody>
</table>

**ADDITIONAL INFORMATION**

At this time, the professor has not requested the insertion of any information into this section. Please contact the professor directly if you have any questions.
October 10, 2014

Ms. Veloria Kelly  
Florida Board of Accountancy  
240 NW 76th Drive, Suite A  
Gainesville, FL 32607  
Dear Ms. Kelly:

Florida Southern College is developing a new pathway for students to enter the Master of Accountancy (MAcc) program. We are excited about this program, but wanted to provide an overview to obtain the State Board’s view of the program. The program is patterned after similar successful concepts at Belmont University and University of North Carolina-Chapel Hill which use such programs as pre-requisites to entry into their respective MAccs.

The program is designed for undergraduate degree holders with degrees in areas other than accounting. The students may have undergraduate degrees in business or liberal arts. The students will complete an intense summer program with topical coverage from intermediate and cost accounting, auditing, and personal income tax. Upon successful completion, with at least a 70% grade in each section, the students continue into the MAcc. Attached are the calendar and class content coverage for each section that the student must complete. All classes are face-to-face 3-hour classes and will include online homework and quizzes that are completed outside of class time. The class will award 12 hours of upper division accounting credit to the students. However, FSC does not guarantee that these hours are transferable to any other institution and are solely for the purpose of preparing the student to enter the FSC MAcc program. We believe that the rigor in this program will position these students to be very successful in both the MAcc program and the profession.

Our request is that the State Board of Accountancy reviews these material to ascertain that FSC’s program will be accepted as 12 hours of upper division credit. Should you desire additional information on the program or wish to have us address specific questions for you, please do not hesitate to contact Dr. Lynn Clements (lclements@flsouthern.edu) or Dr. Jane Finley (jfinley@flsouthern.edu). We also are available to meet with appropriate members of the Board if desired. We are excited about the program and the potential new pathway for individuals who now recognize the importance of an accounting degree. We hope to begin the program this coming summer.

We look forward to your input.

Sincerely,

Dr. Lynn Clements  
Director of Institute for Accounting Excellence

Dr. Jane Finley  
Director Summer Accounting Institute
<table>
<thead>
<tr>
<th>MONDAY</th>
<th>T</th>
<th>WEDNESDAY</th>
<th>TH</th>
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<td>12</td>
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<td>14</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Class 2</td>
<td></td>
<td>Intermediate: The Accounting Cycle</td>
<td></td>
<td></td>
<td>Jane Orientation and Review of key principles Class 1</td>
</tr>
<tr>
<td>Class 3</td>
<td>18</td>
<td>Intermediate: Cash &amp; Receivables</td>
<td>20</td>
<td></td>
<td>Class 4 &amp; 5 Intermediate: Long-Term Assets including Investments</td>
</tr>
<tr>
<td>Class 6</td>
<td></td>
<td>Intermediate: Inventory</td>
<td>21</td>
<td>22</td>
<td>Lunch Speaker</td>
</tr>
<tr>
<td>Class 7</td>
<td>25</td>
<td></td>
<td>26</td>
<td>27</td>
<td>28</td>
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<tr>
<td>Class 8 &amp; 9</td>
<td></td>
<td>Intermediate: Liabilities</td>
<td>29</td>
<td>30</td>
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</tr>
<tr>
<td>MONDAY</td>
<td>TUE</td>
<td>WEDNESDAY</td>
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<tr>
<td>Class 10 Intermediate: Stockholders’ Equity</td>
<td>Class 11 Intermediate: Int Exam #2 and Revenue Recognition</td>
<td>Class 12 Intermediate: Revenue Recognition Class 13 Intermediate: Accounting for Income Taxes</td>
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<td>13</td>
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<tr>
<td>Class 14 Intermediate: Pensions</td>
<td>Class 15 Intermediate: Int Exam #3 and Leases</td>
<td>Class 16 Intermediate: Leases Class 17 Intermediate: Changes &amp; Errors Lunch Speaker</td>
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<td>25</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Class 22 Cost: vc/fc, dir/abs, jit, quality</td>
<td>Class 23 Cost: Cost: Exam #1</td>
<td>Class 24 &amp; 25 Cost: CVP, relevant cost, capital budgeting</td>
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<td>25 6/27/15**</td>
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<td>Tax: Individual Income Tax—History, Structure, Overview &amp; Sources of Law</td>
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<td>42 7/29/15</td>
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<td>43 8/1/15*</td>
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<td>48 8/8/15**</td>
<td>Celebration after exam</td>
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* Morning
** Afternoon
FLORIDA STATE UNIVERSITY  
COLLEGE OF BUSINESS  
ACG 4931– Forensic Accounting and Criminology Capstone Course

Instructor: Ransom McClung, CPA. CFE, Cr.FA, CFF  
Office: 164 RBB  
E-Mail: rmcclung@business.fsu.edu (best way to contact)  
Office Hours: 10:00-11:30 am Tuesday and Thursday  
Class Room/Time: RBA 104 / 2:00 – 3:15 pm  
Office Phone: 644-1861  
Prerequisite: ACG 4683

Course Description: This course reviews various aspects of forensic accounting including procedural and substantive legal issues, professional ethics, investigation techniques, management of evidence, and special topics in forensic accounting. Student will apply concepts and tools previously learned in prior program courses. This course emphasizes the practical application of those concepts and tools.


Course Goals: My goal in teaching this course is to prepare you for a professional position in the forensic accounting field. To be successful in this field, you need a rudimentary knowledge of the field of forensic investigations. This course combines much of the theory, and many of the techniques, you previously learned in other accounting and criminology courses. The emphasis in this course is to combine theory with practical exercises that you complete during this course.

Learning Objectives:
(1) Describe key concepts and terms for forensic accounting.
(2) Identify legal procedures, rules of evidence, substantive law and professional ethics related to forensic accounting.
(3) Demonstrate skills needed and investigative techniques utilized to collect, analyze, and evaluate evidence in order to investigate financial fraud.
(4) Demonstrate the management and the communication of information that could be presented in court with regards to the discovery, collection, and submission of evidence to a court.
(5) Plan effective testimony for a court of law that would include oral testimony and use of demonstrative evidence and material.
(6) Integrate critical thinking when examining cases of corporate fraud or individual fraudulent behavior.

Student Evaluation/Grading:

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<tr>
<th>Grading (Points):</th>
<th>Grading Scale (Points):</th>
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<tr>
<td>Exams I and final (2 X 100 points)</td>
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**Exams:**
There will be two content exams. Each exam can be based on materials from the textbook, and classroom lectures. All content exams are given in the classroom, during normal class hours. If you must miss an exam, prior to any missed exam, you must contact the instructor to arrange a make-up exam. Exams will generally consist of multiple choice questions.

**Undergraduate Course Examinations:**
Final examinations in undergraduate courses are discretionary within any given department, but all students, including graduating seniors and graduate students, who are enrolled in an undergraduate course having a final examination are required to take the examination. The scheduling of a final examination at any time other than the regularly scheduled final examination period is prohibited by University policy. A final examination may not be given during the examination period at a time other than that which appears online at [http://registrar.fsu.edu](http://registrar.fsu.edu). Unless an exam is given during the final examination period, no test may be given during the last week of classes.

**Assignments:**
Each student is expected to read all assigned chapters in the textbook. Each student will come to class prepared to discuss chapter topics. Any in-class assignments will be completed for grading points - your grade is based on content, clarity, completeness and organization of your answers. Students are expected to attend all classes, so any missed classes will adversely affect your grade if an in-class assignment is completed. If you must miss class, please let me know prior to you missing the class so you can make up the assigned in-class assignment.

Team cases are worth 300 points towards your final grade. You will be assigned to a team of your classmates. Each team case is structured to give you in depth experience investigating forensic accounting issues from the start of the case to the case’s final disposition. Each case is designed to give you practical experience using the concepts and tools developed in this and other criminology and accounting courses in the program. The primary objective of this assignment is for you and your team to apply forensic accounting techniques to perform a financial investigation. The team is expected to review the facts of the case, develop a fraud theory, investigate the fraud and then prepare the case for presentation in a court of law. The case will include examining accounting document and interviewing knowledgeable witnesses.
Students are expected to arrive in class on time. An acceptable reason for missing class is determined by the instructor.

The instructor reserves the right to modify the schedule as needed.

**Department Repeat Course Grade Policy**

Effective Fall 2008, any student receiving two grades below "C-" in the same required upper-level accounting course (prefix ACG or TAX) will not be permitted to enroll in that course again; that is, a student may repeat a required upper-level accounting course only once.

**Academic Honor Code:**

The Florida State University Academic Honor Policy outlines the University’s expectations for the integrity of students’ academic work, the procedures for resolving alleged violations of those expectations, and the rights and responsibilities of students and faculty members throughout the process. Students are responsible for reading the Academic Honor Policy and for living up to their pledge to “... be honest and truthful and ... [to] strive for personal and institutional integrity at Florida State University.” (Florida State University Academic Honor Policy, found at [http://dof.fsu.edu/honorpolicy.htm](http://dof.fsu.edu/honorpolicy.htm))

Students are expected to uphold the Academic Honor Code published in the Florida State University Bulletin and the FSU Student Handbook. The Academic Honor Code will be strictly enforced in this course. I consider it unethical and dishonest for a student to solicit class materials (assignments, case study, or exams) from students previously enrolled in this class.

**Students with Disabilities:**

Students with disabilities needing academic accommodation should:
1. Register with and provide documentation to the Student Disability Resource Center, and
2. Bring a letter to the instructor indicating the need for accommodation and what type. This should be done during the first week of class. This syllabus and other class materials are available in alternative format upon request.

For more information about services available to FSU students with disabilities, contact:
Student Disability Resource Center
874 Traditions Way
108 Student Services Building
Florida State University
Tallahassee, FL 32306-4167
(850)644-9566 (voice)
(850)644-8504 (TDD)
sdrc@admin.fsu.edu
[http://www.disabilitycenter.fsu.edu](http://www.disabilitycenter.fsu.edu)

**Course Schedule and Topics**
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<tr>
<th>Date</th>
<th>Topic</th>
<th>Assignment</th>
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<td>12/4</td>
<td>Chapter 28</td>
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<tr>
<td>12/9</td>
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<td>Data Mining Exercise</td>
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<tr>
<td>Cardinal Wholesalers</td>
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<td>11/6</td>
</tr>
<tr>
<td>Something Fishy</td>
<td>15</td>
<td>10/7</td>
</tr>
</tbody>
</table>
VIA U.S. MAIL AND FACSIMILE 1.352.333.2508

Dept. of Business & Professional Regulation
1940 North Monroe Street
Tallahassee FL 32399-0783

RE: REQUEST FOR COURSE REVIEW BY THE COMMITTEE ON ACCOUNTING EDUCATION

To Whom It May Concern:

I request that your Committee on Accounting Education provide a review of the following courses:

ACG 6936 IRS VITA TAX PRACTICUM-ADVANCED (GRADUATE LEVEL)
ACG 4931 IRS VITA TAX PRACTICUM (UNDERGRADUATE, UPPER LEVEL)

I have attached detailed information about the courses, including syllabi. I also include the curriculum vita of Dr. James A. Fellows, the current instructor for the two courses. Textbook and other information is contained in the syllabi.

It is our specific goal to get these courses on the Board of Accountancy approval list for past and future students. Such will save your office time as well as our need to provide explanatory letters on an ad hoc basis. More importantly, these two courses are upper level undergraduate or graduate level courses consistent in the quality of other accounting offerings at USF St. Petersburg. Thus, they should qualify for upper level accounting hours for the educational requirements for licensure as a CPA in Florida.

General Program information – USF St. Petersburg, Kate Tiedemann College of Business and Program of Accountancy

Our MBA and MAcc accounting classes (those offered at the 6000 level) are only open to accounting graduates (BS/BA), or students who have taken significant accounting prerequisites (Our ACG- prefixed courses all require ACG 2021 Principles of Financial Accounting, ACG
ACG 3401 Accounting Information Systems, and ACG 4632 Auditing I (as prerequisites). Thus, 
our ACG- prefix courses within our MBA and MAcc Programs are not “introductory” or 
“elementary” survey type courses offered at other MBA Programs that might be intended as 
“refresher” or introductory courses to non-accounting students.

All of our ACG- prefix courses in the MBA are taught by qualified, doctoral (PhD, DBA, 
JD/LLM or other terminal degree related to courses taught) faculty with recent publications in 
their area of teaching and professional certification(s). Virtually all accounting MBA faculty are 
licensed in the State of Florida as CPAs and/or hold industry recognized certifications related to 
their teaching area (CMA, CFE, etc.). In addition, our faculty make conference presentations to 
national accounting educators and other professionals on a regular basis.

Our undergraduate students are required to complete 120 semester hours of business and 
accounting coursework to receive a baccalaureate (B.S./B.A.) degree in accounting. This 
include 24 hours in accounting at the upper level (3000/4000 levels and above).

Our MBA students with a forensic accounting concentration are required to complete the 
ine (9) hour course sequence in the Forensic courses set forth in the graduate catalog as well as 
completion of other non-accounting core and elective courses. Some students may take 
additional accounting courses at the 5000 or 6000 level in addition to the forensic accounting 
track of courses.

Our programs provide the accounting student desiring to be a Florida CPA with an 
accounting degree with 24 accounting and tax hours (undergraduate minimum). The MBA and 
MAcc then allows for the student to complete 12 graduate accounting hours and, if needed, an 
additional business law course (BUL 6652 or BUL 5532) and other business hours as required 
for licensure. Thus, an accounting graduate who continues at USFSP as an admitted student to 
our MBA or MAcc programs is able to meet the 150 hour requirement, the 39 hour business 
requirement, the 36 hours of upper division accounting and 6 hour business law requirement (all 
hours are semester hours at USF St. Petersburg) while earning their MBA or MAcc degree.

Our school is accredited by both SACS and AACSB in business and accounting. USF St. 
Petersburg is one of only nine (9) schools statewide with separate accounting accreditation. 
The list of institutions with this prestigious designation is available at: 
http://aaccsb.edu/accreditation/accreditedmembers.asp

The AACSB accreditation is not required by the Board of Accountancy or the FAC ch. 
61H1-27.xxx requirements, but is a more stringent accreditation regime than SACS for business 
and accounting schools, requiring more qualified and participating faculty members than the 
regional accreditation bodies, such as SACS. At this point, only 181 institutions are accredited 
by AACSB worldwide. We are proud to be among this elite group of institutions.

Without question, our courses should be on your approved list for CPA licensure. Should 
you desire additional information with respect to the course and its compliance with the Florida 
Administrative Code 61H1-27.002(3)(b) as related to coursework in business law please feel free 
to contact me at anytime. Should you desire to contact me telephonically for an explanation at
any of your meetings, I encourage you to call 727-771-5139 and I will make myself available for your committee or other staff should you need any further information.

Kind regards,

John F. Jewell

JFJ/
EXHIBIT A: DETAILED INFORMATION
ACG 6936 IRS VITA TAX PRACTICUM-ADVANCED

HOURS EARNED:

The successful student receives three (3) semester credit hours at the graduate level. The semester is 2,250 contact minutes in length (15 week semester, three 50 minute hours (150 minutes total) per week.

COURSE DESCRIPTION:

Course Description for ACG 6936

Course Description:
A practicum is an academic course of study that requires the immediate practical application of academic training in a supervised manner, with a professor being the primary supervisor. It differs from an internship in that the latter is generally a full-time experience for a short period of time with a professional firm, with supervision done by practising CPAs. Unlike a practicum, there is usually no academic credit for these internships. This practicum provides an opportunity for students to gain valuable experience in preparing tax returns and to apply their knowledge of classroom learning. The practicum consists of two principal parts: (1) online training tutorials and exams from the IRS (Link and Learn program) plus the Tax-Wise software training; and (2) 75 hours of tax preparation work at IRS VITA sites. There is also a experiential term paper that is required. The course counts as one of the 36 hours of upper-level accounting courses needed for licensure as a CPA in the state of Florida.

DETAILED SYLLABUS.

Attached.

PREREQUISITES FOR COURSE.

Admission into the MBA Program.

DEGREE REQUIREMENTS FOR STUDENTS ENROLLED IN YOUR ACCOUNTING PROGRAM.

ACG 6936 is not a requirement for an accounting degree. It is a graduate level course available only to MBA/MAcc students with appropriate accounting prerequisites. In practice, only accounting graduates (holding a BS/BA degree in accounting) take the MBA or MAcc ACG- or TAX- prefixed courses.)
EXHIBIT B: DETAILED INFORMATION
ACG 4931 IRS VITA TAX PRACTICUM

HOURS EarnED:
The successful student receives three (3) semester credit hours at the graduate level. The semester is 2,250 contact minutes in length (15 week semester, three 50 minute hours [150 minutes total] per week.

COURSE DESCRIPTION:

Course Description for ACG 4931 IRS VITA TAX PRACTICUM

Course Description:
A practicum is an academic course of study that requires the immediate practical application of academic training in a supervised manner, with a professor being the primary supervisor. It differs from an internship in that the latter is generally a full-time experience for a short period of time with a professional firm, with supervision done by practicing CPAs. Unlike a practicum, there is usually no academic credit for these internships. This practicum provides an opportunity for students to gain valuable experience in preparing tax returns and to apply their knowledge of classroom learning. The practicum consists of two principal parts: (1) online training tutorials and exams from the IRS (Link and Learn program) plus the Tax-Wise software training; and (2) 75 hours of tax preparation work at IRS VITA sites.

DETAILED SYLLABUS:

Attached.

PREREQUISITES FOR COURSE:


DEGREE REQUIREMENTS FOR STUDENTS ENROLLED IN YOUR ACCOUNTING PROGRAM:

ACG 4931 is not a requirement for an accounting degree (undergraduate). It is an elective and counts towards the 24 hour upper level hours required in accounting subjects for graduation.

Degree requirements for undergraduates are attached (excerpts from USFSP Undergraduate Catalog 2014-2015). Full catalog available at:
http://www.usfsp.edu/catalog-undergrad/accounting-acc-520301.htm
IRS VITA TAX PRACTICUM-ADVANCED  
ACG6936: Syllabus – Spring 2015  
USF-ST. PETERSBURG

| INSTRUCTOR:       | James A. Fellows, Ph.D., CPA  
| Professor of Accounting  
| OFFICE:           | Davis Hall 223  
| FAX:              | 727-873-4587  
| EMAIL:            | fellows@mail.usf.edu  
| CLASSROOM TIME:   | Online and IRS VITA sites  
|                   | Various  
| OFFICE HOURS:     | By appointment |

Course Description:
A practicum is an academic course of study that requires the immediate practical application of academic training in a supervised manner, with a professor being the primary supervisor. It differs from an internship in that the latter is generally a full-time experience for a short period of time with a professional firm, with supervision done by practicing CPAs. Unlike a practicum, there is usually no academic credit for these internships. This practicum provides an opportunity for students to gain valuable experience in preparing tax returns and to apply their knowledge of classroom learning. The practicum consists of two principal parts: (1) online training tutorials and exams from the IRS (Learn and Learn program) plus the Tax-Wise software training; and (2) 75 hours of tax preparation work at IRS VITA sites. There is also a experiential term paper that is required. The course counts as one of the 36 hours of upper-level accounting courses needed for licensure as a CPA in the state of Florida.

Course Objective(s):
1. To apply tax knowledge acquired through USF St. Petersburg in a real world environment.
2. To increase the student’s skill sets through a variety of experiential tasks.
3. To create a sense of awareness about community issues and needs.
4. To apply knowledge of tax law as it applies to individuals.
5. To increase the student’s ability to secure a meaningful career through a better understanding of career options.

Required/Supplemental Text(s):
All documents and assignments other than the material below are posted on CANVAS in the Modules section.
IRS Publication 4012: VITA/TCE Volunteer Resource Guide
IRS Publication 4491W: VITA/TCE Problems and Exercises
IRS Publication 6744: VITA/TCE Volunteer Assistant’s Test/Retest

Attendance at IRS Tax Software Training:
Each student must attend one of the TaxWise software training sessions, which will be given at the USFSP campus in Davis 253. Students should first complete the IRS Basic online exam, as well as the Standards of Conduct (Ethics) exam, before attending the tax software training. The training session at USFSP is 8:00am-4:00pm with a lunch break. Please be there at least 15 minutes before the start of the session so the IRS personnel can meet you and do some necessary paperwork. The tax software training days are:

Saturday: January 10
Saturday: January 17
Course Policies:
Students will be representing USFSP in the community, therefore while in the field, all USFSP rules and policies will apply in addition to the specific policy guidelines of the tax preparation site.

CANVAS:
All pertinent course documents are listed in the Modules section of CANVAS. The IRS Link and Learn course is at the IRS website, which is irs.gov.

Attendance:
Students are expected to complete at least 75 hours at the VITA tax sites as part of their course completion. Site scheduling is determined between student and the site supervisor. If you cannot attend for any reason, you must contact the site supervisor via telephone and email (copy me on the email) to inform them along with determining a day to make-up the hours. All tax preparation work is done in Pinellas County VITA sites.

Dress Code:
Students will abide by the dress code of their tax preparation site. No shorts or sandals are allowed.

Cell Phones:
Students must follow the tax preparation site policies regarding cell phones, smart phones, etc..

Release of Grades:
I am not permitted to release any grades over the telephone or by e-mail. All grades are posted on CANVAS.

Key Leadership Skill(s) and Perspectives Addressed in This Course:

<table>
<thead>
<tr>
<th>Interpersonal and Communication Skills</th>
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<th>Information Technology Skills</th>
<th>Reflective Thinking and Experiential Learning</th>
<th>Ethical and Social Consciousness</th>
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<td>4</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Interpersonal and Communication Skills: Students will be interacting with taxpayers in the community and with business professionals in their respective organizations.

Analytical and Critical Thinking Skills: All IRS tutorials and exams emphasize problem solving and data analysis skills. In addition there is a need to think in analytical terms in recognizing tax issues.

Information Technology Skill: Students must complete three IRS online tutorial courses, plus exams, at the IRS website, irs.gov. In addition, all students will be trained in the IRS tax preparation program-TaxWise. This is used at all the VITA sites.

Reflective Thinking and Experiential Learning: Students will be applying their tax training immediately by providing tax help for customers. Learning will be continuous based on these experiences.

Ethical and Social Consciousness: Ethical issues in tax compliance will be covered in the IRS online tutorials. In addition the students will be expected to comply with all existing tax laws at the VITA sites. The VITA Tax Practicum also concentrates on helping low and moderate income taxpayers in the community.

Multicultural Competence: Students will be interacting and working with individuals from various races, cultures, nationalities, genders, and those with physical or mental disabilities. In addition there are required online courses and exams dealing with foreign tax issues.
Disabilities

Please let the instructor know if you have any disabilities that need to be considered. All reasonable accommodations will be made for the tax software training as well as working at the VITA sites. The student must have verification of the disability, which requires a written statement of the disability from the Office of Disabled Student Services.

Religious Holidays

Please let the instructor know if you need to an assigned duty at a VITA site for observance of a religious holiday. Reasonable accommodations will be made.

Academic Dishonesty

The University’s policy on academic dishonesty and disruption of the academic process is clearly set forth in the Undergraduate catalogue. This policy will be strictly enforced. Please be advised that punishment for academic dishonesty may result in an automatic “F” in the course, maybe even an “FI,” or action taken that may result in suspension or expulsion from the university.

IRS On-Line Tutorials and On-Line Exams:

All graduate students should complete the Basic course and the Standards of Conduct course, including successful completion of the online exams for each course, BEFORE undergoing training in the IRS tax software in January. A score of 80% or better on each of these exams is necessary under IRS rules. The exams are open-book and can be done at your convenience. Your score on the exams will be used as part of the computation of your point totals for your final course grade.

During the course of the semester you will also be required to complete the IRS Link and Learn Advanced course, Cancellation of Debt course, International Tax course, Health Savings Account course, Military course, and their respective online exams.

Exam Grading:

Students must submit to the instructor "screen shots" of their exam scores from the IRS Test Center. Submit this through the Canvas assignments module by the due date of the exam. The policy on recording your grade for the course is as follows. You are allowed two tries for each certification exam at the IRS Test Center. If you do not score at least 80% on the first try, you must take a second online exam at the test center. If you score at least 80% on the first try, that will be your recorded exam score for the practicum.

For example, if you score 27 out of 30 (90%) on the first try for the Basic exam, then 27 will be your recorded score for this course. If you do not score at least 80% on the exam, e.g., only 21 out of 30 (70%) on the first try, but then you pass the exam with at least 80% on the second try, the maximum grade that I will record for this exam in Canvas is 80%. For example, if on your second try for the Basic exam you score 30 out of 30 (100%), the maximum score I will award is 24 out of 30 (80%). This is only fair as you should not, in this case, receive a higher grade than someone who passed the exam on the first try. Also, the second retest exam has basically the same questions as the original exam.

If you do fail the second exam for a certification level, you will have to take a paper exam (with basically the same questions as at the IRS Test Center). I will grade that exam personally. If you score at least 80% on this third try, the maximum score that I will give you for the exam is 70%. I will still certify you for that specialty, but 70% is the maximum score that I will record for this exam. For example, if you fail both the first test and the second test (the retest) for Basic at the test center, and then score 100% on the third try (the paper exam) the maximum score you will receive for this exam is 21 out of 30 (70%).

Regardless of your score, if you submit your exam results after the due date there will be an appropriate penalty for the late submission. You will not be assessed late penalties if you are required to take the paper exam (the third try at certification).
DETERMINATION OF FINAL COURSE GRADE [See notes below]

There are 250 total points that can be obtained in the course, as outlined below. The points shown for the tutorials are derived from the maximum points for each online exam.

Standards of Conduct
Basic Tutorial and Exam [must be completed by January 17] 10
Completion of Tax-Wise software training 30
Advanced Tutorial and Exam [must be completed by January 31] 10
Health Savings Account Exam [must be completed by February 14] 40
Cancellation of Debt Tutorial and Exam [must be completed by February 28] 15
Military Tutorial and Exam [must be completed by March 14] 20
International Tutorial and Exam [must be completed by April 4] 15
Experiential Term Paper [must be completed by April 18] 15
Completion of 75 hours of on-site tax preparation 75*
Total points 250

*A minimum of 10 hours on site must be completed from April 1- April 15. Please note that Students may be required to go to site locations that are not on their preferred list of choices. The final determination for site work is based on the needs of the public at the VITA Site Locations. Students who work more than 75 hours get extra credit for these extra hours.

Note 1: Successful completion of Tax-Wise training is automatic 10 points
Note 2: Tutorial and exam scores are based on scores earned on the exams
Note 3: A satisfactory evaluation by the site coordinators is necessary for reward of all 75 points. Site coordinators will take into consideration your professional demeanor at the site. This includes proper etiquette with the taxpayers and general work habits and competency in tax preparation. Continual tardiness when arriving at the site will not result in a good performance review.
Note 4: Extra credit can be earned by working beyond the 75 hours of tax preparation service. For each additional hour worked at a site, one extra point will be added to your total points. However, the extra hours cannot be substituted for the other course requirements. All students must complete all of the online exams and submit a term paper or project.

Final course grades are allocated as follows:

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<th>Grade</th>
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<tr>
<td>A</td>
<td>227-239</td>
</tr>
<tr>
<td>A-</td>
<td>224-226</td>
</tr>
<tr>
<td>B+</td>
<td>215-223</td>
</tr>
<tr>
<td>B</td>
<td>200-214</td>
</tr>
<tr>
<td>B-</td>
<td>195-199</td>
</tr>
<tr>
<td>C+</td>
<td>190-194</td>
</tr>
<tr>
<td>C</td>
<td>175-189</td>
</tr>
<tr>
<td>D</td>
<td>Below 175</td>
</tr>
</tbody>
</table>

Minimum Time Requirements From April 1 - April 15: The tax season is very busy during the first two weeks of April, so the VITA sites will critically need your help during this time. Therefore, each student is required to complete a minimum of 10 hours on site during this 15-day period. In other words, a student who has already reached 75 hours of site work at the end of March cannot stop their site work. Extra credit will of course be given for anything over 75 hours, but a minimum of 10 hours is necessary during the first two weeks of April. The instructor will assess a penalty on your final letter grade if this April minimum is not met, regardless of your overall point totals.
Sign-In Time Sheets at IRS VITA sites: Each VITA site coordinator will require that you sign in with them on their sign-in time sheets. This will provide the necessary documentation of your hours worked. You may be working at more than one VITA site so your time sheets are the only way to have proper documentation of the times you were at VITA sites. At the end of each month please provide me with a total of the hours you have worked at each site and on which days and times. Please use the Excel spreadsheet provided at CANVAS. Verification of the time with the site coordinators will be done, so make sure you sign their time books.

Student Assignments: Please note that students may be required to go to site locations that are not on their preferred list. The final determination of assignments is based on the needs of the public at the vita site locations. Students who are at sites where taxpayer activity is low may be required to go to other sites. Assignments will remain, however, within the days and times that you have indicated you are available.

Term Paper [Experiential Report]

A term paper is required of each student. The due date for this paper is Monday, April 18 by 9pm. The maximum score for the report is 20 points. Please submit this to me via email. It is an experiential report, in which you describe your experience with the practicum. Thus it is not a “research paper.” Because it is a requirement of the course, all students must complete this report. Failure to complete the assignment will result in a grade of I = Incomplete until the report is submitted.

The report should be at least 10-12 pages long [double-spaced]. It can be longer than that, so consider the 10-12 pages a minimum. In the report you should describe your experiences in the field, preparing tax returns for VITA customers. Among the things you should discuss are:

- the types of income typically earned by the customers
- the number of dependents typically claimed
- the types of credits typically claimed
- filing status [were most people married, single, head of household]
- interesting tax returns [what were some of the more interesting tax returns you prepared, without of course mentioning their names]
- customer satisfaction [do you think the taxpayers serviced at the VITA sites were pleased or not; you can give examples of actual taxpayers, without mentioning their names]
- suggestions for improving the tax preparation process at the VITA sites
- difficulties encountered during the practicum
- overall experience, including your supervision at the sites and working with your peers
- learning experience [this should be the concluding section of the paper and should discuss your thoughts on how the practicum may have helped you on your career path, how it may have helped you apply the material you were taught in your classes, or taught you things and helped you learn tax law that was not covered in your academic classes]

The term paper MUST be submitted through the Assignments section of CANVAS by 9pm on the due date.
INTERNAL REVENUE SERVICE
VITA PROGRAM

USFSP Student Tax Preparer Professional Requirements

By enrolling in the USFSP VITA Practicum the student agrees to adhere to the following rules for professional conduct and ethical behavior while performing tasks at the VITA sites. Failure to abide by these rules subjects the student to administrative withdrawal from the course.

Roles:

Provide free tax return preparation for eligible taxpayers. To establish the greatest degree of public trust, students have a responsibility to provide high quality service and uphold the highest of ethical standards. As a representative of USFSP to the public you should act in a professional manner at all times.

Tasks:

- Attend tax law training and certification as needed, including the use of electronic filing software.
- Successfully pass a test on required tax law knowledge.
- Provide high-quality assistance to all customers. Directly prepare customer's return based on information provided by customer or answer tax related questions.
- Interview customer to determine if all income, deductions and allowable credits are claimed.
- Prepare only those tax returns for which training and certification were provided.
- Prepare tax returns using electronic filing software.
- Refer customers with complex returns to the IRS Web site or help number, or to a tax practitioner or firm. However, volunteers should never refer customers to a specific practitioner or firm.
- Identify all returns with the Site Identification Number assigned to your site.
- Ensure no compensation of any kind is accepted for the volunteer services provided.
- Maintain confidentiality of customer information.
- Ensure on-site quality review is performed on completed returns prior to being returned to customer.
- Ensure a copy of the completed return is provided to the customer.
- Adhere to Title VI by not denying service to anyone based on race, color, sex, age, national origin or disability.

Skills:

- Basic computer skills for inputting tax return information.
- Tax training and certification will be provided as needed.
- Willingness to share time, skills and interests: students should contribute at least 75 hours at a free tax preparation site from approximately mid-January through April 15.
- Pride in performing tasks completely and accurately.
- Deal with the public in a helpful and supportive manner, including interviewing skills. Interviewing skills training will be provided as needed.
- Friendly, dependable and flexible.
Pre-Requisite or Co-Requisite: TAX 4001. The practicum can be taken as long as the student has already completed TAX 4001 or is taking TAX 4001 concurrently with the practicum in the Spring 2015 semester.

Course Description:
A practicum is an academic course of study that requires the immediate practical application of academic training in a supervised manner, with a professor being the primary supervisor. It differs from an internship in that the latter is generally a full-time experience for a short period of time with a professional firm, with supervision done by practicing CPAs. Unlike a practicum, there is usually no academic credit for these internships. This practicum provides an opportunity for students to gain valuable experience in preparing tax returns and to apply their knowledge of classroom learning. The practicum consists of two principal parts: (1) online training tutorials and exams from the IRS (Link and Learn program) plus the Tax-Wise software training; and (2) 75 hours of tax preparation work at IRS VITA sites.

Course Objective(s):
1. To create and attain individual short-term goals based on long-term career objectives and a personal mission statement.
2. To apply tax knowledge acquired through USF St. Petersburg in a real business environment.
3. To increase the student’s ability to secure a meaningful career through a better understanding of career options.
4. To increase the student’s skill sets through a variety of experiential tasks.

Required/Supplementary Text(s):
All documents and assignments other than the material below are posted on CANVAS.
IRS Publication 4012: VITA/TCE Volunteer Resource Guide
IRS Publication 4491-W: VITA/TCE Problems and Exercises
IRS Publication 6744: VITA/TCE Volunteer Assistor's Test/Retest

Attendance IRS Tax Software Training:
Each student must attend ONE of the TaxWise software training sessions, which will be given at the USFSP campus in Davis 253. Students should first complete the IRS Basic online exam, as well as the Standards of Conduct (Ethics) exam, before attending the tax software training. The training session is 8:00am-4:00pm with a lunch break. Please be there at least 15 minutes before the start of the session so the VITA instructional personnel can meet you and do some necessary paperwork. The sessions are as follows:

Saturday, January 10
Saturday, January 17
Course Policies:
Students will be representing USFSP in the community, therefore while in the field, all USFSP rules and policies will apply in addition to the specific policy guidelines of the institution.

CANVAS:
All pertinent course documents are listed on CANVAS. The IRS Link and Learn course is at the IRS website, which is irs.gov.

Attendance:
Students are expected to complete at least 75 hours at the tax preparation sites as part of their course completion. Site scheduling is determined between student and the site supervisors. If you cannot attend for any reason, you must contact the site supervisor via telephone and email (copy me on the email) to inform them along with determining a day to make-up the hours. All tax preparation work is done in Pinellas County VITA sites.

Dress Code:
Students will abide by the dress code of their tax preparation site.

Cell Phones:
Students must follow the tax preparation site policies regarding cellular phones, smart phones, etc.

Key Leadership Skill(s) and Perspectives Addressed in This Course:

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</table>

Interpersonal and Communication Skills: Students will be interacting with taxpayers in the community and with business professionals in their respective organizations.

Analytical and Critical Thinking Skills: All IRS tutorials and exams emphasize problem solving and data analysis skills. In addition there is a need to think in analytical terms in recognizing tax issues.

Information Technology Skill: Students must complete three IRS online tutorial courses, plus exams, at the IRS website, irs.gov. In addition, all students will be trained in the IRS tax preparation program-TaxWise. This is used at all the VITA sites.

Reflective Thinking and Experiential Learning: By applying their tax knowledge gained in earlier tax courses the students can reflect on what they have learned by applying this knowledge by preparing and reviewing tax returns of actual clients. This is classical experiential learning.

Ethical and Social Consciousness: Ethical issues in tax compliance will be covered in the IRS online tutorials. In addition the students will be expected to comply with all existing tax laws at the VITA sites.

Multicultural Competence: Students will be interacting and working with individuals from various races, cultures, nationalities, genders, and those with physical or mental disabilities.
IRS On-Line Tutorials and On-Line Exams:

All students should try to complete the Basic course, as well as the Standards of Conduct course, including successful completion of the online exams for each course, BEFORE undergoing training in the IRS tax software in January. A score of 80% or better on each of these exams is necessary under IRS rules. The exams are open-book and can be done at your convenience. Your score on the exams will be used as part of the computation of your point totals for your final course grade.

During the course of the semester you will also be required to complete the Advanced course and its exam, as well as Cancellation of Debt (COD) and Health Savings Account (HSA) certifications. This will ensure that you remain current in the tax law during the practicum, and also give you some additional training in areas that may help you at the VITA sites.

Exam Grading:

Students must submit to the instructor "screen shots" of their exam scores from the IRS Test Center. Submit this through the Canvas assignments module by the due date of the exam. The policy on recording your grade for the course is as follows. You are allowed two tries for each certification exam at the IRS test center. If you do not score at least 80% on the first try, you have to take a second online exam at the test center. If you score at least 80% on the first try, that will be your recorded exam score for the practicum.

For example, if you score 27 out of 30 (90%) on the first try for the Basic exam, then 27 will be your recorded score for this course. If you do not score at least 80% on the exam, e.g., only 21 out of 30 (70%) on the first try, but then you pass the exam with at least 80% on the second try, the maximum grade that I will record for this exam in Canvas is 80%. For example, if on your second try for the Basic exam you score 30 out of 30 (100%), the maximum score I will award is 24 out of 30 (80%). This is only fair as you should not, in this case, receive a higher grade than someone who passed the exam on the first try with a score less than 100%. Also, the second retest exam has basically the same questions as the original exam.

If you do fail the second exam for a certification level, you will have to take a paper exam (with basically the same questions as at the IRS Test Center). I will grade that exam personally. If you score at least 80% on this third try, the maximum score that I will give you for the course is 70%. I will still certify you for that certification specialty, but 70% is the maximum score that I will record in Canvas. For example, if you fail both the first test and the second test (the retest) for Basic, and then score 100% on the third try (the paper exam) the maximum score you will receive for this exam is 21 out of 30 (70%).

Regardless of your score, if you submit your exam results after the due date there will be an appropriate penalty for the late submission. You will not be assessed late penalties if you are required to take the paper exam (the third try at certification).
DETERMINATION OF FINAL COURSE GRADE [See notes below]

There are 200 of total points that can be obtained in the course, as outlined below. The points shown for
the tutorials are derived from the maximum points for each online exam.

Standards of Conduct
Basic Tutorial and Exam [must be completed by January 17] 10
Completion of Tax-Wise software training 30
Advanced Tutorial and Exam [must be completed by January 31] 10
Health Savings Account Exam [must be completed by February 14] 40
Cancellation of Debt Tutorial and Exam [must be completed by February 28] 15
Completion of 75 hours of on-site tax preparation 20
Total points 75*

* A minimum of 10 hours on site must be completed from April 1 - April 15. Please note that
Students may be required to go to site locations that are not on their preferred list of choices. The
final determination for site work is based on the needs of the public at the VITA Site Locations.

Note 1: Successful completion of Tax-Wise training is automatic 10 points
Note 2: Tutorial and exam scores are based on scores earned on the exams
Note 3: A satisfactory evaluation by the site coordinator is necessary for reward of all 75 points. Site
coordinators will take into consideration your professional demeanor at the site. This includes
proper etiquette with the taxpayers and general work habits, as well as competency in tax
preparation. Continual tardiness when arriving at the site will not result in a satisfactory
performance review.

Note 4: Extra credit can be earned by working beyond 75 hours of tax preparation service. For each
additional hour worked at a site, one extra point will be added to your total points. However,
the extra hours cannot be substituted for the other course requirements. All students must
complete the Advanced, Cancellation of Debt and HSA tutorials and exams.

Course Grades:

Final course letter grades will be distributed as follows, based on your final course point totals. Please
note that I give "plus" and "minus" grades.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Quality Points Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>192 - 200</td>
</tr>
<tr>
<td>A</td>
<td>182 - 191</td>
</tr>
<tr>
<td>A-</td>
<td>180 - 181</td>
</tr>
<tr>
<td>B+</td>
<td>172 - 179</td>
</tr>
<tr>
<td>B</td>
<td>160 - 171</td>
</tr>
<tr>
<td>B-</td>
<td>158 - 159</td>
</tr>
<tr>
<td>C+</td>
<td>152 - 157</td>
</tr>
<tr>
<td>C</td>
<td>140 - 151</td>
</tr>
<tr>
<td>C-</td>
<td>138 - 139</td>
</tr>
<tr>
<td>D+</td>
<td>130 - 137</td>
</tr>
<tr>
<td>D</td>
<td>120 - 129</td>
</tr>
<tr>
<td>F</td>
<td>Below 120</td>
</tr>
</tbody>
</table>
Minimum Time Requirements From April 1 – April 15: The tax season is very busy during the first two weeks of April, so the VITA sites will critically need your help during this time. Therefore, each student is required to complete a minimum of 10 hours on site during this 15-day period. In other words, a student who has already reached 75 hours of site work at the end of March cannot stop their site work. Extra credit will of course be given for anything over 75 hours, but a minimum of 10 hours is necessary during the first two weeks of April. The instructor will assess a penalty on your final letter grade if this April minimum is not met, regardless of your overall point totals.

Student Assignments: Please note that students may be required to go to site locations that are not on their preferred list. The final determination of assignments is based on the needs of the public at the VITA site locations. Students who are at sites where taxpayer activity is low may be required to go to other sites. Assignments will remain, however, within the days and times that you have indicated you are available. You will not be asked to miss another class or miss work to complete your 75 hours.

Sign-In Time Sheets at IRS VITA sites: Each VITA site coordinator will require that you sign in with them on their sign-in time sheets. This will provide the necessary documentation of your hours worked. You may be working at more than one VITA site so your time sheets are the only way to have proper documentation of the times you were at VITA sites. At the end of each month please provide me with a total of the hours you have worked at each site and on which days and times. Please use the Excel spreadsheet provided at CANVAS. Verification of the time with the site coordinators will be done, so make sure you sign their time books.
INTERNAL REVENUE SERVICE
VITA PROGRAM

USFSP Student Tax Preparer Professional Requirements

By enrolling in the USFSP VITA Practicum the student agrees to adhere to the following rules for professional conduct and ethical behavior while performing tasks at the VITA sites. Failure to abide by these rules subjects the student to administrative withdrawal from the course.

Roles:

Provide free tax return preparation for eligible taxpayers. To establish the greatest degree of public trust, interns have a responsibility to provide high quality service and uphold the highest of ethical standards. As a representative of USFSP to the public you should act in a professional manner at all times.

Tasks:

- Attend tax law training and certification as needed, including the use of electronic filing software.
- Successfully pass a test on required tax law knowledge.
- Provide high-quality assistance to all customers. Directly prepare customer’s return based on information provided by customer or answer tax related questions.
- Interview customer to determine if all income, deductions and allowable credits are claimed.
- Prepare only those tax returns for which training and certification were provided.
- Prepare tax returns using electronic filing software.
- Refer customers with complex returns to the IRS Web site or help number, or to a tax practitioner or firm. However, volunteers should never refer customers to a specific practitioner or firm.
- Identify all returns with the Site Identification Number assigned to your site.
- Ensure no compensation of any kind is accepted for the volunteer services provided.
- Maintain confidentiality of customer information.
- Ensure on-site quality review is performed on completed returns prior to being returned to customer.
- Ensure a copy of the completed return is provided to the customer.
- Adhere to Title VI by not denying service to anyone based on race, color, sex, age, national origin or disability.

Skills:

- Basic computer skills for inputting tax return information.
- Tax training and certification will be provided as needed.
- Willingness to share time, skills and interests: students should contribute at least 75 hours at a free tax preparation site from approximately mid-January through April 15.
- Pride in performing tasks completely and accurately.
- Deal with the public in a helpful and supportive manner, including interviewing skills. Interviewing skills training will be provided as needed.
- Friendly, dependable and flexible.
JAMES A. FELLOWS, Ph.D, CPA  
August 2014

UNIVERSITY ADDRESS

College of Business  
University of South Florida St. Petersburg  
140 Seventh Avenue South  
St.Petersburg, Florida 33701  
Phone: (727) 873-4587  
Fax: (727) 873-4192  
E-mail: fellows@mail.usf.edu

HOME ADDRESS

1239 45th Avenue North  
St.Petersburg, Florida 33703-4405

CURRENT POSITION

Professor of Accounting  
College of Business Administration  
The University of South Florida St. Petersburg

MILITARY EXPERIENCE

Highest Rank Held: Staff Sergeant

EDUCATION

Ph.D, Louisiana State University, 1977.  
Primary Fields: Public Finance; Monetary Policy; Statistical Methods  
Major: Economics

Major: Economics

M.S., Florida International University, 1981.  
Major: Accounting

B.S., University of Tampa, 1979.  
Major: Accounting

B.A., University of Miami, 1968.  
Major: History

PROFESSIONAL CERTIFICATION

Certified Public Accountant, State of Florida

PRIMARY TEACHING AREA

Taxation

SECONDARY TEACHING AREA

Business Economics
MAJOR PROFESSIONAL EXPERIENCE

Program Coordinator, College of Business, USF-St.Petersburg; August, 1993 - August 1998
Professor, University of South Florida; since August 1991
Associate Professor, University of South Florida; August, 1985 - August, 1991
Assistant Professor, University of South Florida; August, 1982 - August, 1985
Tax Specialist; Taylor, Edenfield, Gilliam and Wiltshire, Certified Public Accountants, Fort Myers, Florida; May, 1980 - August, 1982
Assistant Professor of Economics; University of Tampa; August, 1976 to May, 1980

PROFESSIONAL MEMBERSHIPS

Florida Institute of Certified Public Accountants (FICPA)
Beta Gamma Sigma Academic Honorary
American Association of University Professors

PROFESSIONAL HONORS

Bank of America Professor, USF St. Petersburg, 2009-2011
Recipient of the 2005 Florida Institute of CPAs Outstanding Accounting Educator Award
Visiting Scholar, University of Brighton (UK), March, 1999
Visiting Scholar, University of Paris, March, 1998
Florida Progress Endowed Chair in Business Administration,
University of South Florida-St.Petersburg, August, 1995 - August, 1998
Recipient of 1994 and 1997 Teaching Award (TIP) as Outstanding Professor, University of South Florida-St.Petersburg
Recipient of the 1995 annual Max Block Award, presented by the New York State Society of CPAs for A Conceptual Analysis of the Flat Tax, voted the best article in the The CPA Journal during 1995.

EDITORIAL BOARD MEMBERSHIPS

Real Estate Law Journal: Member of Board of Contributors

PUBLISHED BOOKS

The Taxation of Sole Proprietors, 1996-7 editions
Publisher: Unicorn Research Corporation. (Sole Author)

Publisher: Unicorn Research Corporation. (Sole Author)

Federal Taxation Series1995-8 Editions:
(Contributing Author): Publisher: Dame Publications, Inc.
PUBLISHED JOURNAL ARTICLES—REFEREED:

All publications listed in this section were unsolicited manuscripts subject to a peer review process (refereed). AACSB designations shown in bold for all articles starting in Summer 2009.


Tax Law and National Health Care: An Analysis of the New Medicare Tax on Investment Earnings, FRANKLIN BUSINESS AND LAW JOURNAL, Volume 2013, Issue 2 (Summer 2013), pp. 149-158. AIS. Unranked Peer-Reviewed Journal


Mortgage Fraud: Current Trends and Issues, co-authored with Nicole Forbes Stowell and Katherine Barker Cagwin, REAL ESTATE ISSUES, Volume 37, Numbers 2 and 3 (joint issue), Fall 2012, pp. 42-50. AIS. Unranked Peer Review Journal


HSN, Inc.: Weathering the Retail Storm, co-authored with Alexander Assouad and William T. Jackson, JOURNAL OF THE INTERNATIONAL ACADEMY FOR CASE STUDIES, Volume 17, Number 1, Spring 2011, pp. 121-130. [The instructor notes were published in the same journal, Volume 17, Number 2, Summer 2011, pp. 105-119.] AIS. C-level journal ranking


Case Study: 1031 Exchanges—The Promise and the Pitfalls, co-authored with Wesley J. Linkovich, Vicki M. Linkovich, and John F. Jewell, REAL ESTATE REVIEW, Volume 38, Number 2, Summer 2009, pp. 23-38. AIS. C-level Journal ranking
PUBLISHED JOURNAL ARTICLES: NON-REFEREED: NON-PEER REVIEWED

The following were all invited articles and not subject to a peer-review process. All articles listed in this section were sole-authored, in my role as a member of the Board of Contributing Editors for the Real Estate Law Journal. All the articles listed here will be AIS. Although the articles are not peer-reviewed the Real Estate Law Journal is ranked as an A-/B+ journal by the Washington and Lee Law Review Journal Rankings.

A Novel Case from the Home and Hearth: Sale of an Equity Interest and a Casualty Loss, REAL ESTATE LAW JOURNAL, Volume 43, Number 1, Summer 2014, pp. 56-63.


Rental Losses and the Real Estate Professional, REAL ESTATE LAW JOURNAL, Volume 42, Number 3, Winter 2013, pp. 373-383.

Property Transactions and Related Parties: Current Developments from the Tax Court, Volume 42, Number 2, Fall 2013, pp. 229-239.

Real Estate Investments and the Additional Medicare Tax, REAL ESTATE LAW JOURNAL, Volume 42, Number 1, Summer 2013, pp. 92-104.

Something Old and Something New: Recent Decisions by the Tax Court Confirm Earlier Precedents, REAL ESTATE LAW JOURNAL, Volume 41, Number 4, Spring 2013, pp. 499-508.


Rental Property as Personal Use or Investment Property: Recent Tax Court Decisions, REAL ESTATE LAW JOURNAL, Volume 41, Number 2, Fall 2012, pp. 198-209.

Tax Consequences from Foreclosures and Debt Modifications, REAL ESTATE LAW JOURNAL, Volume 41, Number 1, Summer 2012, pp. 87-89.

Tax Consequences from Property Sales Revisited, REAL ESTATE LAW JOURNAL, Volume 40, Number 4, Spring 2012, pp. 479-487.

To be a Capital Asset or Not: To Be a Capital Expenditure or Not: That is the Question, REAL ESTATE LAW JOURNAL, Volume 40, Number 3, Winter 2011, pp. 399-408.

Property Transfers Pursuant to Divorce and Separation, REAL ESTATE LAW JOURNAL, Volume 40, Number 2, Fall 2011, pp. 218-228.

Sales and Donations of a Personal Residence, REAL ESTATE LAW JOURNAL, Volume 40, Number 1, Summer 2011, pp. 80-89.
Transfers of Property: Recent Decisions from the Tax Court, REAL ESTATE LAW JOURNAL, Volume 39, Number 4, Spring 2011, pp. 507-17.


Recent Decisions from the Tax Court: Passive Losses and Casualty Losses Revisited, REAL ESTATE LAW JOURNAL, Fall 2010, Volume 39, Number 2, pp. 181-191.

Bargain Sales of Property to Tax-Exempt Organizations: A Novel Case from the Tax Court, REAL ESTATE LAW JOURNAL, Summer 2010, Volume 39, Number 1, pp. 89-99.


Casualty Losses from Real Estate Troubles: Recent Vintage from the Tax Court, REAL ESTATE LAW JOURNAL, Fall 2009, Volume 38, Number 2, pp. 203-213.

Real Estate Partnerships and Passive Losses Redux, REAL ESTATE LAW JOURNAL, Summer 2009, Volume 38, Number 1, pp. 75-86.
Defining Competence and Competency Units

Western Governors University

Western Governors University (WGU) is a pioneer in competency-based higher education and is one-of-a-kind in its national scope and integration of standards. We believe in a competency-based approach to education that is not based on the completion of required courses or Carnegie units (so-called “seat-time”). Instead, we base successful program completion on a variety of assessment instruments by which students may demonstrate their competence in a specified set of knowledge, skill, attitude, and performance indicators. As a competency-based university, WGU awards competency units (CUs), rather than semester or credit hours, for all courses of study. One CU is the equivalent, in learning, of one semester hour of seat time. While WGU does not measure seat time, the following summarizes the assignment of CUs to courses of study: At the undergraduate level, one CU results from course of study work that would typically engage students for two weeks of full-time study. At the graduate level, one CU results from, on average, three weeks of full-time course of study engagement. Students who enter with a good background in the subject matter can, of course, accelerate through the course material. To ensure the proper assignment of CUs, WGU has created a CU Algorithm. This algorithm has been presented to and accepted by the USDOE, regional and other accrediting bodies (NWCCU; NCATE; CCNE; CAHIIM), states (for program approval and license to operate), and other universities (for transfer of credits).

Earning a Western Governors University (WGU) degree is based on a student’s demonstration of competency. For purposes of definition and in the simplest terms, competency may be thought of as possessing the knowledge, skills, and abilities to perform at the appropriate level for the degree being awarded. In a traditional educational system, grades are based on individually-developed curricula and objectives created by individual course instructors; as a result, the means and criteria of evaluation typically vary from instructor to instructor. In a competency-based system such as WGU’s, the student demonstrates progression through mastery of multi-dimensional assessments built to measure uniform statements of competence.

WGU’s comprehensive approach to competency-based education provides evidence, collected through rigorous assessment during all phases of our programs, to ensure that our students are fully competent. We define competency in terms of domains of knowledge and skill. Subject matter experts draw upon a variety of resources such as practical experience, job task analysis, published standards, and other research to define competence. Early on, WGU developed a methodology for ensuring close alignment for content and pedagogy between its programs and key national, state, and professional standards, commonly used national exams, and research data.
<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Number</th>
<th>Course Title</th>
<th>CUs</th>
<th>Course Description</th>
<th>Prerequisite Courses</th>
</tr>
</thead>
<tbody>
<tr>
<td>C248</td>
<td>ACCT 3610</td>
<td>Intermediate Accounting I</td>
<td>3</td>
<td>Intermediate Accounting I is the first of two courses encompassing more advanced accounting concepts. The course offers a more comprehensive treatment of concepts learned in the Fundamentals of Accounting course, and covers accounting standards, the conceptual accounting framework, preparation of selected financial statements, time value of money, receivables, fixed assets, intangible assets, and both long- and short-term liabilities.</td>
<td>Financial Accounting I; Financial Accounting II; Managerial Accounting</td>
</tr>
<tr>
<td>C249</td>
<td>ACCT 3620</td>
<td>Intermediate Accounting II</td>
<td>3</td>
<td>Intermediate Accounting II is the second of two intermediate accounting courses. This course provides a more comprehensive treatment of concepts learned in Fundamentals of Accounting and covers stockholders' equity, dilutive securities, investments, revenue recognition, accounting for income taxes, pensions and post-retirement benefits, leases, financial disclosures, and the preparation of the statement of cash flows.</td>
<td>Intermediate Accounting I</td>
</tr>
<tr>
<td>C237</td>
<td>ACCT 3630</td>
<td>Taxation I</td>
<td>3</td>
<td>This course will provide a general introduction to taxation in the United States. It focuses on the taxation of individuals and it will guide you through the steps of preparing individual income tax returns. It will also introduce the fundamentals of conducting research on tax-related issues. By the end of this course, you will be able to prepare an individual income tax return and use tax research tools to conduct basic tax research.</td>
<td>Intermediate Accounting II</td>
</tr>
<tr>
<td>C242</td>
<td>ACCT 3640</td>
<td>Accounting Information Systems</td>
<td>3</td>
<td>This course introduces a variety of accounting information systems and internal controls necessary for effective systems. Students will learn how to document and evaluate the process flows of accounting information systems, evaluate internal controls within accounting systems, and use QuickBooks Online.</td>
<td>Information Systems Management; Cost and Managerial Accounting</td>
</tr>
<tr>
<td>C250</td>
<td>ACCT 3660</td>
<td>Cost and Managerial Accounting</td>
<td>3</td>
<td>The Cost and Managerial Accounting course will cover managerial accounting as part of the information managers' use for planning and controlling operations. It prepares students to consider cost behavior and employ various cost methods. Job-order costing, process costing, and activity-based costing methods will be covered, along with cost-benefit analysis, standard costing, variance analysis, and cost reporting.</td>
<td>Intermediate Accounting II</td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Number</td>
<td>Course Title</td>
<td>CUs</td>
<td>Course Description</td>
<td>Prerequisite Courses</td>
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<tr>
<td>C238</td>
<td>ACCT 4620</td>
<td>Taxation II</td>
<td>3</td>
<td>This course focuses on the taxation of business entities, including corporations, partnerships, and LLCs. Important taxation concepts and skills discussed in this course include tax reporting, planning, and research skills applicable to a variety of business contexts. The activities you will complete for this course emphasize the role of taxes in business decisions and business strategy.</td>
<td>Taxation I</td>
</tr>
<tr>
<td>C241</td>
<td>ACCT 4650</td>
<td>Business Law for Accountants</td>
<td>3</td>
<td>This course focuses on those areas of the law that traditionally impact accounting-related and business transaction-related decision functions. The course represents the legal and accounting concepts governing the conduct of business in the United States. It will cover laws and regulations relevant to business operations.</td>
<td>Legal Issues for Business Organizations; Ethical Situations in Business; Fundamentals of Business Law and Ethics</td>
</tr>
<tr>
<td>C240</td>
<td>ACCT 4800</td>
<td>Auditing</td>
<td>3</td>
<td>This course will walk you through the auditing process, including planning, conducting, documenting, and reporting an audit. You will also learn the roles and professional standards of public accountants. This course is designed to help you study for the CPA exam and develop essential skills for real-world experience.</td>
<td>Intermediate Accounting II; Taxation II; Accounting Information Systems; Business Law for Accountants</td>
</tr>
<tr>
<td>C251</td>
<td>ACCT 4900</td>
<td>Accounting Capstone</td>
<td>3</td>
<td>This course is the culminating assessment of the accounting curriculum and requires students to synthesize core knowledge from across the degree program and apply accounting skills to benefit an organization. Students will be asked to work with case studies to address accounting challenges.</td>
<td>All prior accounting courses</td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Title</td>
<td>CUs</td>
<td>Course Description</td>
<td>Prerequisite Courses</td>
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<tr>
<td>BNC1</td>
<td>Organizational Behavior and Leadership</td>
<td>3</td>
<td>Organizational Behavior and Leadership explores how to lead and manage effectively in diverse business environments. Students are asked to demonstrate the ability to apply organizational leadership theories and management strategies in a series of scenario-based problems.</td>
<td>Principles of Management</td>
<td></td>
</tr>
<tr>
<td>QAT1</td>
<td>Quantitative Analysis for Business</td>
<td>6</td>
<td>Quantitative Analysis for Business explores various decision-making models, including simulation models, linear programming models, and inventory models. In addition, students develop project schedules using the PERT/CPM (Program Evaluation and Review Technique / Critical Path Method).</td>
<td>College Algebra, Introduction to Probability and Statistics</td>
<td></td>
</tr>
<tr>
<td>MGC1</td>
<td>Principles of Management</td>
<td>4</td>
<td>Principles of Management addresses strategic planning, total quality, entrepreneurship, conflict and change, human resource management, diversity, and organizational structure.</td>
<td>Elements of Effective Communication</td>
<td></td>
</tr>
<tr>
<td>EZC1</td>
<td>Finance</td>
<td>3</td>
<td>This course covers the theory, methods, and concerns of business finance, including financial management and profit maximization of a business enterprise. You will evaluate the performance and value of a firm, employ time value of money to solve common financial problems, and make corporate investment decisions using capital budgeting.</td>
<td>Managerial Accounting</td>
<td></td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Title</td>
<td>CUs</td>
<td>Course Description</td>
<td>Prerequisite Courses</td>
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<tr>
<td>DAC1</td>
<td>Information Systems Management</td>
<td>3</td>
<td>This course provides an overview of the many facets of information systems applicable to businesses. As you examine the programming languages, methods of system development and implementation, networks, databases, and hardware and software used by IT professionals, you will be able to show how these tools securely facilitate e-commerce, decision support, and communication in a global marketplace. In short, you will learn to view IT as a strategic partner in your company.</td>
<td>Principles of Management</td>
<td></td>
</tr>
<tr>
<td>FVC1</td>
<td>Global Business</td>
<td>3</td>
<td>This course provides an introduction to global business. The advantages of global production and the benefits of trade are critical aspects of global business. Many factors influence global business, such as transparency, geography, corruption, intellectual property protections, outsourcing and off-shoring, operation management, and generally accepted accounting principles.</td>
<td>Microeconomics</td>
<td></td>
</tr>
<tr>
<td>RWT1</td>
<td>Business Research and Writing</td>
<td>2</td>
<td>Business Research and Writing prepares students in the areas of researching, evaluating, interpreting, and presenting information. Students will explore the mediums of business reports and business presentations, and prepare projects to apply their knowledge of business communication.</td>
<td>English Composition II, Elements of Effective Communication</td>
<td></td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Title</td>
<td>CUs</td>
<td>Course Description</td>
<td>Prerequisite Courses</td>
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<tr>
<td>C268</td>
<td>Spreadsheets</td>
<td>3</td>
<td>The Spreadsheets course will help students become proficient in using spreadsheets to analyze business problems. Students will demonstrate competency in spreadsheet development and analysis for business/accounting applications (e.g., using essential spreadsheet functions, formulas, charts, etc.)</td>
<td>Information Systems Management</td>
<td></td>
</tr>
<tr>
<td>MKC1</td>
<td>Fundamentals of Marketing and Business Communication</td>
<td>6</td>
<td>In today's business world, every act is a marketing act because each person's activities affect the overall customer experience at some level. For that reason, it is critical for employees on every level to understand how marketing fits into their organizations. While you may or may not be on the marketing career ladder, the understanding you will gain from this course will help you communicate more effectively wherever you work. It will also help you understand, if you do not already, how almost every act in business is a marketing act.</td>
<td>Principles of Management, Elements of Effective Communication</td>
<td></td>
</tr>
<tr>
<td>TPV1</td>
<td>Project Management</td>
<td>6</td>
<td>Project Management focuses on skills and concepts students need to know to plan and implement projects. The project initiation and planning process is covered in-depth, culminating in the creation of a project schedule. Learning how to manage business concerns such as cost and risk is balanced by thorough coverage of best practices in managing people and resources. Students will also learn how to manage change and the steps necessary in closing a project.</td>
<td>Quantitative Analysis, Principles of Management, Finance</td>
<td></td>
</tr>
<tr>
<td>Business Law/Ethics</td>
<td>Course Code</td>
<td>Course Title</td>
<td>CUs</td>
<td>Course Description</td>
<td>Prerequisite Courses</td>
</tr>
<tr>
<td>---------------------</td>
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<tr>
<td></td>
<td>LWC1</td>
<td>Fundamentals of Business Law and Ethics</td>
<td>6</td>
<td>Fundamentals of Business Law and Ethics prepares students to have an understanding of business law and ethics. Topics include contractual relationship, government regulation of business, dispute resolution, labor and employment law, the Sarbanes-Oxley Act, and ethical issues in business.</td>
<td>Principles of Management</td>
</tr>
<tr>
<td></td>
<td>LIT1</td>
<td>Legal Issues for Business Organizations</td>
<td>3</td>
<td>Legal Issues for Business Organizations addresses labor and employment laws found in common business scenarios. Students will analyze examples of various business activities to learn whether they violate specific labor and employment laws.</td>
<td>Fundamentals of Business Law and Ethics</td>
</tr>
<tr>
<td></td>
<td>EST1</td>
<td>Ethical Situations in Business</td>
<td>3</td>
<td>Studying business ethics takes on relevance and immediacy that requires careful attention and effort to create an ethical environment that is good for businesses, employees, and society as a whole. Once you've successfully completed this course of study, you should be able to determine ethical and socially responsible courses of action in a given business situation and be able to develop an appropriate and comprehensive ethics program for a given business venture.</td>
<td>Fundamentals of Business Law and Ethics</td>
</tr>
</tbody>
</table>
This course supports the assessment for Intermediate Accounting I. The course covers 6 competencies and represents 3 competency units.

Introduction

Overview
Intermediate Accounting I is the first of two courses encompassing more advanced accounting concepts. The course offers a more comprehensive treatment of concepts learned in the Fundamentals of Accounting course, and covers accounting standards, the conceptual accounting framework, preparation of selected financial statements, time value of money, receivables, fixed assets, intangible assets, and both long- and short-term liabilities.

Competencies
This course provides guidance to help you demonstrate the following 6 competencies:

- **Competency 3610.1.1: Accounting Standards**
  The graduate explains the scope and purpose of accounting standards.

- **Competency 3610.1.2: Conceptual Framework**
  The graduate uses the conceptual framework for accounting.

- **Competency 3610.1.3: Income Statement and Balance Sheet**
  The graduate prepares an income statement and balance sheet.

- **Competency 3610.1.4: Time Value of Money**
  The graduate applies the time value of money concept.

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

- **Competency 3610.1.6: Liabilities**
  The graduate accounts for liabilities.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success
The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**WileyPlus**

The following textbook is available to you as an e-text within this course. You will access WileyPlus for activities associated with this course.


You will access WileyPlus for activities associated with this course.

- [Intermediate Accounting](#)

WileyPlus has additional student resources that will not be assigned for this course but will be beneficial for you to review. These additional resources may include, depending on the assigned topic: flashcards, crossword puzzles, short answer questions, additional practice problems and exercises, narrated PowerPoint for each chapter that explains key concepts, and additional practice questions. You are strongly encouraged to review additional resources to gain a greater understanding of the content.

**Pacing Guide**

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- [Pacing Guide: Intermediate Accounting I](#)

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Accounting Standards**
Accounting standards explains the objectives of financial reporting, the role of accounting information in the efficient use of scarce resources, and the need of accounting standards. Also identified are the four major financial statements in financial reporting and descriptions of various users of financial statements. Additionally, the role of various entities in setting accounting standards, the accounting standards setting process and the Financial Accounting Standards Board (FASB) Codification Framework are discussed. An explanation of and the purpose for Generally Accepted Accounting Principles (GAAP) is detailed along with the major types of FASB pronouncements, challenges and issues associated with financial reporting.

Financial Statements

After completing this section, you will be able to describe the objectives of financial reporting, various users of financial statements, explain the need for accounting standards, and identify the four major financial statements.

This topic addresses the following competency:

- **Competency 3610.1.1: Accounting Standards**
  The graduate explains the scope and purpose of accounting standards.

This topic highlights the following objectives:

- Describe the objective of financial reporting.
- Describe how various stakeholders will use financial statements
- Explain the need for accounting standards.
- Describe the purpose of the four major financial statements.
- Explain how accounting assists in the efficient use of scarce resources.

Read, View, and Apply: Chapter 1A

This reading covers the role of accounting information in asset allocation, the objective of financial reporting, and the need of accounting standards.

When you read the assignment, pay attention to the following key concepts:

- objectives of financial reporting
- need for accounting standards

Read, View, and Apply:
Access WileyPlus; read, view and complete the associated activities with Chapter 1, “Financial Accounting and Accounting Standards”

- Chapter 01A Readings and Resources
  - Narrated PowerPoint Review
  - Chapter Opener
  - Financial Statements and Reporting
Accounting Standards
This topic will help you to describe the role of various entities in setting accounting standards and acquire knowledge of the accounting standards setting process. Additionally, the material covered helps you to gain an understanding of the FASB Codification Framework and the purpose of GAAP. After completing the activities below, you should be able to explain the purpose of GAAP, identify major types of FASB pronouncements, challenges and issues associated with financial reporting.

This topic addresses the following competency:

- **Competency 3610.1.1: Accounting Standards**
  The graduate explains the scope and purpose of accounting standards.

This topic highlights the following objectives:

- Describe the role of entities involved in setting accounting standards.
- Describe the process by which accounting standards are set.
- Identify major types of FASB Pronouncements.
- Explain the purpose of GAAP.
- Describe the FASB Codification Framework.
- Identify challenges and issues associated with financial reporting.

**Read, View, and Apply: Chapter 1B**

This reading covers the role of various parties involved in standard-setting, GAAP, the FASB Codification System, and issues in financial reporting. In addition, the discussion includes accounting standards setting process for both GAAP and international accounting standards (IFRS), and the convergence between the two.

When you read the assignment, pay attention to the following key concepts:

- role of various parties involved in standard-setting
- Generally Accepted Accounting Principles (GAAP)
- FASB Codification System
- issues in financial reporting
- IFRS and its setting process
- convergence of IFRS with GAAP

**Read, View, and Apply**
Access WileyPlus: read, view and complete the associated activities with Chapter 1, “Financial Accounting and Accounting Standards”

- Chapter 01B (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 1 (if you have not done so already)
Conceptual Framework

The conceptual framework is the foundation of financial reporting, as it guides the development of accounting standards. This subject explains the need of the conceptual framework, the objectives of financial reporting, qualitative characteristics of accounting information, basic elements of financial statements, and basic assumptions and principles of accounting. Additionally, the discussion compares the conceptual frameworks underlying GAAP and IFRS.

Building the Conceptual Framework

After reviewing the assigned material, you will be able to explain the conceptual framework that guides accounting standards by examining the need of the conceptual framework, describing the objective of financial reporting, the qualitative characteristics of accounting information, basic elements of financial statements, and basic assumptions and principles of accounting. You will also be able to compare the conceptual frameworks underlying GAAP and IFRS.

This topic addresses the following competency:

- **Competency 3610.1.2: Conceptual Framework**
  The graduate uses the conceptual framework for accounting.

This topic highlights the following objectives:

- Explain the need for a conceptual framework.
- Describe the qualitative characteristics of accounting information.
- Describe the basic elements of financial statements.
- Define the basic assumptions and principles of accounting.
- Compare the conceptual frameworks underlying GAAP and IFRS.

Read, View, and Apply: Chapter 2

This assignment covers the objective of financial reporting, qualitative characteristics of accounting information, basic elements of financial statements, and recognition and measurement. Basic assumptions, basic principles of accounting, and constraints, and the conceptual framework underlying IFRS are areas covered by the discussion.

When you read the assignment, pay attention to the following key concepts:

- need of the conceptual framework
- objectives of financial reporting
- qualitative characteristics of accounting information
- recognition and measurement
- basic principles of accounting
- constraints in providing accounting information
- conceptual framework underlying IFRS

Read, View, and Apply
Access WileyPlus: read, view and complete the associated activities with Chapter 2, "Conceptual Framework for Financial Reporting"

- Chapter 02 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 2
  - Chapter Opener
  - Conceptual Framework
  - First Level: Basic Objective
  - Second Level: Fundamental Concepts
  - Third Level: Recognition and Measurement Concepts
  - IFRS: Insights
  - Study Guide: Chapter 2 (optional)
- View the assigned videos to further understand application concepts of various accounting topics. Review the assigned videos that demonstrate 1) how to understand the conceptual framework and objective of financial reporting, 2) how to identify accounting assumptions, principles, and constraints, and 3) basic elements of financial statements.
  - Applied Skills Video 1: How to identify accounting assumptions, principles, and constraints
  - Applied Skills Video 2: How to identify basic elements of financial statements
  - Applied Skills Video 3: How to understand the conceptual framework and objectives of financial reporting
- Chapter 02 (b) Exercises
- Chapter 02 (c) Practice Questions
- Chapter 02 (d) Self-Assessment Quiz

Income Statement and Balance Sheet

The income statement and balance sheets are two of the most important financial statements of the four major financial statements. The income statement provides information regarding the financial performance of companies for a given period of time, while the balance sheet help users to measure the financial position of companies by reporting the assets, liabilities, and stockholders’ equity on a specific date. This subject covers the recognition of the elements and the preparation of the income statement. It also covers the major elements, classification, and preparation of the balance sheet.

Preparing an Income Statement
The income statements provide the financial information to measure success of the operations of companies for a given period of time. After studying this topic you should be able to describe
the elements and structure of the income statement, explain how to report special items in the income statement, and prepare an income statement. In addition, you will be able to explain how to present the earnings per share information on the income statement.

This topic addresses the following competency:

- **Competency 3610.1.3: Income Statement and Balance Sheet**
  The graduate prepares an income statement and balance sheet.

This topic highlights the following objectives:

- Describe the elements of the income statement.
- Describe the structure of income statements.
- Explain how to report unusual or irregular items in income statements.
- Explain how the earnings per share information is presented on the income statement.
- Explain how accounting changes and errors are reported.
- Explain how to report other comprehensive income.
- Prepare the income statement.
- Compare GAAP and IFRS standards for income statement presentation.

**Read, View, and Apply: Chapter 4**

The readings below cover the usefulness and limitations of the income statement and the format of the income statement and reporting irregular items. In addition, this reading assignment includes the presentation of earnings per share, and income statement reporting issues under IFRS.

When you read the assignment, pay attention to the following key concepts:

- usefulness of income statements
- limitation of income statements
- format of income statements (single step and multiple step)
- reporting irregular items
- earnings per share
- income statement reporting issues under IFRS

**Read, View, and Apply**

Access [WileyPlus](https://www.wileyplus.com): read, view and complete the associated activities with Chapter 4, "Income Statement and Related Information"

- Chapter 04 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 4
  - Chapter Opener
  - Format of the Income Statement
  - Reporting Various Income Items
  - Other Reporting issues
  - IFRS: Insights
○ Study Guide: Chapter 4 (optional)
  ● View the assigned videos to further understand application concepts of various accounting topics. Review the assigned videos that demonstrate how to structure income statements using single-step and the multiple step format, how to compute earnings per share, how to report other comprehensive income on the financial statements.
    ○ Solution Walkthrough Video, Chapter 4 Exercise 2: *How to structure and report unusual items in income statement*
    ○ Applied Skills video: *How to structure an Income statement using the single-step format and the multiple step format*
    ○ Applied Skills video: *How to compute earnings per share*
    ○ Applied Skills video: *How to report other comprehensive income on the financial statements*
  ● Chapter 04 (b) Exercises
  ● Chapter 04 (c) Practice Questions
  ● Chapter 04 (d) Self-Assessment Quiz

**Preparing the Balance Sheet**

A balance sheet can help accountants measure the financial position of companies by reporting the assets, liabilities, and stockholders’ equity on a specific date. This topic covers the usefulness, limitations, and the major classifications of the balance sheet. After reviewing this topic, you will be able to explain the usefulness of balances and how to report the balance sheet. In addition, you will be able to explain balance sheet reporting issues under IFRS.

This topic addresses the following competency:

○ **Competency 3610.1.3: Income Statement and Balance Sheet**
  The graduate prepares an income statement and balance sheet.

This topic highlights the following objectives:

- Explain the usefulness and limitations of the balance sheet.
- Identify the major classifications of the balance sheet.
- Explain how current assets are reported and valued on the balance sheet.
- Describe how non-current assets are presented on the balance sheet.
- Identify examples of the classification of liabilities.
- Describe the components of the owner's equity section of the balance sheet.
- Prepare a balance sheet.
- Compare GAAP and IFRS standards for balance sheet presentation.

**Read, View, and Apply: Chapter 5**

This reading assignment includes the usefulness, limitations, and major classifications of a balance sheet. The topic also covers how to report a balance sheet and balance sheet reporting under IFRS.
When you read the assignment, pay attention to the following key concepts:

- usefulness of the balance sheet
- limitations of the balance sheet
- classification of the balance sheet
- balance sheet reporting issues under IFRS

Read, View, and Apply
Access WileyPlus: read, view and complete the associated activities with Chapter 5, “Balance Sheet and Statement of Cash Flows”

- Chapter 05 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 5
  - Chapter Opener
  - Balance Sheet
  - IFRS: Insights
  - Study Guide: Chapter 5 (optional)
- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to identify major classifications of balance sheets, how to prepare the current assets sections of balance sheets, and how to prepare a balance sheet.
  - Solution walkthrough video: Chapter 5, Exercise 1: How to Prepare the Balance Sheet
  - Applied skills video: How to Identify Major Classifications of the Balance Sheet
  - Applied skills video: How to Prepare the Current Assets Sections of the Balance Sheet
  - Applied skills video: How to Prepare the Balance Sheet

- Chapter 05 (b) Exercises
- Chapter 05 (c) Practice Questions
- Chapter 05 (d) Self-Assessment Quiz

Time Value of Money

The time value of money concept states that a dollar received today is worth more than a dollar promised at some time in the future, which is very important in financial reporting because many elements of financial statements that are measured and reported at the present value of expected cash flows. This subject covers present value techniques, which have many applications in accounting.

Time Value of Money

At the start of a company’s existence, the measurement of its assets and liabilities are less complex, however, when time has passed, the measurement of assets and liabilities are not simple because the values of assets change. Financial reporting uses different measurements in different situations. More elements of financial statements are required to be reported at fair value. The present value using time value of money represents an estimate of fair value. After
reviewing this topic, you will be able to identify accounting topics where the time value of money is relevant and how to compute present value in various situations.

This topic addresses the following competency:

- **Competency 3610.1.4: Time Value of Money**
  The graduate applies the time value of money concept.

This topic highlights the following objectives:

- Identify accounting topics where the time value of money is relevant.
- Define the variables in interest computations.
- Distinguish between simple and compound interest.
- Explain how to use the various compound interest tables.
- Solve various time value of money problems.

**Read, View, and Apply: Chapter 6**

This assignment covers basic time value concepts, present value computation with single sum, ordinary annuity, and annuity due. The topic also covers more complex situations like valuation of long term bonds. In addition, the reading assignment includes another way to measure present value as an estimate of fair value, an anticipated cash flow approach.

When you read the assignment, pay attention to the following key concepts:

- nature of interest
- simple interest
- compound interest
- future value
- present value
- ordinary annuity
- annuity due
- expected cash flow approach

**Read, View, and Apply**

Access [WileyPlus](#): read, view and complete the associated activities with Chapter 6, "Accounting and the Time Value of Money"

- Chapter 06 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 6
  - Chapter Opener
  - Basic Time Value Concepts
  - Single-Sum Problems
  - Annuities
  - Study Guide: Chapter 6 (optional)
- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to solve various time value of money problems using compound interest tables.
  - Solution walkthrough video: Chapter 6, Exercise 1
  - Solution walkthrough video: Chapter 6, Exercise 2
  - Solution walkthrough video: Chapter 6, Exercise 3
- Chapter 06 (b) Exercises
- Chapter 06 (c) Practice Questions
- Chapter 06 (d) Self-Assessment Quiz

### Assets

Assets are defined as probable future benefits obtained or controlled by a company as a result of past transactions or events. It sounds straightforward, but there are many challenging issues to measuring assets and reporting them on a balance sheet. In addition, different types of assets are to be measured differently, which results in more challenges in reporting assets. This subject covers various assets and their measurements and reporting issues.

### Cash and Receivables

Cash and cash equivalents are the most liquid assets. The company needs to have cash to pay its suppliers and various expenses. Receivables are claims held against customers and others for money, goods, or services. This topic covers how to report cash-related items and receivables. After reviewing this topic, you will be able to report cash and cash-related items, recognize receivables with various discounts, and value receivables when collectability is uncertain. You will also be able to value notes receivables and report the disposition of receivables.

This topic addresses the following competency:

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

This topic highlights the following objectives:

- Describe how to report cash and related items.
- Define the different types of receivables.
- Explain how accounts receivables are valued.
- Record write-offs and recovery of an uncollectable account.
- Explain how notes receivable are valued and recorded.
- Describe the disposition of accounts and notes receivable.
- Describe the differences between GAAP and IFRS as they apply to cash and receivables.

**Read, View, and Apply: Chapter 7**
This topic covers reporting cash, recognition of receivables, and valuation of receivables. The discussion covers fair value option for receivables, disposition of receivables, cash and receivables reporting issues under IFRS.

When you read the assignment, pay attention to the following key concepts:

- cash and cash related items
- recognition of accounts receivables
- valuation of accounts receivables
- recognition of notes receivables
- valuation of notes receivables
- fair value option
- disposition of accounts and notes receivables

Read, View, and Apply

Access WileyPlus: read, view and complete the associated activities with Chapter 7, “Cash and Receivables”

- Chapter 07 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 7
  - Chapter Opener
  - Cash
  - Accounts Receivable
  - Notes Receivable
  - Special Issues
  - Interactive Tutorial: Transfer of Receivables
  - IFRS: Insights
  - Study Guide: Chapter 7 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to report cash and related items on a balance sheet, how to identify different types of receivables, how to journalize various receivable transactions, how to value accounts receivables, and how to report the transfer of receivables.
  - Applied Skills Video: How to Report Cash and Related Items on a Balance Sheet
  - Applied Skills Video: How to Identify Different Types of Receivables
  - Applied Skills Video: How to Journalize Various Receivable Transactions
  - Solution walkthrough video: Chapter 7, Exercise 1: How to Report Cash and Related Items
  - Solution walkthrough video: Chapter 7, Exercise 4: How to Value Accounts Receivables
  - Solution walkthrough video: Chapter 7, Exercise 5: How to Value Accounts Receivables

- Chapter 7 (b) Exercises
- Chapter 7 (c) Practice Problems
Inventory: Cost-Based Valuation

Inventories are assets that a company holds for sale in the ordinary course of business, or goods that it will use or consume in the production of goods to be sold. Companies use two alternative inventory systems to track inventories: a perpetual and a periodic system. This topic covers what costs or goods are included in inventory, cost flow assumption to determine ending inventory and cost of goods sold, and special issues with the last in, first out (LIFO) cost flow assumption. After studying the topic, you will be able to distinguish a periodic system from a perpetual system, explain how to determine ending inventory value and cost of goods sold, and describe special issues with the LIFO cost flow assumption.

This topic addresses the following competency:

- Competency 3610.1.5: Assets
  The graduate accounts for assets.

This topic highlights the following objectives:

- Identify the major classifications of inventory.
- Describe the differences between the major inventory systems.
- Explain when goods should be included in inventory.
- Describe the effects of inventory errors on the financial statements.
- Identify examples of items that are included in the cost of inventory.
- Calculate the cost of goods sold and ending inventory based on various cost flow assumptions.
- Describe special issues with the LIFO cost flow assumption.
- Identify the impact of various cost flow assumptions used to account for inventories.

Read, View, and Apply: Chapter 8

This reading assignment covers the major classifications of inventory, the differences between the major inventory systems, the effects of inventory errors on the financial statements, items that are included in the cost of inventory, computation of cost of goods sold, ending inventory based on various cost flow assumptions, and special issues with the LIFO cost flow assumption.

When you read the assignment, pay attention to the following key concepts:

- inventory classification
- inventory systems: perpetual and periodic
- goods and costs that are included inventory
- cost flow assumptions
- special issues in LIFO
Access WileyPlus: read, view and complete the associated activities with Chapter 8, “Valuation of Inventories: A Cost-Basis Approach”

- Chapter 08 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 8
  - Chapter Opener
  - Inventory Issues
  - physical Goods Included in Inventory
  - Costs Included in Inventory
  - Which Cost Flow Assumption to Adopt
  - Special Issues Related to LIFO
  - Study Guide; Chapter 8 (optional)
- View the assigned videos to further understand application concepts of various accounting topics. Watch the interactive tutorial that demonstrates various inventory cost flow assumptions and view solution the assigned walkthrough videos that demonstrate how to determine goods and what should be included in inventory, how to compute the cost of goods sold, and ending inventory based on various cost flow assumptions.
  - Interactive Tutorial: Inventory Cost Flow
  - Solution walkthrough video: Chapter 8, Exercise 1
  - Solution walkthrough video: Chapter 8, Exercise 2
  - Solution walkthrough video: Chapter 8, Exercise 3

- Chapter 08 (b) Exercises
- Chapter 08 (c) Practice Questions
- Chapter 08 (d) Self-Assessment Quiz

**Inventory: Market or Gross Profit-Based Valuation**

Purchasing cost based inventory value may not reflect market value of inventories. This topic covers other valuation issues of inventory. After reviewing this topic, you will be able to describe the lower-of-cost or market (LCM) rule and compute inventory value using LCM rule. Also, you will be able to explain when companies report inventories at net realizable value and at relative sales value. In this topic, necessary disclosures related to the presentation of inventory in financial statements and key differences in the accounting procedures related to valuation of inventories under GAAP and IFRS are also covered.

This topic addresses the following competency:

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

This topic highlights the following objectives:

- Calculate the value of inventory by using the lower-of-cost-or-market rule.
- Determine the effect of the lower-of-cost-or-market rule.
- Explain when companies would value inventories at net realizable value.
- Explain when companies use the relative sales value method to value inventories.
- Determine ending inventory by applying the gross profit method.
- Identify necessary disclosures related to the presentation of inventory in financial statements.
- Identify key differences in the accounting procedures related to valuation of inventories under GAAP and IFRS.

Read, View, and Apply: Chapter 9

This reading assignment covers the LCM rule and computation of inventory value using the LCM rule. It also covers when companies report inventories at net realizable value and at relative sales value. In addition, the reading includes necessary disclosures related to the presentation of inventory in financial statements and key differences in the accounting procedures related to valuation of inventories under GAAP and IFRS.

When you read the assignment, pay attention to the following key concepts:

- lower-of-cost or market rule
- net realizable value
- relative sales value
- the gross profit method
- disclosures and presentation of inventory in financial statements
- key differences in the accounting procedures related to valuation of inventories under GAAP and IFRS

Read, View, and Apply
Access WileyPlus: read, view and complete the associated activities with Chapter 9, "Inventories: Additional Valuation Issues"

- Chapter 09 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 9
  - Chapter Opener
  - Lower-of-Cost-or-Market
  - Valuation Bases
  - The Gross profit Method of Estimating Inventory
  - Retail Inventory Method
  - Presentation and Analysis
  - IFRS: Insights
  - Study Guide: Chapter 9 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to record inventory at LCM and record the journal entries to move inventory from cost to LCM and how to value inventories using the gross profit based approach.
  - Applied skills video: How to Record Inventory at LCM and Record the Journal Entries to Move Inventory from Cost to LCM
  - Solution walkthrough video: Chapter 9, Exercise 1
  - Solution walkthrough video: Chapter 9, Exercise 2
  - Solution walkthrough video: Chapter 9, Exercise 3

- Chapter 09 (b) Exercises
Company need to have assets of a durable nature for their operation. Such assets are called property, plant, and equipment. This topic covers acquisition, valuation, cost of subsequent acquisition, and disposition of property, plant, and equipment. After studying this topic you will be able to report the acquisition cost of property, plant, and equipment; report cost of subsequent of acquisition; and report disposition transaction of property, plant, and equipment.

This topic addresses the following competency:

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

This topic highlights the following objectives:

- Identify the costs to include in initial valuation of property, plant, and equipment.
- Explain the process and procedure of capitalizing interest costs for self-constructed assets.
- Explain how to account for acquiring and valuing plant assets.
- Explain how to account for exchange transactions.
- Describe the treatment for costs subsequent to the initial acquisition.
- Explain how to account for the disposition of assets.

**Read, View, and Apply: Chapter 10**

This reading assignment includes covers acquisition cost and valuation of various types and transactions of property, plant and equipment including self-constructed assets, lump-sum purchases, and exchanges of assets. It also covers costs subsequent to acquisition, and disposition of property, plant and equipment.

When you read the assignment, pay attention to the following key concepts:

- acquisition costs of property, plant, and equipment
- capitalizing interest costs for self-constructed assets
- exchange transactions of nonmonetary assets
- costs subsequent to the initial acquisition
- disposition of assets

**Read, View, and Apply**

Access [WileyPlus](https://wileyplus.com): read, view and complete the associated activities with Chapter 10, "Acquisition and Disposition of Property, Plant, and Equipment"

- Chapter 10 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 10
  - Chapter Opener
Property, Plant, and Equipment

- Valuation of property, Plant, and Equipment
- Costs Subsequent to Acquisition
- Disposition of Property, Plant, and Equipment
- Study Guide: Chapter 10 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to report exchanges of Non-Monetary Assets, how to determine acquisition cost of property, plant, and equipment, and how to determine capitalizing costs for self-constructed assets.
  - Author Lecture Video: *Exchanges of Non-Monetary Assets*
  - Solution walkthrough video: Chapter 10, Exercise 2
  - Solution walkthrough video: Chapter 10, Exercise 3
  - Solution walkthrough video: Chapter 10, Exercise 5

- Chapter 10 (b) Exercises
- Chapter 10 (c) Practice Questions
- Chapter 10 (d) Self-Assessment Quiz

**Depreciation**

Depreciation is the accounting process of allocating the cost of tangible assets to expense in a systematic and rational manner to those periods expected to benefit from the use of the asset. This topic covers factors involved in the depreciation process, methods of depreciation, and recognizing impairments. It also covers depletion of natural resources and key differences in accounting for property, plant, and equipment under GAAP and IFRS.

This topic addresses the following competency:

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

This topic highlights the following objectives:

- Describe the purpose of depreciation.
- Describe the major depreciation methods.
- Calculate depreciation expense using various depreciation methods.
- Explain how to account for impairment of property, plant, and equipment assets.
- Explain the accounting procedures for depletion of natural resources.
- Explain how to present property, plant, equipment, and natural resources in financial statements.
- Describe the procedure for changing the depreciation method.
- Describe the difference between book and tax depreciation.
- Identify key differences in accounting for property, plant, and equipment under GAAP and IFRS.

**Read, View, and Apply: Chapter 11**

This reading includes factors involved in the depreciation process, methods of depreciation, and other special issues in depreciation and recognition and measurement of impairments. The
reading assignment also covers depletion of natural resources and key differences in accounting for property, plant, and equipment under GAAP and IFRS.

When you read the assignment, pay attention to the following key concepts:

- purpose of depreciation
- major depreciation methods
- impairment of property, plant, and equipment assets
- depletion process of natural resources
- presentation of property, plant, equipment, and natural resources in financial statements
- key differences in accounting for property, plant, and equipment under GAAP and IFRS

Read, View, and Apply
Access WileyPlus: read, view and complete the associated activities with Chapter 11, "Depreciation, Impairments, and Depletion"

- Chapter 11 (a) Readings and Resources
  - Narrated PowerPoint: Chapter 11
  - Chapter Opener
  - Depreciation--A Method of Cost Allocation
  - Impairments
  - Depletion
  - Presentation and Analysis
  - Appendix 11A: Income Tax Depreciation
  - IFRS: Insights
  - Study Guide: Chapter 11 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. Watch the interactive tutorials that demonstrate the depreciation process and impairment, and review the applied skills videos that demonstrate how to calculate depletion cost per unit of natural resources. Also, review the assigned solution walkthrough videos that demonstrate how to determine depreciation expense using various methods and how to report changes in depreciation methods.
  - Interactive Tutorial: Depreciation
  - Interactive Tutorial: Impairment
  - Applied skills video: How to Calculate Depletion Cost Per Unit of Natural Resources
  - Solution walkthrough video: Chapter 11, Exercise 2: How to Determine Depreciation Expenses Using Various Methods
  - Solution walkthrough video: Chapter 11, Exercise 5: How to Report Changes in Depreciation Method

- Chapter 11 (b) Exercises
- Chapter 11 (c) IFRS Self-Test
- Chapter 11 (d) Practice Questions
- Chapter 11 (e) Self-Assessment Quiz

Intangible Assets
For many companies, the most important assets are intangible in nature. A good example is the brand value of Coca Cola or Apple Inc. Intangible assets do not have physical substance and are not financial instruments. Due to these unique characteristics, valuation of intangibles is often challenging. The topic primarily covers the valuation of intangible assets. It identifies types of intangible assets, covers the impairment of intangible assets. Also, it covers accounting for research and development cost, the presentation of intangible assets, and key differences in accounting for intangible assets under GAAP and IFRS.

This topic addresses the following competency:

- **Competency 3610.1.5: Assets**
  The graduate accounts for assets.

This topic highlights the following objectives:

- Describe the major characteristics of intangible assets.
- Identify the costs that are included in valuation of intangible assets.
- Identify examples of several types of intangible assets.
- Explain how to account for the acquisition of goodwill.
- Explain how to account for impairments of intangible assets.
- Identify examples of research and development activities.
- Explain how to account for research and development and similar costs.
- Describe the presentation of intangible assets and research and development costs in financial statements.
- Identify key differences in accounting for intangible assets under GAAP and IFRS.

**Read, View, and Apply: Chapter 12**

This reading assignment covers types of intangible assets, and the amortization and impairment of intangible assets. It also covers accounting for research and development cost, the presentation of intangible assets and related items, and key differences in accounting for intangible assets under GAAP and IFRS.

When you read the assignment, pay attention to the following key concepts:

- characteristics of intangible assets
- types of intangible assets
- acquisition cost of goodwill
- amortizations and impairments of intangible assets
- research and development activities
- accounting for research and development and similar costs
- presentation of intangible assets and research and development costs in financial statements
- key differences in accounting for intangible assets under GAAP and IFRS

**Read, View, and Apply**
Access [WileyPlus](#): read, view and complete the associated activities with Chapter 12,
"Intangible Assets"

- Chapter 12 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 12
  - Chapter Opener
  - Intangible Asset Issues
  - Impairment of Intangible Assets
  - Research and Development Costs
  - Presentation of Intangibles and Related Items
  - IFRS: Insights
  - Study Guide: Chapter 12 (optional)
- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to calculate impairments of goodwill, how to classify and amortize intangible assets, and how to determine the acquisition cost of goodwill.
  - Applied skills video: How to Calculate Impairments of Goodwill
  - Solution walkthrough video: Chapter 12, Exercise 2: How to Classify and Amortize Intangible Assets
  - Solution walkthrough video: Chapter 12, Exercise 3: How to Determine the Acquisition Cost of Goodwill

- Chapter 12 (b) Exercises
- Chapter 12 (c) IFRS Self-Test
- Chapter 12 (d) Practice Questions
- Chapter 12 (e) Self-Assessment Quiz

**Liabilities**

Liabilities are defined as probable future sacrifices of economic benefits arising from present obligations of a company to transfer assets or provide services to other entities in the future as a result of past transactions or events. There are two basic divisions based on due date of such obligations which liabilities are classified by: current liabilities and long-term debt. The subject of liabilities covers measurements and reporting issues of both current liabilities and long-term debt.

**Current Liabilities**

If due dates of obligations are within a single operating cycle or a year, those obligations are classified as current liabilities. A contingency is an existing condition, situation, or set of circumstances involving potential losses or gains that will not be resolved until some future event occurs. This topic covers accounting issues related to current liabilities and contingencies. After reviewing the topic, you will be able to identify what current liabilities are, how to account for short term liabilities and payroll-related liabilities, and how to account for contingencies. In addition, you will be able to identify the key differences in the accounting for current liabilities and contingencies under GAAP and IFRS.

This topic addresses the following competency:

- Competency 3610.1.6: Liabilities
The graduate accounts for liabilities.

This topic highlights the following objectives:

- Identify examples of current liabilities.
- Explain how to account for short-term liabilities.
- Explain how to account for payroll-related liabilities.
- Explain how to account for contingencies.
- Identify the key differences in the accounting procedures for current liabilities and contingencies under GAAP and IFRS.

**Read, View, and Apply: Chapter 13**

The reading assignment includes definition of current liabilities, accounting treatments for various types of current liabilities, definition of contingencies and accounting treatment for contingencies. Accounting procedures of current liabilities and contingencies under IFRS are also included in this assignment.

When you read the assignment, pay attention to the following key concepts:

- examples of current liabilities
- accounting for short-term liabilities
- accounting for payroll-related liabilities
- contingencies
- key differences in the accounting procedures for current liabilities and contingencies under GAAP and IFRS

**Read, View, and Apply**

Access WileyPlus: read, view and complete the associated activities with Chapter 13, "Current Liabilities and Contingencies"

- Chapter 13 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 13
  - Chapter Opener
  - Current Liabilities
  - Contingencies
  - Presentation and Analysis
  - Key Terms
  - IFRS: Insights
  - Study Guide: Chapter 13 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to prepare entries to account for warranties using the accrual and cash basis, how to account for short term liabilities, how to account for payroll related liabilities, and how to account for contingencies.
Long-Term Liabilities

Long-term debt consists of probable future sacrifices of economic benefits arising from present obligations that are not payable within a year or the operating cycle of the company, whichever is longer. Since the due date of obligations are longer than a year, the measuring and reporting of long-term debt is often more complex than short-term debt. After studying this topic you will be able to account for the issuance, the periodic interest payments, and the retirement of bonds and notes payable. This topic also covers off-balance-sheet financing arrangements, the presentation of long-term debt on the financial statements, debt restructuring, and the key differences in the accounting procedures for long-term liabilities under GAAP and IFRS.

This topic addresses the following competency:

- **Competency 3610.1.6: Liabilities**
  The graduate accounts for liabilities.

This topic highlights the following objectives:

- Describe various types of bonds.
- Define key terms used when issuing bonds.
- Explain how to account for the issuance of bonds.
- Explain how to account for the periodic interest payments on bonds.
- Explain how to account for the payment of debt (debt extinguishment).
- Identify the key difference in accounting for long-term notes payable and bonds payable.
- Explain how to account for the issuance of long-term notes payable.
- Explain how to account for the amortization of discount on long-term notes payable.
- Identify special situations related to notes payable.
- Explain the purpose for off-balance-sheet financing arrangements.
- Explain the presentation of long-term debt on the financial statements.
- Describe the accounting for a debt restructuring.
- Identify the key differences in the accounting procedures for long-term liabilities under GAAP and IFRS.
Read, View, and Apply: Chapter 14

The reading assignment includes information about issuing bonds, valuation of bonds payable with discount and premium, amortization of discount and premium using the effective interest method, and extinguishment of debt. It also covers issuing notes, notes issued for property, goods, or services, fair value option for long term liabilities, off-balance-sheet financing, and presentation of long term liabilities on financial statements. In addition, the assigned reading includes key differences in the accounting procedures for long-term liabilities under GAAP and IFRS.

When you read the assignment, pay attention to the following key concepts:

- stated (coupon) rate
- market (effective yield) rate
- maturity (face or par) value
- discount and premium
- amortization of discount or premium
- gains or losses from the extinguishment of bonds
- imputation of interest rate
- fair value option
- off-balance-sheet financing arrangements
- presentation of long-term debt on the financial statements
- debt restructuring
- key differences in the accounting for long-term liabilities under GAAP and IFRS

Read, View, and Apply
Access WileyPlus: read, view and complete the associated activities with Chapter 14, "Long-Term Liabilities"

- Chapter 14 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 14
  - Chapter Opener
  - Bonds Payable
  - Valuation of Bonds Payable--Discount and Premium
  - Long-Term Notes Payable
  - Reporting and Analyzing Liabilities
  - Appendix 14A: Troubled-Debt Restructuring
  - IFRS: Insights
  - Study Guide: Chapter 14 (optional)

- View the assigned videos to further understand application concepts of various accounting topics. View the assigned videos that demonstrate how to prepare an amortization schedule using the effective-interest method, how to prepare journal entries to account for a bond using the effective interest method, how to record the issuance and the periodic payments of bonds, and how to account for long-term notes payable.
  - Applied skills video: How to Prepare an Amortization Schedule Using
Effective-Interest Method
- Applied skills video: How to Prepare Journal Entries to Account for a Bond Using Effective Interest Method
- Applied skills video: How to Record the Issuance and Retirement of a Bond
- Solution walkthrough video: Chapter 14, Exercise 2: How to Account for the Issuance and the Periodic Payments of Bonds
- Solution walkthrough video: Chapter 14, Exercise 4: How to Account for Long-Term Notes Payable

- Chapter 14 (b) Exercises
- Chapter 14 (c) IFRS Self-Test
- Chapter 14 (d) Practice Questions
- Chapter 14 (e) Self-Assessment Quiz

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessment associated with this course. If you have not already been directed to complete it, schedule and complete the assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of
this course, please submit your feedback using the following form:

- [Course Feedback](#)

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at [ADASupport@wgu.edu](mailto:ADASupport@wgu.edu). Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)
This course supports the assessment for Intermediate Accounting II. The course covers 10 competencies and represents 3 competency units.

Introduction

Overview
Intermediate Accounting II is the second of two intermediate accounting courses. This course provides a more comprehensive treatment of concepts learned in Fundamentals of Accounting and covers stockholders’ equity, dilutive securities, investments, revenue recognition, accounting for income taxes, pensions and post-retirement benefits, leases, financial disclosures, and the preparation of the statement of cash flows.

Competencies
This course provides guidance to help you demonstrate the following 10 competencies:

- **Competency 3022.1.1: Stockholder Equity**
  The graduate accounts for stockholders’ equity.
- **Competency 3022.1.2: Investments**
  The graduate accounts for investments.
- **Competency 3022.1.3: Revenue Recognition**
  The graduate accounts for revenue.
- **Competency 3022.1.4: Income Taxes**
  The graduate accounts for income taxes.
- **Competency 3022.1.5: Pensions and Post-Retirement Benefits**
  The graduate accounts for pensions and post-retirement benefits.
- **Competency 3022.1.6: Leases**
  The graduate accounts for leases.
- **Competency 3022.1.7: Accounting Changes and Error Analysis**
  The graduate accounts for accounting changes and performs error analysis.
- **Competency 3022.1.8: Cash Flow Statements**
  The graduate prepares a statement of cash flows.
- **Competency 3022.1.9: Financial Statement Analysis**
  The graduate analyzes financial statements.
- **Competency 3022.1.10: Financial Reporting**
  The graduate explains full disclosure financial reporting.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and
troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

VitalSource E-Texts

The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


*Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

WileyPlus

You will access WileyPlus for activities associated with this course.

- Intermediate Accounting

WileyPlus has additional student resources that will not be assigned for this course but will be beneficial for you to review. These additional resources may include, depending on the assigned topic: flashcards, crossword puzzles, short answer questions, additional practice problems and exercises, narrated PowerPoint for each chapter that explains key concepts, and additional practice questions. You are strongly encouraged to review additional resources to gain a greater understanding of the content.

Pacing Guide

As you complete this course, you can refer to the pacing guide to help you plan your studies. The pacing guide outlines important activities in the course and suggests a weekly structure to pace your completion of learning activities. The pacing guide is provided as a suggestion and
Intermediate Accounting

This course discusses advanced accounting topics, including stockholder equity, dilutive securities, basic debt and equity securities, derivatives, revenue recognition, and income taxes. Additional topics of discussion include pension and post-retirement benefits, leases, accounting for changes and error analysis, cash flow statements, financial statements, and financial reporting.

Stockholder Equity

Stockholders’ equity is the shareholders’ residual interest in a corporation’s assets. Items discussed in this topic are the essential features of a corporation, touching on such aspects as the key components of stockholder’s equity of a corporation, how to account for the increase in corporate capital from the issuance of shares of stock, the decrease of corporate capital through the purchase of treasury stock, and the various types of corporate earnings distributions including cash, stock and property dividends and stock splits.

This topic addresses the following competency:

- **Competency 3022.1.1: Stockholder Equity**
  The graduate accounts for stockholders’ equity.

This topic highlights the following objectives:

- Describe the characteristics of the corporate form of an organization.
- Identify the key components of stockholders’ equity.
- Explain the accounting for the issuance of stock.
- Explain why a company would reacquire stock.
- Explain the accounting for the acquisition and reissuance of treasury stock.
- Identify the key differences between preferred stock and common stock.
- Explain the accounting for various types of dividend distributions.
- Explain how to present stockholders’ equity on the balance sheet.
- Identify key differences in accounting for stockholders’ equity under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- corporate form of organization
- corporate capital
- issuance of stock
- reacquisition of shares
- preferred stock
Read, View, and Apply: Chapter 15

Read, View, and Apply
Access WileyPlus and complete the assigned material to practice your accounting skills for the issuance of stock, reacquisition and reissuance of stock, dividends, and the presentation of the stockholders’ equity section of the balance sheet: Chapter 15, "Stockholders’ Equity"

- **Chapter 15 (a) Readings and Resources**
  - Narrated PowerPoint Review: Chapter 15
  - Chapter Opener
  - Corporate Capital
  - Preferred Stock
  - Dividend Policy
  - Presentation and Analysis of Stockholders' Equity
  - FASB Codification
  - IFRS: Insights
  - Study Guide: Chapter 15 (optional)
  - Solution Walkthrough Video: Chapter 15, Exercise 1
  - Solution Walkthrough Video: Chapter 15, Exercise 2
  - Solution Walkthrough Video: Chapter 15, Exercise 3
  - Applied Skills Video: How to Account for the Buying and Reselling Treasury Stock
  - Applied Skills Video: How to Account for the Issuance of Preferred Stock, Conversion of Preferred Stock, and Preferred Stock Dividends
  - Applied Skills Video: How to Calculate Different Types of Preferred Stock Dividends
  - Applied Skills Video: How to Calculate the Balance in Retained Earnings
  - Applied Skills Video: How to Compute the Book Value of Common Stock
  - Applied Skills Video: How to Prepare Journal Entries to Account for Cash and Liquidating Dividends
  - Applied Skills Video: How to Prepare Journal Entries to Account for Stock Dividends and Stock Splits
  - Applied Skills Video: How to Prepare the Stockholder's Equity Section of the Balance Sheet
  - Applied Skills Video: How to Record Journal Entries for the Issuance of Common Stock

- **Chapter 15 (b) Exercises**

- **Chapter 15 (c) Self-Assessment Quiz**

**Dilutive Securities**
Dilutive securities are a security type which, upon exercise, may reduce reported earnings per share. Dilutive securities include convertible securities as well as options, warrants, and other
securities. In this topic, we discuss the accounting for these dilutive securities and stock-based compensation plans. Additionally, the impact of dilutive securities and stock-based compensation plans on earnings per share also is discussed in this topic.

This topic addresses the following competency:

- **Competency 3022.1.1: Stockholder Equity**
  The graduate accounts for stockholders’ equity.

This topic highlights the following objectives:

- Explain the accounting for the issuance, conversion, and retirement of convertible securities.
- Explain the accounting for stock warrants, and accounting for stock warrants issued with other securities.
- Account for stock compensation plans under generally accepted accounting principles.
- Identify key issues that led to controversy involving stock compensation plans.
- Compute earnings per share.
- Explain the accounting for stock-appreciation rights plans.
- Identify key differences in the accounting for dilutive securities and earnings per share under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- dilutive securities
- accounting for issuance, conversion, and retirement of convertible securities
- convertible preferred stocks
- stock warrants
- earnings per share
- stock-appreciation rights
- IFRS insights

**Read, View, and Apply: Chapter 16**

**Read, View, and Apply**
Access [WileyPlus](#) and complete the assigned material to practice your accounting skills for the issuance, conversion, and retirement of convertible securities, stock compensation plans, basic and dilutive earnings per share and stock-appreciation rights plans: Chapter 16, "Dilutive Securities and Earnings per Share"

- Chapter 16 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 16
  - Chapter Opener
  - Dilutive Securities
  - Accounting for Stock Compensation
  - Computing Earnings Per Share
  - Summary of Learning Objectives
Basic Debt and Equity Securities

Companies often invest in debt and equity securities issued by other companies. Accounting for such investments is based on the type of financial instrument held and their intent with respect to the investment. The various approaches used to account for these investments in debt and equity securities are discussed in this topic.

This topic addresses the following competency:

- **Competency 3022.1.2: Investments**
  The graduate accounts for investments

This topic highlights the following objectives:

- Account for each of the three categories of debt securities.
- Account for each category of equity securities.
- Identify the key differences between the equity method and the fair value method of accounting for equity securities.
- Explain how to account for impairments of debt and equity investments using the fair value and equity methods.
- Account for transfer of investment securities between categories.
- Identify the key differences in accounting procedures related to investments under GAAP and IFRS

As you complete the assigned material below, pay attention to the following key points:
● investment in debt securities
● time value of money
● equity securities
● fair value option
● reclassification and transfers of investment securities
● IFRS insights

Read, View, and Apply: Chapter 17A

Read, View, and Apply
Access WileyPlus and the assigned material to practice key concepts of accounting for debt and equity securities. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate step-by-step examples of how to account for held-to-maturity securities, available-for-sale securities and how to account for investments using the fair value and the equity methods: Chapter 17, "Investments"

● Chapter 17A (a) Readings and Resources
  ○ Narrated PowerPoint Review: Chapter 17
  ○ Chapter Opener
  ○ Investments in Debt Securities
  ○ Investments in Equity Securities
  ○ Additional Measurement Issues
  ○ Reclassifications and Transfers
  ○ Appendix 17B: Variable-interest Entities
  ○ Concepts for Analysis
  ○ Using Your Judgment
  ○ Study Guide: Chapter 17 (optional)
  ○ Solution Walkthrough Video: Chapter 17, Exercise 1
  ○ Solution Walkthrough Video: Chapter 17, Exercise 2
  ○ Solution Walkthrough Video: Chapter 17, Exercise 3
  ○ Solution Walkthrough Video: Chapter 17, Exercise 4
  ○ Solution Walkthrough Video: Chapter 17, Exercise 5

● Chapter 17A (b) Exercises

● Chapter 17A (c) Self-Assessment Quiz

Derivatives
Derivatives, or derivative financial instruments, are useful for managing risks faced by companies. These financial instruments are often created to hedge against risks created by other financial instruments or transactions. The accounting issues relating to derivative financial instruments, including financial forwards or financial futures, options and swaps are discussed in this topic.

This topic addresses the following competency:

● Competency 3022.1.2: Investments
  The graduate accounts for investments
This topic highlights the following objectives:

- Describe the uses of different types of derivatives.
- Account for derivative financial instruments.
- Describe special reporting issues related to derivative financial instruments.
- Explain the accounting for variable-interest entities.
- Identify examples of fair value disclosures.

As you complete the assigned material below, pay attention to the following key points:

- defining derivatives
- reporting issues relating to derivatives
- accounting for variable-interest entities
- fair value disclosures

**Read, View, and Apply: Chapter 17B**

**Read, View, and Apply**
Access **WileyPlus** and complete the assigned material to practice key concepts of accounting for derivatives. The assigned videos demonstrate how to account for call options, cash flow hedges and fair value hedges: Chapter 17, "Investments".

- Chapter 17B (a) Readings and Resources
  - Chapter Opener
  - IFRS: Insights
  - Appendix 17C: Fair Value Disclosures
  - Study Guide Chapter 17 (optional)
  - Applied Skills Video: *How to Account for a Call Option*
  - Applied Skills Video: *How to Account for Derivatives Classified as Cash Flow Hedges*
  - Applied Skills Video: *How to Account for Derivatives Classified as Fair Value Hedges*

- Chapter 17B (b) Exercises
- Chapter 17B (c) Self-Assessment Quiz

**Revenue Recognition**
Revenue is the inflow of net assets that occurs when a business provides goods or services to its customers through ongoing core operations. Proper recognition of revenue is important to ensure that the income statement reflects the actual performance of a company for the period. The accounting issues related to revenue recognition including revenue recognition at the point-of-sale, revenue recognition before delivery and revenue recognition after delivery are discussed in this topic.

This topic addresses the following competency:

- **Competency 3022.1.3: Revenue Recognition**
  The graduate accounts for revenue.
This topic highlights the following objectives:

- Explain the revenue recognition principle.
- Explain accounting issues for revenue recognition at the point-of-sale.
- Account for revenues from long-term contracts, including the computation of and journal entries for revenue using the percentage-of-completion method and the completed-contract method.
- Explain how to account for losses on long-term contracts.
- Account for revenues after the point-of-sale using various methods, including the computation of and journal entries for revenues using the installment method and the cost recovery method.
- Describe revenue recognition for franchises.
- Identify the key differences in the accounting procedures related to revenue recognition under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- revenue recognition principle
- revenue recognition at the point-of-sale
- revenue recognition before delivery
- long-term contract losses
- revenue recognition after delivery
- revenue recognition for franchises
- IFRS insights

**Read, View, and Apply: Chapter 18**

**Read, View, and Apply**
Access WileyPlus and complete the assigned material in chapter 18 ("Revenue Recognition") to practice key concepts of revenue recognition. The assigned videos demonstrate how to account for revenue of a long-term contract using the percentage-of-completion method and the completed-contract method, and how the information would be reported for financial statement purpose: Chapter 18, "Revenue Recognition"

- Chapter 18 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 18
  - Chapter Opener
  - Overview of Revenue Recognition
  - Revenue Recognition
  - Revenue Recognition at Point of Sale (Delivery)
  - Revenue Recognition before Delivery
  - Revenue Recognition after Delivery
  - IFRS: Insights
  - Appendix 18A: Revenue Recognition for Franchises
  - Demonstration Problem
  - Study Guide: Chapter 18 (optional)
  - Problem Walkthrough Video: Chapter 18, Exercise 2 (Percentage-of-completion
Income Taxes

Financial accounting and tax accounting have different objectives. The differences between financial accounting based on generally accepted accounting principles (GAAP) and tax accounting based on the tax code result in deferred tax assets and liabilities. This topic discusses the basic guidelines that companies must follow in the financial reporting of income taxes.

This topic addresses the following competency:

- **Competency 3022.1.4: Income Taxes**
  The graduate accounts for income taxes.

This topic highlights the following objectives:

- Differentiate between pretax financial income and taxable income.
- Explain how a temporary difference results in future deductible amounts.
- Account for deferred tax asset and valuation allowances.
- Identify examples of various temporary and permanent differences
- Explain the effect of various tax rates and tax rate changes on deferred income taxes.
- Account for a loss carry-back and a loss carry-forward.
- Describe the presentation of income tax expense and deferred taxes in the financial statements.
- Describe the basic principles of the asset-liability method.
- Account for interperiod tax allocation.
- Identify key differences in the accounting for income taxes under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- accounting for income taxes
- future taxable amounts
- deferred taxes
- future deductible amounts
- special differences
- tax rate consideration
- net operating losses

Read, View, and Apply: Chapter 19

Read, View, and Apply
Access WileyPlus and complete the assigned material to practice key concepts of accounting for income taxes. The assigned videos demonstrate how to calculate and record income tax expense, deferred income taxes and income taxes payable, how to account for the carryback and the carryforward of a net operating loss, and how to present deferred taxes in financial statements: Chapter 19, "Accounting for Income Taxes"

- Chapter 19 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 19
  - Chapter Opener
  - Fundamentals of Accounting for Income Taxes
  - Accounting for Net Operating Losses
  - Financial Statement Presentation
  - Review of the Asset-Liability Method
  - Appendix 19A: Comprehensive Example of Interperiod Tax Allocation
  - IFRS: Insights
  - Study Guide: Chapter 19
  - Solution Walkthrough Video: Chapter 19, Exercise 1
  - Solution Walkthrough Video: Chapter 19, Exercise 2
  - Solution Walkthrough Video: Chapter 19, Exercise 3
  - Solution Walkthrough Video: Chapter 19, Exercise 4
  - Applied Skills Video: How to Prepare the Journal Entries for Taxes When There is a Previous Valuation Amount
  - Applied Skills Video: How to Present Deferred Taxes in Financial Statements
  - Applied Skills Video: How to Record Taxes When There are Operating Losses, But No Temporary Differences

- Chapter 19 (b) Exercises

- Chapter 19 (c) Self-Assessment Quiz

Pension and Post-Retirement Benefits

Employee benefits payable after retirement, including pension and other post-retirement benefits, are an important part of an employee’s compensation. The cost of these benefits is a significant liability to the employer. This topic discusses the accounting and reporting of pension and post-retirement benefits for the employer as the sponsor of a pension plan.

This topic addresses the following competency:

- Competency 3022.1.5: Pension and Post-Retirement
  The graduate accounts for pensions and post-retirement benefits.

This topic highlights the following objectives:

- Describe the accounting for the employer's pension plan and the pension fund.
Differentiate types of pension plans and their characteristics.
- Explain alternative measures for valuing the pension obligation.
- Explain the components of pension expense.
- Account for an employer’s pension plan.
- Describe the requirements for reporting pension plans in financial statements.
- Differentiate between the accounting for pensions and postretirement healthcare benefits.
- Identify the key differences in the accounting for pensions under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- nature of pension plane
- contribution plan
- benefit plan
- accounting for pensions
- pension worksheet
- reporting pension plans
- IFRS focus

**Read, View, and Apply: Chapter 20**

**Read, View, and Apply**
Access WileyPlus and complete the assigned material to practice key concepts of accounting for pension and post-retirement benefits. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate how to calculate and record pension expense, how to present pension expense in the financial statements, how to amortize accumulated other comprehensive income (OCI) under the corridor approach, how to account for “retroactive pension benefits” (prior service costs) when initiating or amending a defined benefit plan, how to calculate return on pension plan assets, how to use a pension worksheet to prepare the journal entries to record pension expense, and how to prepare a worksheet to compute the postretirement benefit: Chapter 20, "Accounting for Pensions and Postretirement Benefits"

- Chapter 20 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 20
  - Chapter Opener
  - Nature of Pension plans
  - Accounting for Pensions
  - Using a Pension Worksheet
  - Reporting Pension Plans in Financial Statements
  - Appendix 20A: Accounting for Postretirement Benefits
  - IFRS: Insights
  - Study Guide: Chapter 20 (optional)
  - Excel Templates: Chapter 20
  - Solution Walkthrough Video: Chapter 20, Exercise 1
  - Solution Walkthrough Video: Chapter 20, Exercise 2
  - Solution Walkthrough Video: Chapter 20, Exercise 3
Leases

A lease is a contractual arrangement between a lessor (owner of the leased asset) and a lessee (user of the leased asset) for the right to use an asset or assets over a specific period of time. A lease can be a simple rental agreement or a purchase/sale accompanied by debt financing. This topic discusses the accounting issues for lessors and lessees.

This topic addresses the following competency:

- **Competency 3022.1.6: Leases**
  The graduate accounts for leases.

This topic highlights the following objectives:

- Describe the nature, economic substance, and advantages of lease transactions.
- Account for lease transactions by the lessee.
- Account for operating leases by lessee and lessor.
- Identify the classifications of leases for the lessor.
- Account for direct-financing and sales-type leases for the lessor.
- Identify special features of lease arrangements that cause unique accounting problems.
- Explain the effect of residual values on lease accounting.
- Describe the disclosure requirements for leases.
- Explain the accounting for the lessee's sale-leaseback transactions.
- Identify the key differences in the accounting for leases under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- leasing environment
- accounting by the lessee
- comparison of capital leases and operating leases
- accounting by the lessor
- disclosing lease data
- sale-leaseback transactions
- IFRS insights
Read, View, and Apply: Chapter 21

Read, View, and Apply
Access WileyPlus and complete the assigned activities to practice key concepts of accounting for lessee and lessor. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate how to classify leases, how to account for sales-type lease, sales-leaseback agreement, operating lease, lease with a bargain purchase option, rental payment computation and recording, and the preparation of a lease amortization schedule: Chapter 20, "Accounting for Leases"

- Chapter 21 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 21
  - Chapter Opener
  - The Leasing Environment
  - Accounting by the Lessee
  - Accounting by the Lessor
  - Special Lease Accounting Problems
  - Appendix 21A: Sale-Leasebacks
  - Demonstration Problem
  - IFRS: Insights
  - Study Guide: Chapter 21 (optional)
  - Solution Walkthrough Video: Chapter 21, Exercise 1
  - Solution Walkthrough Video: Chapter 21, Exercise 2
  - Solution Walkthrough Video: Chapter 21, Exercise 3
  - Applied Skills Video: How to Classify Leases, Compute the Present Value of Leases, and Prepare Necessary Entries for the Lessee
  - Applied Skills Video: How to Account for a Sale-Leaseback Agreement as a Lessee and Lessor
  - Applied Skills Video: How to Account for an Operating Lease
  - Applied Skills Video: How to Account for Leases with a Bargain Purchase Option as a Lessee
  - Applied Skills Video: How to Compute Rental Payments, Record Journal Entries, and Prepare an Amortization Schedule for the Lessor
  - Applied Skills Video: How to Prepare Journal Entries for a Sales-Type Lease for the Lessee and Lessor
  - Applied Skills Video: How to Record Journal Entries and Prepare an Amortization Schedule for the Lessee

- Chapter 21 (b) Examples

- Chapter 21 (c) Self-Assessment Quiz

Accounting Changes and Error Analysis
In a dynamic business environment, changes in accounting are sometimes necessary so that accounting information can be more useful. There are four types of changes in accounting with which we are concerned in this topic: changes in accounting principles, changes in accounting estimates, changes in reporting entity, and corrections of errors in financial statements. This topic discusses the reporting of these changes in accounting in a reporting framework that helps
preserve the comparability and consistency of financial reports.

This topic addresses the following competency:

- **Competency 3022.1.7: Accounting Changes and Error Analysis**
  The graduate accounts for accounting changes and performs error analysis.

This topic highlights the following objectives:

- Identify types of accounting changes.
- Explain the accounting for changes in accounting principles.
- Account for changes in estimates.
- Explain accounting for changes in a reporting entity.
- Account for correction of errors in a financial statement.
- Explain economic motives for changing accounting methods.
- Identify the key differences in the procedures for accounting changes and error analysis under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

- accounting changes
- changes in accounting principle
- changes in accounting estimates
- reporting entity
- account errors
- IFRS insight

**Read, View, and Apply: Chapter 22**

**Read, View, and Apply**
Access WileyPlus and complete the assigned material to practice key concepts of accounting changes and error analysis. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate how to identify accounting changes and errors, computation of adjustments, journal entries and financial statement disclosures: Chapter 22, "Accounting Changes and Error Analysis"

- Chapter 22 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 22
  - Chapter Opener
  - Changes in Accounting Principle
  - Changes in Accounting Estimates
  - Changes in Reporting Entity
  - Accounting Errors
  - Error Analysis
  - IFRS: Insights
  - Study Guide: Chapter 22 (optional)
  - Problem Walkthrough Video: Chapter 22, Exercise 1 (changes in accounting
estimates and error corrections, financial statement disclosures)
- Problem Walkthrough Video: Chapter 22, Exercise 2 (identify changes or errors)
- Problem Walkthrough Video: Chapter 22, Exercise 3 (journal entries)

- Chapter 22 (b) Exercises
- Chapter 22 (c) Self-Assessment Quiz

Cash Flow Statements
The statement of cash flows provides information about a company's cash receipts, cash payments, and net change in cash resulting from operating, investing and financing activities in a period. Information regarding the cash inflows and outflows of a business can provide important information on which investors and creditors base their decisions. This topic covers the major classifications of cash flows, the purpose of the statement of cash flows, the differences between the direct method and the indirect method of preparing the statement of cash flows, as well as the preparation of the statement of cash flows using the indirect method.

This topic addresses the following competency:

- **Competency 3022.1.8: Cash Flow Statements**
  The graduate prepares a statement of cash flows.

This topic highlights the following objectives:

- Explain the purpose of the statement of cash flows.
- Describe the major classifications of cash flows.
- Differentiate between net income and net cash flow from operating activities.
- Identify the differences between the direct and indirect methods of calculating net cash flow from operating activities.
- Identify sources of information for a statement of cash flows.
- Describe special problems in preparing a statement of cash flows.
- Prepare a statement of cash flows using the indirect method.

As you complete the assigned material below, pay attention to the following key points:

- statement of cash flows
- classifications of cash flows
- net income vs. net cash flow
- direct and indirect methods of calculating net cash
- sources of information
- special problems in statement preparation
- preparation of financial statement (indirect method)
- IFRS insight

Read, View, and Apply: Chapter 23

Read, View, and Apply
Access WileyPlus and complete the assigned material to practice key concepts of the statement of cash flows. View the assigned videos to further understand application concepts of
various accounting topics. The assigned videos demonstrate how to classify items on the statement of cash flows, how to compute net cash flows from operating, investing and financing activities and how to prepare the cash flows from operating activities section of the cash flow statement using the direct method and using the indirect method.

- Chapter 23 (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 23
  - Chapter Opener
  - Preparation of the Statement of Cash Flows
  - Illustrations--Tax Consultants Inc.
  - Special Problems in Statement Preparation
  - IFRS: Insights
  - Use of a Worksheet
  - Excel Templates: Chapter 23
  - Excel Working Papers: Chapter 23
  - Study Guide: Chapter 23 (optional)
  - Solution Walkthrough Video: Chapter 23, Exercise 1
  - Solution Walkthrough Video: Chapter 23, Exercise 2
  - Solution Walkthrough Video: Chapter 23, Exercise 3
  - Applied Skills Video: How to Classify Items on the Cash Flow Statement
  - Applied Skills Video: How to Compute Net Cash Flows from Operating, Investing, and Financing Activities
  - Applied Skills Video: How to Prepare the Operating Activities Section of the Cash Flow Statement Using the Direct Method
  - Applied Skills Video: How to Prepare the Operating Activities Section of the Cash Flow Statement Using the Indirect Method

- Chapter 23 (b) Exercises
- Chapter 23 (c) Self-Assessment Quiz

Financial Statements

Analyzing the relationships between financial statement items and identifying the trends in these relationships can provide important information for investors, creditors as well as business managers. This topic covers the basic techniques in financial statement analysis including analyzing financial statement data using various financial ratios, comparative data from two or more different dates, and percentage analysis.

This topic addresses the following competency:

- Competency 3022.1.9: Financial Statement Analysis
  The graduate analyzes financial statements.

This topic highlights the following objectives:

- Describe the purpose of financial statement analysis.
- Identify sources of financial information for financial statement analysis.
- Calculate (perform) a ratio analysis.
Describe key differences in techniques used to analyze financial statements.

As you complete the assigned material below, pay attention to the following key points:

- financial statement analysis
- ratio analysis
- comparative analysis
- percentage (common-size) analysis

Read, View, and Apply: Chapter 24A

Read, View, and Apply
Access WileyPlus to complete assigned material for this topic. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate how to perform computation of financial ratios and financial statement analysis: Chapter 24, "Full Disclosure in Financial Reporting"

- Chapter 24A (a) Readings and Resources
  - Narrated PowerPoint Review: Chapter 24
  - Concepts for Analysis
  - Solution Walkthrough Video: Chapter 24, Exercise 4
  - Solution Walkthrough Video: Chapter 24, Exercise 5
- Chapter 24A (b) Exercises
- Chapter 24A (c) Self-Assessment Quiz

Financial Reporting
The full disclosure principle requires companies to report any financial facts significant enough to influence the judgment of an informed reader. This topic examines the use of disclosure notes to explain and supplement the information presented in the main body of financial statements, GAAP requirements to disclose related-party transactions and significant financial events occurring after the financial statements date, the reporting of business segments, and the reporting of interim financial information. Additionally, major disclosures in the auditor’s report, management’s discussion and analysis of financial results, and issues relating to fraudulent financial reporting also are discussed in this topic.

This topic addresses the following competency:

- Competency 3022.1.10: Financial Reporting
  The graduate explains full disclosure financial reporting.

This topic highlights the following objectives:

- Explain the full disclosure principle and problems with implementation.
- Identify information to be disclosed in the notes to financial statements.
- Explain the disclosure requirements for major business segments.
- Explain accounting problems associated with interim reporting.
- Identify the different types of auditors’ opinions in the auditor's report.
• Describe management's responsibilities for financial reporting.
• Describe the accounting profession's response to fraudulent financial reporting.
• Identify the key differences in the disclosure requirements under GAAP and IFRS.

As you complete the assigned material below, pay attention to the following key points:

• full disclosures
• notes to the financial statements
• disclosure issues
• interim reporting
• auditor's and management's reports
• fraudulent financial reporting
• IFRS insights

Read, View, and Apply: Chapter 24B

Read, View, and Apply
Access WileyPlus and complete the assigned material to practice key concepts of full disclosure financial reporting. View the assigned videos to further understand application concepts of various accounting topics. The assigned videos demonstrate how to report post-balance-sheet events and how to identify divisions that are separately reportable in the financial statements: Chapter 24, "Full Disclosure in Financial Reporting"

• Chapter 24B (a) Readings and Resources
  ○ Chapter Opener
  ○ Full Disclosure Principle
  ○ Notes to the Financial Statements
  ○ Disclosure Issues
  ○ Auditor’s and Management’s Report
  ○ Current Reporting Issues
  ○ IFRS: Insights
  ○ Study Guide: Chapter 24 (optional)
  ○ Solution Walkthrough Video: Chapter 24, Exercise 1
  ○ Solution Walkthrough Video: Chapter 24, Exercise 2
  ○ Solution Walkthrough Video: Chapter 24, Exercise 3

• Chapter 24B (b) Exercises
• Chapter 24B (c) Self-Assessment Quiz

Final Steps

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

The WGU Library
The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for Taxation I. The course covers 3 competencies and represents 3 competency units.

Introduction

Overview
Welcome to Taxation I! This course will provide a general introduction to taxation in the United States. It focuses on the taxation of individuals and it will guide you through the steps of preparing individual income tax returns. It will also introduce the fundamentals of conducting research on tax-related issues. By the end of this course, you will be able to prepare an individual income tax return and use tax research tools to conduct basic tax research.

Competencies
This course provides guidance to help you demonstrate the following 3 competencies:

- **Competency 3026.1.1: Federal Taxation**
  The graduate explains the nature, purpose, and scope of the current U.S. tax system as it relates to individuals.

- **Competency 3026.1.2: Taxation of Individuals**
  The graduate determines the tax treatment for items reflected in individual income tax returns.

- **Competency 3026.1.3: Tax Research**
  The graduate conducts basic tax research.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you
may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**MyAccountingLab**

MyAccountingLab contains the e-text, homework, and quizzes that you will need for this course. You will be directed to specific materials in MyAccountingLab throughout the course.

**VitalSource E-Text**

The following textbook is available to you as an e-text within this course. You will have access to this e-text through MyAccountingLab. You will be directly linked to the specific readings required within the activities that follow.


*Note: This e-text is available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**Tax Software**

The following tax resources are available to students registered in this course as supplemental materials to Rupert/Pope/Anderson, *Prentice Hall's Federal Taxation 2015, 28/e*.

- **TaxACT Resources**
  - all TaxACT 2013 Forms
  - TaxACT 2013 Form 1040
  - TaxACT 2013 Form 1065
  - TaxACT 2013 Form 1120
  - TaxACT 2013 Form 1120S
  - TaxACT Help PDF
  - TaxACT License PDF

**Chapter Resources**

In the Chapter Resources section, you will be able to access the following materials:

- Textbook assignments and quizzes
- Personal gradebook for assignments
- Chapter Study Plan
Optional PowerPoint supplements for each chapter

As you work through the course of study, you will find links to the assigned chapter readings and chapter quizzes. After completing each assigned chapter reading and associated quiz, return to the resource linked below and complete the chapter activities to increase your mastery of the topic area.

https://lrps.wgu.edu/provision/32584106

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

Pacing Guide: Taxation I

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Federal Taxation

This section introduces the history, foundations, and basic principles of the U.S. Federal tax system.

Nature, Purpose, and Scope of the Current U.S. Tax System

In this section, you will learn the background and basic principles that underlie the current U.S. tax system. You will learn the basic principles of individual income tax rates, and distinguish between various taxes and entities that are subject to taxation. The Internal Revenue Service and basic principles of tax practice will also be introduced here.

This topic addresses the following competency:

- Competency 3026.1.1: Federal Taxation
  The graduate explains the nature, purpose, and scope of the current U.S. tax system as it relates to individuals.

This topic highlights the following objectives:

- Describe the history of taxation in the United States.
- Identify the sources of tax law.
- Describe the criteria of an equitable tax structure (equity, certainty, convenience, economy, simplicity).
- Describe the structure of individual income tax rates.
- Calculate an individual’s federal income tax from his or her taxable income.
- Distinguish between various types of taxes.
- Identify different types of entities that are subject to taxation in the United States.
- Describe the administrative procedures of the IRS.
- Describe various components of a tax practice.
Read: History of Taxation in the U.S.
https://lrps.wgu.edu/provision/32584194
Read: Individual Income Tax Rates
https://lrps.wgu.edu/provision/32584290
Read: Types of Taxes
https://lrps.wgu.edu/provision/32584362
Read: Criteria for Tax Structures
https://lrps.wgu.edu/provision/32584253
Read: Entities Subject to Taxation
https://lrps.wgu.edu/provision/32584381
Read: Sources of Tax Law
https://lrps.wgu.edu/provision/32584200
Read: The IRS
https://lrps.wgu.edu/provision/32584456
Read: Tax Practice
https://lrps.wgu.edu/provision/32584469

Taxation of Individuals

Millions of Americans rely on professionals to assist them with filing their taxes. This section outlines the complex set of rules for calculating individual income taxes for individuals.

**Individual Income Tax Formula**

This topic will introduce the individual income tax formula and guide you through each step in the formula for calculating individual income taxes across a wide variety of situations.

This topic addresses the following competency:

- **Competency 3026.1.2: Taxation of Individuals**
  The graduate determines the tax treatment for items reflected in individual income tax returns.

This topic highlights the following objectives:

- Define each component of the individual income tax formula.
- Calculate an individual's income tax when provided with monetary amounts for each component of the tax formula.
- Identify three conditions that must be met for income to be taxable.
- Identify the primary accounting methods for individual tax purposes.
• Define gross income in accordance with IRC Section 61(a).
• Explain tax planning strategies individuals can use to minimize their tax liability.
• Identify items that the IRS does not define as income.
• Identify various types of major statutory exclusions from gross income.

Read: Individual Income Tax Formula
https://lrps.wgu.edu/provision/32584481

Read: Taxable Income
https://lrps.wgu.edu/provision/32584527

Read: Gross Income
https://lrps.wgu.edu/provision/32584532

Read: Tax Planning
https://lrps.wgu.edu/provision/32584540

Read: Exclusions from Gross Income
https://lrps.wgu.edu/provision/32584569

Gains and Losses
This topic will continue to guide you through the individual income tax formula by introducing the process for classifying and determining the tax treatment for gains and losses for individuals.

This topic addresses the following competencies:

Competency 3026.1.2: Taxation of Individuals
The graduate determines the tax treatment for items reflected in individual income tax returns.

This topic highlights the following objectives:

• Identify the difference between a realized gain (or loss) and a recognized gain (or loss)
• Calculate property basis.
• Differentiate between capital assets and non-capital assets.
• Calculate the tax treatment of capital gains and losses.
• Determine the holding period for an asset when a sale or exchange occurs.

Read: Realized vs. Recognized Gains and Losses
https://lrps.wgu.edu/provision/32584612

Read: Property Basis
Read: Tax Treatment of Capital Gains and Losses

Read: Holding Periods

Deductions
This topic will provide you with an overview of how to determine deductions for individual income taxes.

This topic addresses the following competencies:

Competency 3026.1.2: Taxation of Individuals
The graduate determines the tax treatment for items reflected in individual income tax returns.

This topic highlights the following objectives:

- Distinguish between deductions for AGI and deductions from AGI.
- Identify examples of business and investment expense deductions.
- Explain the restrictions put on expense deductions.
- Identify the time period when an expense becomes a deduction.
- Determine deductions from Adjusted Gross Income.

Read: Deductions for AGI vs. Deductions from AGI

Read: Business and Investment Expense Deductions

Read: Deductions from AGI

Itemized Deductions
This topic examines a specific type of deductions – itemized deductions, which include medical expenses, charitable deductions, and other miscellaneous deductions.

This topic addresses the following competencies:

Competency 3026.1.2: Taxation of Individuals
The graduate determines the tax treatment for items reflected in individual income tax returns.
This topic highlights the following objectives:

- Identify the types of medical expenses that qualify as itemized deductions.
- Describe the limits on the amount of qualified medical expenses that can be deducted.
- Identify the types of taxes and interest that qualify as itemized deductions.
- Identify examples of deductible charitable contributions.
- Describe the limits on the amount of qualified charitable contributions that can be deducted.
- Identify types of miscellaneous itemized deductions.

Read: Deductions for Medical Expenses
https://lrps.wgu.edu/provision/32584821
Read: Deductions for Taxes and Interest
https://lrps.wgu.edu/provision/32584930
Read: Charitable Contributions
https://lrps.wgu.edu/provision/32584937
Read: Miscellaneous Itemized Deductions
https://lrps.wgu.edu/provision/32584967

Final Steps of the Individual Income Tax Formula
This topic will guide you through the remaining steps of the individual income tax formula and help you with issues such as losses, bad debt, filing statuses, and submitting tax forms.

This topic addresses the following competencies:

Competency 3026.1.2: Taxation of Individuals
The graduate determines the tax treatment for items reflected in individual income tax returns.

This topic highlights the following objectives:

- Determine what constitutes a loss for tax purposes.
- Explain the tax treatment for a bad debt.
- Describe the different types of exemptions for an individual tax return.
- Identify the different types of filing status.
- Determine the optimum filing status for different individuals.
- Calculate an individual's tax liability using the tax table.
- Identify various tax credits for individuals.
Describe tax withholding requirements and limitations.
- Explain when an individual should use a 1040, 1040EZ, 1040A, or 4868 form.
- Identify when a given individual income tax is due.

**Losses**

https://lrps.wgu.edu/provision/32584978

**Bad Debts**

https://lrps.wgu.edu/provision/32585012

**Exemptions**

https://lrps.wgu.edu/provision/32585024

**Filing Status**

https://lrps.wgu.edu/provision/32585042

**Tax Credits**

https://lrps.wgu.edu/provision/32585077

**Tax Withholding Requirements and Limitations**

https://lrps.wgu.edu/provision/32585104

**Tax Forms, Due Dates, and Extensions**

https://lrps.wgu.edu/provision/32585109

**Tax Research**

Tax law is the foundation for accounting procedures. Central to your role as an accountant is the process of researching, understanding, and applying tax law.

**Tax Research**

In this section, you will study the tax research process, describe sources of tax law, and use tax research tools to resolve tax issues related to corporations.

This topic addresses the following competency:

- **Competency 3026.1.3: Tax Research**
  The graduate conducts basic tax research.

This topic highlights the following objectives:

- Describe the tax research process.
- Describe the various sources of tax law.
- Determine the relative weight of each tax law source in relation to one another.
- Apply various tools to assist in tax research.

**The Tax Research Process**
https://lrps.wgu.edu/provision/32585169
Sources of Tax Law

https://lrps.wgu.edu/provision/32585160

Tax Research Tools

https://lrps.wgu.edu/provision/32585204

Final Steps

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy
Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)
This course supports the assessment for Accounting Information Systems. The course covers 8 competencies and represents 3 competency units.

**Introduction**

**Overview**
Welcome to Accounting Information Systems! This course introduces a variety of accounting information systems and internal controls necessary for effective systems. Students will learn how to document and evaluate the process flows of accounting information systems, evaluate internal controls within accounting systems, and use QuickBooks Online.

**Competencies**
This course provides guidance to help you demonstrate the following 8 competencies:

- **Competency 3025.1.1: Information Systems**
  The graduate explains the benefits of quality information and information systems.

- **Competency 3025.1.2: Accounting Information System (AIS) Processes**
  The graduate explains accounting information system processes.

- **Competency 3025.1.3: Documenting Processes and Controls**
  The graduate can apply methods of documenting processes and controls.

- **Competency 3025.1.4: Solving Business Problems**
  The graduate uses databases to solve business problems.

- **Competency 3025.1.5: IT Controls**
  The graduate demonstrates the ability to identify and use IT controls.

- **Competency 3025.1.6: Transaction Cycle Activities**
  The graduate explains the activities for each transaction cycle.

- **Competency 3025.1.7: Acquiring and Implementing an Accounting Information System**
  The graduate explains the processes for acquiring and implementing an accounting information system.

- **Competency 3025.1.8: Information System Auditing**
  The graduate explains how information systems are used in auditing.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact
them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

CourseSmart E-Text

The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: This e-text is available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

Study Journal

You will be asked to complete several activities in a study journal. Writing in a study journal is a good way to record notes, goals, and questions you have about the things you are learning. It can also help you to concentrate when you study, remember and understand information you are learning, and prioritize your time. This journal can be in paper or electronic form.

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Accounting Information Systems

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Information Systems

This section introduces the essential role of accounting information systems. It introduces the
functions and benefits that accounting information systems can provide for an organization.

**Benefits of Quality Information and Information Systems**

In this section, you will examine the value of useful information and how an accounting information system can effectively manage information to streamline a variety of important business cycle activities.

This topic addresses the following competencies:

- **Competency 3025.1.1: Information System**
  
  The graduate explains the benefits of quality information and information systems.

This topic highlights the following objectives:

- Identify the traits of useful information.
- Identify what information a business needs in order to acquire capital, sell merchandise, and pay taxes.
- Describe the major transaction cycles.
- Describe the functions of an accounting information system (AIS).
- Explain how an accounting information system (AIS) can add value to an organization.
- Explain how an AIS may be used for a given primary or support activity in the value chain.

**Information and Information Systems**

Read the following chapter in *Accounting Information Systems*:

- chapter 1 (“Accounting Information Systems, An Overview”)

Take the following quiz:

- chapter 1 Quiz on pages 16-17. After completing the quiz, you can check your answers on pages 22-23.

Write the answers to the following questions in your study journal:

- question 1.4 on page 19 (“Problems”)
- question 1.8 on page 21 (“Problems”)

By the end of this activity, you should be able to recall:

- three business functions of an accounting information system (AIS)
- six ways an AIS can add value to an organization
- how an AIS may be used for any primary or support activity in the value chain

**Accounting Information System (AIS) Processes**

To understand how an AIS works, it is essential to understand the data processing cycle.
Accounting Information System (AIS) Processes
This section outlines the steps in the data processing cycle, including data input, storage, processing, and output.

This topic addresses the following competencies:

- **Competency 3025.1.2: Accounting Information System (AIS) Processes**
  The graduate explains accounting information system processes.

This topic highlights the following objectives:

- Identify the steps in the data processing cycle.
- Describe each step in the data input process.
- Explain how data storage is accomplished within an AIS.
- Describe AIS data processing activities.
- Identify the types of information output produced by an AIS.

The Data Processing Cycle

Read the following section in *Accounting Information Systems* (Note: you may skip the section on Enterprise Resource Planning Systems on p. 35-38):

- **chapter 2 (“Overview of Transaction Processing”)**

Take the following quiz (you may skip question 8):

- **chapter 2 Quiz on pages 38-39**
  - After completing the quiz, you can check your answers on pages 45-47.

Write the answers to the following question in your study journal:

- **question 2.5 on pages 41-42**

By the end of this activity, you should be able to recall:

- a basic overview of each step in the data processing cycle
- the three steps in the data input process
- data processing activities represented by the acronym C.R.U.D.

QuickBooks Fundamentals

For this activity, you will need to register for a free 30-day trial version of QuickBooks Online Plus. You will not be required to enter any credit card information or make any payments. Sign up using the following link:

- **QuickBooks Online Plus Free Trial**
Watch the following video and then create a new account for a company (real or hypothetical) in QuickBooks:

- **First Use Experience**

Watch the following video to explore the basic features and navigation of QuickBooks, and then create a new invoice (real or hypothetical) in QuickBooks:

- **Introduction & Basic Navigation**

Watch the following video and then import a data file (you can use your own file or use the sample file that the video mentions) in QuickBooks:

- **Importing List Elements**

If you would like further practice with QuickBooks, you may access any of the following resources for further reference and tutorials:

- **QuickBooks Support**
- **Intuit Community**
- **Intuit Academy**
- **QuickBooks Online Training Videos**

**Documenting Processes and Controls**

Documentation is essential for understanding and communicating how specific processes and controls work. It's important to be able to interpret and create the right documents for your organization.

**Documenting Processes and Controls**

This section will teach you how to take a complex process and communicate it through a simple, visual diagram or flowchart.

This topic addresses the following competencies:

- **Competency 3025.1.3: Documenting Processes and Controls**
  The graduate can apply methods of documenting processes and controls.

This topic highlights the following objectives:

- Explain the purpose of documentation.
- Identify the tools used to complete documentation.
- Interpret a data flow diagram and its components.
- Interpret a document flowchart and its components.
- Interpret a system flowchart and its components.
- Interpret a program flowchart and its components.
- Identify the appropriate documentation tool for a given scenario.
Documentation

Read the following section in Accounting Information Systems:

- chapter 3 (“Systems Documentation Techniques”)

Take the following quiz:

- chapter 3 Quiz on pages 64-65. After completing the quiz, you can check your answers on pages 74-75.

Complete the following assignment in Accounting Information Systems:

- question 3.12 on pages 70-71

Complete the following activity:

- Create and label a simple data flow diagram. The diagram must include each of the following:
  - at least one data source
  - at least one data destination
  - data flows
  - at least one transformation process
  - at least one data store

*You can either draw in your study journal or use a software program, such as Microsoft Word, Microsoft PowerPoint, or Visio. For further instructions, examples, and tools for designing diagrams and flowcharts, see http://www.conceptdraw.com/examples/information-flow.

By the end of this activity, you should be able to:

- interpret a data flow diagram, document flowchart, system flowchart, and program flowchart
- identify when to use a data flow diagram, and when to use a document, system, or program flowchart

Solving Business Problems

An AIS is a highly effective tool for solving business problems. This section presents a variety of applications for solving business problems through technology.

Databases to Solve Business Problems

You will explore the purpose and benefits of databases. You will also explore the components of databases and how queries function within databases.

This topic addresses the following competencies:
Competency 3025.1.4: Solving Business Problems
The graduate uses databases to solve business problems.

This topic highlights the following objectives:

- Describe the benefits of a database.
- Distinguish between primary keys and foreign keys in a database.
- Identify the appropriate query for a given task.

Databases

Read the following section in Accounting Information Systems:

- pages 82-88 in chapter 4 (“Relational Databases”)

In your study journal, write the answer to the following question:

- Give an example of a primary key and a foreign key from Table 4-8 on page 96.

By the end of this activity, you should be able to recall:

- The benefits of using a database
- The difference between a primary key and a foreign key

Queries

Read the following section in Accounting Information Systems:

- pages 93-101 (“Creating Relational Database Queries”) in chapter 4 (“Relational Databases”)

Create a query that is relevant to your current job or a hypothetical job. Use Microsoft Access if you have it; if not, write a brief explanation in your study journal of how you would create the query.

IT Controls

Data protection is imperative. IT controls are vital because they help protect crucial information for business organizations.

The Need for IT Controls

In this section, you will explore the reasons behind why many companies fail to protect their data, and a variety of controls that companies can use to safeguard against data security failures.

This topic addresses the following competencies:

- Competency 3025.1.5: IT Controls
  The graduate demonstrates the ability to identify and use IT controls.
This topic highlights the following objectives:

- Describe common reasons for information system failure.
- Describe common reasons why data is not protected wisely.
- Describe key functions of internal controls.
- Compare the major frameworks designed to standardize and improve control processes.
- Describe the components of an internal environment.
- Describe approaches to assessing and managing risk within an organization.

**Information System Failure and Internal Controls**

Read the following section in *Accounting Information Systems*:

- pages 188-203 in chapter 7 (“Control and Accounting Information Systems”)

Take the following quiz:

- chapter 7 Quiz on pages 214-215
  - After completing the quiz, you can check your answers on pages 225-227.

Answer the following questions in your study journal:

- List three reasons why organizations often do not adequately protect their data.
- List four ways management can respond to risk.

By the end of this activity, you should be able to recall:

- common reasons why data is not protected wisely
- the components of an internal framework
- ways that management can assess and respond to risk

**Identifying IT Controls**

This section will examine various types of IT controls, including preventative controls, detective controls, and corrective controls.

This topic addresses the following competencies:

- **Competency 3025.1.5: IT Controls**
  The graduate demonstrates the ability to identify and use IT controls.

This topic highlights the following objectives:

- Describe the different categories of control activities.
- Explain the steps an attacker may take to penetrate an information system.
- Identify security controls that help prevent threats from occurring.
- Identify security controls that detect intrusions.
- Identify security controls that correct intrusions.
Control Activities

By the end of this activity, you should be able to identify:

- the seven categories of control procedures

Preventive, Detective, and Corrective Controls

By the end of this activity, you should be able to identify:

- steps that an attacker may take to penetrate an information system
- examples of preventative controls
- examples of detective controls
- examples of corrective controls

Confidentiality

By the end of this activity, you should be able to identify:

- IT controls that help preserve confidentiality

Privacy and Encryption

Skim the following section in Accounting Information Systems (it is not necessary to study this section very deeply as long as you are familiar with the key terms listed below):
By the end of this activity, you should be familiar with the following key terms:

- spam (page 265)
- identity theft (page 266)
- encryption (pages 268-269)
- hashing (page 272)
- virtual private networks (VPNs) (page 275)

**Processing Integrity**

Read the following section in *Accounting Information Systems*:

- pages 286-292 in chapter 10 ("Processing Integrity and Availability Controls")

By the end of this activity, you should be familiar with:

- input controls
- processing controls
- output controls

**Transaction Cycle Activities**

The transaction cycle activities determine what an AIS does. This section examines these activities and puts the role of an AIS into context.

**Business Processes**

In this section, you will obtain in-depth coverage of the four major transaction cycles: the revenue cycle, the expenditure cycle, the production cycle, and the human resources management / payroll cycle.

This topic addresses the following competencies:

- **Competency 3025.1.6: Transaction Cycle Activities**
  The graduate explains the activities for each transaction cycle.

This topic highlights the following objectives:

- Identify the purpose and basic activities of the revenue cycle.
- Describe the steps of the revenue cycle.
- Identify the purpose and basic activities of the expenditure cycle.
- Describe the steps of the expenditure cycle.
- Identify the purpose and basic activities of the production cycle.
- Describe the steps of the production cycle.
- Identify the purpose and basic activities of the human resources management (HRM)/payroll cycle.
- Describe the steps of the human resources management (HRM)/payroll cycle.

**The Revenue Cycle**
Skim the following section in *Accounting Information Systems* (it is not necessary to read this entire section deeply as long as you understand the items on the bulleted list below):

- **pages 338-365 in chapter 12 (“The Revenue Cycle”)**

By the end of this activity, you should be able to describe:

- the purpose of the revenue cycle
- the four steps in the revenue cycle

**The Expenditure Cycle**

Skim the following section in *Accounting Information Systems* (it is not necessary to read this entire section deeply as long as you understand the items on the bulleted list below):

- **pages 378-402 in chapter 13 (“The Expenditure Cycle”)**

By the end of this activity, you should be able to describe:

- the purpose of the expenditure cycle
- the four steps in the expenditure cycle

**The Production Cycle**

Skim the following section in *Accounting Information Systems* (it is not necessary to read this entire section deeply as long as you understand the items on the bulleted list below):

- **pages 414-434 in chapter 14 (“The Production Cycle”)**

By the end of this activity, you should be able to describe:

- the purpose of the production cycle
- the four steps in the production cycle

**The HRM / Payroll Cycle**

Skim the following section in *Accounting Information Systems* (it is not necessary to read this entire section deeply as long as you understand the items on the bulleted list below):

- **pages 442-461 in chapter 15 (“The Human Resources Management and Payroll Cycle”)**

By the end of this activity, you should be able to describe:

- the purpose of the HRM/payroll cycle
- the five steps in the HRM/payroll cycle

**Acquiring and Implementing an Accounting Information System**
There are a variety of ways to acquire and implement an AIS. This section weighs the advantages and disadvantages of each.

**Acquiring and Implementing an AIS**

In this section, you will explore options for acquiring an AIS, implementing an AIS, and evaluating AIS performance.

This topic addresses the following competencies:

- **Competency 3025.1.7: Acquiring and Implementing an Accounting Information System**
  The graduate explains the processes for acquiring and implementing an accounting information system.

This topic highlights the following objectives:

- Compare the strengths and limitations of purchasing, developing in-house, and outsourcing an AIS.
- Explain how a well-designed AIS can help identify business problems and potential resolutions.
- Describe the steps to implement an AIS.
- Describe the process for determining if the new AIS meets post-implementation objectives.

**Acquiring an AIS**

Read the following section in *Accounting Information Systems*:

- pages 622-631 ("Introduction") in chapter 21

Take the following quiz (you can skip questions 8-10):

- chapter 21 Quiz on pages 637-638
  - After completing the quiz, you can check your answers on pages 646-648.

By the end of this activity, you should be able to compare the strengths and limitations of the following:

- purchasing an AIS
- developing an AIS in-house
- outsourcing an AIS

**AIS Design and Evaluation**

Skim the following chapter in *Accounting Information Systems* (it is not necessary to study the entire chapter deeply as long as you are familiar with the items in the bulleted list below):

- pages 650-664 in chapter 22 ("Systems Design, Implementation, and Operation")
By the end of this activity, you should be able to describe:

- the benefits of having a well-designed AIS (pages 650-658)
- the basic steps for implementing an AIS (pages 658-661)
- the post-implementation review process (pages 662-663)

**Auditing Information Systems**

The final section in this course examines information systems for auditing.

**Auditing Information Systems**

In this section, you will review the auditing process, describe objectives for an information system audit, and describe software that is commonly used for auditing.

This topic addresses the following competencies:

- Competency 3025.1.8: Information System Auditing
  The graduate explains how information systems are used in auditing.

This topic highlights the following objectives:

- Explain the auditing process.
- Describe the objectives of an information system audit.
- Describe software that may be used for auditing.

**Information System Audits**

Skim the following chapter in *Accounting Information Systems* (it is not necessary to study the entire chapter deeply as long as you are familiar with the items on the bulleted list below):

- chapter 11 ("Auditing Computer-Based Information Systems")

By the end of this activity, you should be able to describe:

- the objectives of an information system audit (page 315)

**Final Steps**

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

**The WGU Library**

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For more information about using the WGU Library, view the following videos on [The WGU Channel](https://www.youtube.com/channel/UC7UqGqGy5oq7JvH4z3h9qgg):
Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for Cost and Managerial Accounting. The course covers 3 competencies and represents 3 competency units.

Introduction

Overview
The Cost and Managerial Accounting course will cover managerial accounting as part of the information managers’ use for planning and controlling operations. It prepares students to consider cost behavior and employ various cost methods. Job-order costing, process costing, and activity-based costing methods will be covered, along with cost-benefit analysis, standard costing, variance analysis, and cost reporting.

Watch the following video for an introduction to this course:

- <<embedded video>>

Competencies
This course provides guidance to help you demonstrate the following 3 competencies:

- **Competency 3033.1.1: Applying Cost Methods**
  The graduate applies appropriate cost methods to various production scenarios in order to accurately account for costs of a product or service.

- **Competency 3033.1.3: Decision Making**
  The graduate performs cost–benefit analyses for decision making.

- **Competency 3033.1.4: Budgets and Performance Evaluation**
  The graduate prepares various forms of operating budgets, including a flexible budget system for planning and evaluating the performance of business segments.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.
Learning Resources

The learning resources listed in this section are required to complete the activities in this course. You will be automatically enrolled the first time you click on one of the provided links for the McGraw Hill resource. You will receive an email from McGraw Hill to verify your email. Once that step is completed, you will be able to access the learning resource with no other additional steps.

Learning Resource Provider

McGraw Hill Connect is a web-based assignment platform that allows students to pre-assess their knowledge of the subject matter through completing LearnSmart activities, reading the on-line textbook, watching chapter videos, completing homework assignments, and taking end-of-chapter quizzes. Students are required to click on the chapter and the appropriate links to perform each task.

Textbooks


Additional Preparations

Obtain a Calculator

You will need a simple calculator or access to a spreadsheet program such as Microsoft Excel for computational problems throughout this course.

McGraw Hill Connect provides other resources to help you learn the content covered by the e-text. The Learn Smart activity, interactive presentations, and quizzes have been provided in most of the chapter sections as supplemental resources. Feel free to use these resources as you are working through this course.

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- [Pacing Guide: Cost and Managerial Accounting](#)

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Applying Cost Methods

These topics introduce the role of managerial accounting, how costs in both a manufacturing and service firm are classified, and then goes in depth on the three most widely used costing systems: job-order costing, process costing and activity based costing.

Managerial Accounting and Cost Concepts

This topic will introduce how costs may be classified in managerial accounting and the impact
these classifications have on both decision making and financial statements.

This topic addresses the following competency:

- **Competency 3033.1.1: Applying Cost Methods**
  The graduate applies appropriate cost methods to various production scenarios in order to accurately account for costs of a product or service.

This topic highlights the following objectives:

- Describe cost classifications.
- Prepare income statements for a merchandising company using the traditional and contribution formats.
- Define cost classifications used in making decisions.

**Read: Chapter 1 Managerial Accounting: An Overview**

Chapter 1 reviews accounting concepts that you've learned before. Skim chapter 1 paying particular attention to Exhibit 1-1: Comparing Financial with Managerial Accounting.

Skim the following in *Managerial Accounting*:

- chapter 1: ("Managerial Accounting: An Overview")

Answer Question 1-1 on page 19 to describe the specific role of managerial accounting.

**Read: Chapter 2 Managerial Accounting and Cost Concepts**

Chapter 2 focuses on the different types of cost classifications and income statement formats. Read this chapter carefully. Exhibit 2-9 on page 44: "Comparing Traditional and Contribution Format Income Statements for Merchandising Companies" illustrates the classifications. You may want to copy this in your notes to refer to later.

Access and complete the following activities related to *Managerial Accounting*:

- chapter 2: ("Managerial Accounting and Cost Concepts")

**Watch: Videos on Cost Classification**

The following videos demonstrate how the cost classifications are recorded. Watch the following videos in *McGraw Hill Connect*:

- chapter 2: ("Managerial Accounting and Cost Concepts")
  Once in the e-text, click the “video” tab to access the guided examples.
  - Guided Example 2-4
  - Guided Example 2-6
  - Guided Example 2-8

**Practice: Classification of Costs**
Click on “Chapter 2 Practice: Classification of Costs” to answer the following practice exercises on how to determine various cost classifications for managerial accounting purposes. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint,” then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 2 Practice: Classification of Costs:

- Exercise 2-1
- Exercise 2-2
- Exercise 2-3
- Exercise 2-14

Job Order Costing
This topic covers when job-order costing is used and how the three manufacturing costs—direct labor, direct materials, and manufacturing overhead—are calculated to determine cost of goods manufactured on both a total and per unit basis.

This topic addresses the following competency:

- **Competency 3033.1.1: Applying Cost Methods**
  The graduate applies appropriate cost methods to various production scenarios in order to accurately account for costs of a product or service.

This topic highlights the following objectives:

- Identify various products and services that use job-order costing.
- Describe the types of costs included in job order costing.
- Calculate a predetermined overhead rate.
- Calculate the applied manufacturing overhead.
- Calculate the total cost and the per-unit cost of a job.
- Calculate underapplied or overapplied overhead.
- Prepare a journal entry to close out under- or overapplied overhead.
- Calculate the manufacturing cost.
- Calculate the cost of goods manufactured for an income statement.
- Calculate the cost of goods sold in an income statement.

Read: Chapter 3 Job-Order Costing

Read chapter 3 (“Job-Order Costing”). Pay particular attention to these major concepts:

- when job-order costing is appropriate
- the three broad cost categories
  - direct materials
  - direct labor
  - manufacturing overhead
- the difference between a traditional income statement and a contribution format
Read the following in *Managerial Accounting*:

- **chapter 3 ("Job-Order Costing")**

**Practice: Calculating Job-order and Per-Unit Costs**

Apply your knowledge of using job-order systems to calculate costs. The practice problems below include both total and per unit costs. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 3 Practice: Calculating Job-order and Per-Unit Costs**

- Exercise 3-1
- Exercise 3-2
- Exercise 3-3

**Practice: Underapplied or Overapplied Manufacturing Overhead**

Overhead costs may be applied in job-order costing in different ways. Practice your knowledge of job-order costing when overhead is underapplied or overapplied. The problems below include both total and per unit costs. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 3 Practice: Underapplied or Overapplied Manufacturing Overhead**

- Exercise 3-7
- Exercise 3-8

**Practice: Recording Journal Entries for Underapplied or Overapplied Overhead**

In addition to calculating job costs, it is important that the costs also be recorded accurately in the accounting records. Practice your knowledge of calculating costs and making journal entries to apply overhead and dispose of any overapplied or underapplied overhead. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 3 Practice: Recording Journal Entries for Underapplied or Overapplied Overhead**

- Exercise 3-6
- Exercise 3-11
- Exercise 3-16
Process Costing
Process costing differs from job-order costing and is used in different type of businesses. In this topic you will learn when process costing is suitable and then calculate total product costs and per equivalent unit costs using process costing.

This topic addresses the following competency:

- **Competency 3033.1.1: Applying Cost Methods**
The graduate applies appropriate cost methods to various production scenarios in order to accurately account for costs of a product or service.

This topic highlights the following objectives:

- Identify various products that use process costing.
- Explain how various costs are treated differently in job-order costing versus process costing.
- Calculate the number of equivalent units.
- Calculate the cost per equivalent unit.
- Calculate the total cost of ending work in progress and goods transferred out.
- Prepare a cost reconciliation report.

**Read: Chapter 4 Process Costing**

Chapter 4 clarifies the characteristics and requirements for process costing.

Read the following in *Managerial Accounting*:

- chapter 4 (“Process Costing”)

**Practice: Distinguishing Job-Order and Process Costing**

Apply your knowledge of the differences between job-order and process costing and the journal entries in a process costing system by answering the following questions at the end of chapter 4 in the e-text. The Guided Example videos can help if you have trouble:

- chapter 4 (“Process Costing”)
  - Question 4-1 on page 159 of the e-text
  - Question 4-2 on page 159 of the e-text
  - Question 4-5 on page 159 of the e-text
  - Question 4-6 on page 159 of the e-text

**Practice: Calculating Costs Using Weighted Average**

Apply your knowledge of calculating equivalent units using the weighted-average method by working through the following exercise. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.
Complete Chapter 4 Practice: Calculating Costs Using Weighted Average:

- Exercise 4-2
- Exercise 4-10

**Practice: Weighted Average Costs on a Cost Reconciliation Report**

Apply your knowledge of calculating equivalent units using the weighted-average method by working through the following exercise. Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 4 Practice: Weighted Average Costs on a Cost Reconciliation Report:

- Exercise 4-3
- Exercise 4-4
- Exercise 4-5
- Exercise 4-11

**Activity-Based Costing (ABC)**

Activity-based costing (ABC) is a costing method that is designed to provide managers with cost information for strategic and other decisions that potentially affect capacity and therefore “fixed” as well as variable costs. Activity-based costing is ordinarily used as a supplement to a company's usual costing system. Most organizations that use activity-based costing have two costing systems—the official costing system that is used for preparing external financial reports and the activity-based costing system that is used for internal decision making and for managing activities.

This topic addresses the following competency:

- **Competency 3033.1.1: Applying Cost Methods**
  The graduate applies appropriate cost methods to various production scenarios in order to accurately account for costs of a product or service.

This topic highlights the following objectives:

- Identify when it is appropriate to use activity-based costing.
- Assign costs to cost pools.
- Calculate activity rates per pool.
- Assign overhead costs to cost objects.

**Read: Chapter 7 Activity-Based Costing: A Tool to Aid Decision Making**

Activity-based-costing is an efficient tool to better allocate overhead to products. When reading this chapter, be sure and focus on how the various cost drivers are determined and then used to allocate overhead costs.
Read the following in *Managerial Accounting*:

- chapter 7 (“Activity-Based Costing: A Tool to Aid Decision Making”)

Answer question 1 on page 315 to distinguish activity-based costing from traditional costing.

**Practice: Parts 1 ? 3**

Work through the following exercises from chapter 7 (“Activity-Based Costing”). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 7 Practice activities:

- Chapter 7 Practice: part 1
  - Exercises: 7-1, 7-2, and 7-6
- Chapter 7 Practice: part 2
  - Exercises: 7-3, 7-7, and 7-8
- Chapter 7 Practice: part 3
  - Exercises: 7-4, 7-5, 7-9, 7-11, and 7-13

**Decision Making**

Managers use cost accounting information to make a variety of decisions. In this section we will look at how we can use cost accounting to make decisions regarding break-even points, at what level of sales will a desired profit be realized and determine if we should continue the production and sale of various products.

**Cost-Volume-Profit Relationships**

In this topic we will see how cost-volume-profit (CVP) analysis helps managers make many important decisions such as what products and services to offer, what prices to charge, what marketing strategy to use, and what cost structure to maintain. Its primary purpose is to estimate how profits are affected by changes in sales and the mix of fixed and variable costs.

This topic addresses the following competency:

- **Competency 3033.1.2: Decision Making**
  The graduate performs cost–benefit analyses for decision making.

This topic highlights the following objectives:

- Explain how changes in activity affect contribution margin and net operating income.
- Interpret a cost-volume graph.
- Determine the break-even point given a product mix.
- Calculate the sales level needed to reach a desired target profit.
- Calculate the impact of cost changes.
- Calculate the margin of safety.
• Calculate the degree of operating leverage.
• Predict changes in operating income using the operating leverage.
• Calculate the break-even point for a multiproduct company.
• Calculate the change in the break-even point given a shift in sales.

Read: Chapter 5 Cost-Volume-Profit Relationships

This chapter covers cost-volume-profit (CVP) analysis and how it can help managers make many important decisions, such as what products and services to offer, what prices to charge, what marketing strategy to use, and what cost structure to maintain. Its primary purpose is to estimate how profits are affected by changes in sales and the mix of fixed and variable costs. After reading this chapter you should be able to calculate break-even points and how changes in sales and/or costs affect profitability.

Read the following in Managerial Accounting:

• chapter 5 ("Cost-Volume-Profit Relationships")

Answer question 5-1 on page 215

Practice: Parts 1 ? 3

Work through the following exercises from chapter 5 ("Cost-Volume-Profit Relationships"). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 5 practice activities

• Chapter 5 Practice: part 1
  ○ Exercises: 5-3, 5-4, 5-5
• Chapter 5 Practice: part 2
  ○ Exercises: 5-6, 5-7, 5-14
• Chapter 5 Practice: part 3
  ○ Exercises: 5-8, 5-9, 5-10, 5-11, 5-12

Variable Costing

This topic describes two applications of contribution format income statements. First, it explains how manufacturing companies can prepare variable costing income statements, which rely on the contribution format, for internal decision making purposes, and then the variable costing approach will be contrasted with absorption costing income statements.

This topic addresses the following competency:

• Competency 3033.1.2: Decision Making
  The graduate performs cost–benefit analyses for decision making.

This topic highlights the following objectives:
• Explain the difference between variable costing and absorption costing.
• Prepare an income statement using both absorption costing and variable costing.
• Identify the costs included in a segment income statement.
• Explain the difference between common fixed cost and traceable fixed cost.
• Calculate companywide and segment break-even points with traceable fixed cost.

Read: Chapter 6 Variable Costing and Segment Reporting: Tools for Management

This chapter covers two applications of contribution format income statements. First, it explains how manufacturing companies can prepare variable costing income statements, which rely on the contribution format, for internal decision making purposes. Next, the variable costing approach will be contrasted with absorption costing income statements. After reading, you should be able to prepare a contribution format income statement and distinguish variable costing from full absorption costing.

Read the following in Managerial Accounting:

• chapter 6 ("Variable Costing and Segment Reporting: Tools for Management")

Practice: Parts 1 ? 3

Work through the following exercises from chapter 6 ("Variable Costing and Segment Reporting: Tools for Management"). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 6 practice activities:

• Chapter 6 Practice: part 1
  ▪ Exercise 6-1, 6-13
• Chapter 6 Practice: part 2
  ▪ Exercise 6-2, 6-9, 6-12
• Chapter 6 Practice: part 3
  ▪ Exercise 6-4, 6-10, 6-11

Differential Analysis and Decision Making

Every decision involves choosing from among at least two alternatives. In making a decision, the costs and benefits of one alternative must be compared to the costs and benefits of other alternatives. The key to making such comparisons is differential analysis—focusing on the costs and benefits that differ between the alternatives.

This topic addresses the following competency:

• Competency 3033.1.2: Decision Making
  The graduate performs cost–benefit analyses for decision making.

This topic highlights the following objectives:
• Analyze costs and benefits for relevancy.
• Calculate the impact on profits when a product or business segment has been discontinued.
• Analyze whether to continue or discontinue a product or business segment.
• Calculate the impact on profits from a make or buy decision.
• Analyze a make or buy decision.
• Calculate the impact on profits of a special order.
• Determine the most profitable use of a scarce resource.
• Determine the value of obtaining more of a scarce resource.
• Determine whether it is more profitable to sell at a split-off point or to process further.

Read: Chapter 12 Differential Analysis: The Key to Decision Making

This chapter covers how cost accounting can be used to make various decisions. In making these decisions managers must choose between alternatives and compare costs and benefits of the different alternatives. And, after reading, you should be able to apply the tools of differential analysis to make managerial decisions.

Read the following in Managerial Accounting:

• chapter 12 ("Differential Analysis: The Key to Decision Making").

Practice: Parts 1 - 4

Work through the following exercises from chapter 12 ("Differential Analysis: The Key to Decision Making"). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 12 practice activities

• Chapter 12 Practice: part 1
  □ Exercise 12-1, 12-14, 12-16
• Chapter 12 Practice: part 2
  □ Exercise 12-2, 12-15, 12-3, 12-10, 12-11
• Chapter 12 Practice: part 3
  □ Exercise 12-4, 12-9
• Chapter 12 Practice: part 4
  □ Exercise 12-5, 12-12, 12-6, 12-7, 12-13

Budgets and Performance Evaluation

Budgets are a planning and control tool used by managers to better manage their business, and are often used to evaluate performance of both employees and products. In this section we will learn how budgets are prepared and how they can be used to evaluate performance.

Preparing a Master Budget and Flexible Budget
In this topic you will learn the importance of budgeting to an organization and the various types of budgets that are required to complete a master budget.
This topic addresses the following competency:

- **Competency 3033.1.3: Budgets and Performance Evaluation**
  The graduate prepares various forms of operating budgets, including a flexible budget system for planning and evaluating the performance of business segments.

This topic highlights the following objectives:

- Identify the advantages of budgeting.
- Calculate components of a sales budget.
- Calculate components of a production budget.
- Calculate components of a direct materials budget.
- Calculate components of a direct labor budget.
- Calculate components of a manufacturing overhead budget.
- Calculate components of a selling and administrative expense budget.
- Calculate components of a cash budget.
- Calculate components of a budgeted income statement.
- Prepare a budgeted balance sheet.

**Read: Chapter 8 Master Budgeting**

This chapter covers the importance of budgeting in a business environment. And, after reading, you should be able to prepare a master budget and comprehend the role budgeting plays in planning and control of a business.

Read the following in *Managerial Accounting*:

- chapter 8 ("Master Budgeting")
  - Answer questions 8-1, 8-2, 8-3, 8-4 on page 370.

**Practice: Parts 1 ? 4**

Work through the following exercises from chapter 8 (“Master Budgeting”). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete Chapter 8 practice activities:

- Chapter 8 practice: part 1
  - Exercise 8-1, 8-2, 8-14
- Chapter 8 practice: part 2
  - Exercise 8-4, 8-16, 8-5, 8-15,
- Chapter 8 practice: part 3
  - Exercise 8-6, 8-7, 8-11
- Chapter 8 practice: part 4
  - Exercise 8-8, 8-9
- Problem 8-20 in the e-text (page 381)
Flexible Budgets and Performance Evaluation

In this topic, you will look how budgets can be used to guide operations through performance evaluation. The analysis of variances from budgeted projections is a key tool used in controlling and monitoring business operations.

This topic addresses the following competency:

- **Competency 3033.1.3: Budgets and Performance Evaluation**
  The graduate prepares various forms of operating budgets, including a flexible budget system for planning and evaluating the performance of business segments.

This topic highlights the following objectives:

- Explain the purpose of a flexible budget.
- Calculate the bottom line of a flexible budget.
- Calculate activity variances.
- Calculate revenue and spending variances.
- Interpret activity variance and revenue and spending variance.

**Read: Chapter 9 Flexible Budgets and Performance Analysis**

This chapter covers how budgets are used to assist managers in evaluating performance. After reading, you should be able to prepare a flexible budget and interpret variances.

Read the following in *Managerial Accounting*:

- chapter 9 ("Flexible Budgets and Performance Analysis").
- Answer questions 9-1, 9-2, on page 410

**Practice: Parts 1 ? 3**

Work through the following exercises from chapter 9 ("Flexible Budgets and Performance Analysis"). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 9 practice activities**:

- Chapter 9 practice: part 1
  - Exercise 9-1, 9-2, 9-10, 9-11 , 9-12
- Chapter 9 practice: part 2
  - Exercise 9-3, 9-4, 9-13, 9-14, 9-16
- Chapter 9 practice: part 3
  - Applying Excel for Chapter 9 in McGraw

**Standard Costs and Variances**

This section introduces standard costing and resultant variance analysis. When analyzing variances from established standards one must be able to determine if a variance is favorable.
or unfavorable and what might have given rise to such a variance and what organization, unit, or individual was responsible for any variance.

This topic addresses the following competency:

- **Competency 3033.1.3: Budgets and Performance Evaluation**
  The graduate prepares various forms of operating budgets, including a flexible budget system for planning and evaluating the performance of business segments.

This topic highlights the following objectives:

- Calculate direct materials price and quantity variances.
- Calculate direct labor rate and efficiency variances.
- Calculate variable overhead rate and the variable overhead efficiency variances.
- Interpret material, labor, and variable overhead variances.

**Read: Chapter 10 Standard Costs and Variances**

This chapter introduces standard costing and resultant variance analysis. And, after reading, you should be able to analyze variances from established standards and determine if a variance is favorable or unfavorable. In addition, you should understand what might have given rise to such a variance and what organization, unit, or individual was responsible for any variance.

Read the following in *Managerial Accounting*:

- **Chapter 10 (“Standard Costs and Variances”)**

**Practice: Parts 1 ? 3**

Work through the following exercises from chapter 10 (“Standard Costs and Variances”). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 10 practice activities**

- Chapter 10 practice: part 1
  - Exercise 10-1, 10-7, 10-2, 10-5, 10-8
- Chapter 10 practice: part 2
  - Exercise 10-3, and Applying Excel for Chapter 10
- Chapter 10 practice: part 3
  - Problems 10-13, 10-15

**Performance Measurement in Decentralized Organizations**

In this section, you will look at performance measurement tools that manager may use in a decentralized organization. In a decentralized organization, decision-making authority is spread throughout the organization rather than being confined to a few top executives. Decentralized organizations need responsibility accounting systems that link lower-level managers'
decision-making authority with accountability for the outcomes of those decisions. The term responsibility center is used for any part of an organization whose manager has control over and is accountable for cost, profit, or investments.

This topic addresses the following competency:

- **Competency 3033.1.3: Budgets and Performance Evaluation**
  
  The graduate prepares various forms of operating budgets, including a flexible budget system for planning and evaluating the performance of business segments.

This topic highlights the following objectives:

- Identify the advantages and disadvantages of decentralized organizations.
- Calculate return on investment.
- Calculate residual income.
- Identify nonfinancial performance measures.
- Identify components to be included in a balanced scorecard.

**Read: Chapter 11 Performance Measurement in Decentralized Organizations**

This chapter covers performance measurement tools that managers may use in a decentralized organization. In a decentralized organization, decision-making authority is spread throughout the organization rather than being confined to a few top executives. After reading this chapter you should know understand why decentralized organizations need responsibility accounting systems that link lower-level managers' decision-making authority with accountability for the outcomes of those decisions.

Read the following in *Managerial Accounting*:

- chapter 11 ("Performance Measurement in Decentralized Organizations")
  - Answer questions 11-1, 11-2 on page 497

**Practice: Parts 1 ? 2**

Work through the following exercises from chapter 11 ("Performance Measurement in Decentralized Organizations"). Some of these exercises have Guided Examples available to view. To view the Guided Example, click the link titled, “View Hint”, then click the “Guided Example” link. If there is no link to view a Hint, that exercise does not have a Guided Example available.

Complete **Chapter 11 practice activities**:

- Chapter 11 practice: part 1
  - Exercise 11-1, 11-2, 11-5, 11-11, and Chapter 11 "Applying Excel"
- Chapter 11 practice: part 2
  - Exercise 11-8
- Chapter 11 exercise 11-4 (in e-text page 501) and 11-7 (in e-text page 502)
Final Steps

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU?s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for Taxation II. The course covers 7 competencies and represents 3 competency units.

Introduction

Overview
Welcome to Taxation II! This course focuses on the taxation of business entities, including corporations, partnerships, and LLCs. Important taxation concepts and skills discussed in this course include tax reporting, planning, and research skills applicable to a variety of business contexts. The activities you will complete for this course emphasize the role of taxes in business decisions and business strategy.

Competencies
This course provides guidance to help you demonstrate the following 7 competencies:

- **Competency 3027.1.1: Tax Implications of Different Business Structures**
  The graduate evaluates the tax implications of different legal structures for business entities.

- **Competency 3027.1.2: C Corporations**
  The graduate determines the tax treatment for C corporations.

- **Competency 3027.1.3: S Corporations**
  The graduate determines the tax treatment for S corporations.

- **Competency 3027.1.4: Partnerships**
  The graduate determines the tax treatment for partnerships.

- **Competency 3027.1.5: Estates and Trusts**
  The graduate determines the tax treatment for estates and trusts.

- **Competency 3027.1.6: IRS Procedures**
  The graduate describes the administrative procedures of the IRS.

- **Competency 3027.1.7: Tax Research**
  The graduate researches tax issues related to taxation of entities.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success
The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**MyAccountingLab**

MyAccountingLab contains the e-text, homework, and quizzes that you will need for this course. You will be directed to specific materials in MyAccountingLab throughout the course.

The following textbook is available to you as an e-text within this course. You will have access to this e-text through MyAccountingLab. You will be directly linked to the specific readings required within the activities that follow.


*Note: This e-text is available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**Tax Software**

The following tax resources are available to students registered in this course as supplemental materials to Rupert/Pope/Anderson, *Prentice Hall's Federal Taxation 2015, 28/e*.

- **TaxACT Resources**
  - all TaxACT 2013 Forms
  - TaxACT 2013 Form 1040
  - TaxACT 2013 Form 1065
  - TaxACT 2013 Form 1120
  - TaxACT 2013 Form 1120S
  - TaxACT Help PDF
  - TaxACT License PDF

**Course Resources**

In the Chapter Resources section, you will be able to access the following materials:

- Textbook assignments and quizzes
- Personal gradebook for assignments
- Chapter Study Plan
• Optional PowerPoint supplements for each chapter

As you work through the course of study, you will find links to the assigned chapter readings and chapter quizzes. After completing each assigned chapter reading and associated quiz, return to the resource linked below and complete the chapter activities to increase your mastery of the topic area.

https://lrps.wgu.edu/provision/32585322

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

• Pacing Guide: Taxation II

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Tax Implications of Different Business Structures

Each type of business structure has different tax implications. Accountants need to understand these differences in order to plan effectively and account for business operations.

Federal Tax System as It Applies to Different Business Structures

It is essential to understand the tax implications of different business structures. In this topic, you will examine the tax advantages and disadvantages of different business structures, including sole proprietorships, partnerships, C corporations, and S corporations. You will also examine the tax advantages and disadvantages of equity and debt in a corporation’s capital structure.

This topic addresses the following competency:

• Competency 3027.1.1: Tax Implications of Different Business Structures
  The graduate evaluates the tax implications of different legal structures for business entities.

This topic highlights the following objectives:

• Identify the different types of business organizations.
• Identify the tax advantages and disadvantages of sole proprietorships.
• Identify the tax advantages and disadvantages of partnerships.
• Identify the tax advantages and disadvantages of C corporations.
• Identify the tax advantages and disadvantages of S corporations.
• Identify the tax advantages and disadvantages of equity and debt in a corporation’s capital structure.

Read: Types of Business Organizations
C Corporations

It is fundamental for accountants to be able to understand and apply the rules and processes for the taxation of corporations.

**Tax Treatment for C Corporations**

In this topic you will learn essential tax rules for corporations, including how to determine a corporation’s taxable income, loss, and tax liability. You will also learn tax planning strategies for corporations.

This topic addresses the following competency:

- **Competency 3027.1.2: C Corporations**
  The graduate determines the tax treatment for C corporations.

This topic highlights the following objectives:

- Describe the elections that a corporation makes on its initial tax return.
- Calculate a corporation’s taxable income.
- Calculate a corporation’s income tax liability.
- Calculate a personal service corporation’s income tax liability.
- Explain the special tax rules used for controlled groups in corporations.
- Describe tax planning strategies to minimize the amount of corporate taxes.
- Identify the items that must be reconciled in the schedules M-2 and M-3.

**Read: Corporate Elections**

[https://lrps.wgu.edu/provision/32585539](https://lrps.wgu.edu/provision/32585539)

**Read: Taxable Income for Corporations**

[https://lrps.wgu.edu/provision/32585563](https://lrps.wgu.edu/provision/32585563)

**Read: Income Tax Liability for Corporations**

[https://lrps.wgu.edu/provision/32585592](https://lrps.wgu.edu/provision/32585592)

**Read: Income Tax Liability for Service Corporations**

[https://lrps.wgu.edu/provision/32585607](https://lrps.wgu.edu/provision/32585607)

**Read: Controlled Groups**

[https://lrps.wgu.edu/provision/32585660](https://lrps.wgu.edu/provision/32585660)

**Read: Tax Planning for Corporations**

[https://lrps.wgu.edu/provision/32585695](https://lrps.wgu.edu/provision/32585695)
Additional Tax Issues for C Corporations

In this topic you will explore various issues, including nonliquidating distributions, and three additional types of taxes for C corporations.

This topic addresses the following competencies:

**Competency 3027.1.2: C Corporations**
The graduate determines the tax treatment for C corporations.

This topic highlights the following objectives:

- Calculate a corporation’s earnings and profits.
- Describe the tax impact of nonliquidating distributions to shareholders.
- Determine the tax treatment for stock dividends and stock rights.
- Determine the tax treatment for stock redemptions.
- Explain the criteria that make a corporation liable for alternative minimum tax.
- Analyze a corporation to determine if it is a personal holding company.
- Describe the tax treatment for accumulated earnings.
- Describe tax planning strategies that are associated with AMT and PHC.
- Explain the rules that must be followed for corporate liquidations.

Read: Corporate Earnings and Profits

https://lrps.wgu.edu/provision/32585772

Read: Nonliquidating Distributions to Shareholders

https://lrps.wgu.edu/provision/32585789

Read: Stock Dividends and Stock Rights

https://lrps.wgu.edu/provision/32585795

Read: Stock Redemptions

https://lrps.wgu.edu/provision/32585800

Read: Alternative Minimum Tax

https://lrps.wgu.edu/provision/32585866

Read: Personal Holding Companies

https://lrps.wgu.edu/provision/32585836

Read: Accumulated Earnings
S Corporations

S corporations have specific tax rules and regulations that are different from those of C corporations. It is important to understand the difference between the two types of corporations.

**Tax Treatment for S Corporations**

In this section, you will study the unique tax advantages, disadvantages, and regulations that apply specifically to S corporations.

This topic addresses the following competency:

- **Competency 3027.1.3: S Corporations**
  The graduate determines the tax treatment for S corporations.

This topic highlights the following objectives:

- Explain the tax advantages and disadvantages of an S corporation.
- Describe the requirements for being eligible to elect S corporation status.
- Identify which events trigger the termination of an S corporation.
- Describe the tax treatment of ordinary income and separately stated items on an S corporation return.
- Describe the taxation of shareholders of S corporations.
- Calculate the stock and debt basis of an S corporation shareholder.
- Identify tax planning strategies for an S corporation.

**Read: Tax Advantages and Disadvantages of S Corporations**

https://lrps.wgu.edu/provision/32586004

**Read: S Corporation Election**

https://lrps.wgu.edu/provision/32586014

**Read: S Corporation Termination**

https://lrps.wgu.edu/provision/32586065

**Read: Taxation of Ordinary Income for S Corporations**

https://lrps.wgu.edu/provision/32586070

**Read: Taxation of S Corporation Shareholders**

https://lrps.wgu.edu/provision/32586103
Partnerships

Partnerships are a major type of business structure that is widely used in the U.S. It is essential to learn the tax guidelines that apply specifically to partnerships.

Tax Treatment for Partnerships

In this section, you will learn about the different types of partnerships, specific rules for the formation, taxation, and termination of partnerships, tax planning strategies for partnerships, and the advantages of limited liability companies and limited liability partnerships.

This topic addresses the following competency:

- **Competency 3027.1.4: Partnerships**
  The graduate determines the tax treatment for Partnerships.

This topic highlights the following objectives:

- Describe the types of partnerships.
- Describe the tax treatment of partnership income.
- Describe the tax consequences to a partnership of property or service contributions.
- Explain the process of establishing a tax year for a partnership.
- Describe the tax treatment of ordinary income and separately stated items on a partnership return.
- Determine the tax treatment for each partner’s distributive share.
- Describe the impact of liabilities on a partner’s basis.
- Describe the tax consequences for a partnership due to property sales.
- Identify tax planning strategies for partnerships.

Read: Types of Partnerships

https://lrps.wgu.edu/provision/32586171

Read: Taxation of Partnership Income

https://lrps.wgu.edu/provision/32586196

Read: Taxation of Property or Service Contributions

https://lrps.wgu.edu/provision/32586217

Read: Establishing a Tax Year for Partnerships

https://lrps.wgu.edu/provision/32586244

Read: Taxation of Ordinary Income for Partnerships

https://lrps.wgu.edu/provision/32586285

Read: Taxation of Partners' Distributive Shares
https://lrps.wgu.edu/provision/32586477
Read: Basis for Partnerships

https://lrps.wgu.edu/provision/32586293
Read: Partnership Property Sales

https://lrps.wgu.edu/provision/32586349
Read: Tax Planning for Partnerships

https://lrps.wgu.edu/provision/32586360

**Special Partnership Issues**
In this section, you will learn examine special issues for partnerships and various types of partnerships, including publicly traded partnerships, limited liability companies, and limited liability partnerships.

This topic addresses the following competencies:

**Competency 3027.1.4: Partnerships**
The graduate determines the tax treatment for Partnerships.

This topic highlights the following objectives:

- Identify the types of nonliquidating partnership distributions.
- Determine the tax consequences when liquidating or selling a partnership.
- Determine the tax consequences when a partnership is terminated.
- Describe the advantages of forming a limited liability company.
- Describe the advantages of limited liability partnerships.

Read: Nonliquidating Partnership Distributions

https://lrps.wgu.edu/provision/32586390
Read: Liquidation or Sale of Partnership Interest

https://lrps.wgu.edu/provision/32586405
Read: Partnership Termination

https://lrps.wgu.edu/provision/32586431
Read: Advantages of Limited Liability Companies

https://lrps.wgu.edu/provision/32586441
Read: Advantages of Limited Liability Partnerships

https://lrps.wgu.edu/provision/32586471

**Estates and Trusts**
Estates and trusts are unique entities that are defined as fiduciaries. The concept of fiduciaries opens up a new realm of tax rules and regulations to understand and apply.

**Estates and Trusts**
In this section, you will define trusts and estates and determine the taxable income of each.

This topic addresses the following competency:

- **Competency 3027.1.5: Estates and Trusts**
  The graduate determines the tax treatment for estates and trusts

This topic highlights the following objectives:

- Describe trusts, including inter vivos trusts and testamentary trusts.
- Define an estate.
- Determine a trust’s or estate’s gross income tax liability.
- Determine a trust’s distributable net income (DNI).
- Determine the taxable income of a simple trust and tax treatments for beneficiaries.
- Determine the taxable income for complex trusts and estates.

**Read: Trusts**

https://lrps.wgu.edu/provision/32586511

**Read: Estates**

https://lrps.wgu.edu/provision/32586545

**Read: Gross Income and Tax Liabilities of Trusts and Estates**

https://lrps.wgu.edu/provision/32586560

**Read: Distributable Net Income (DNI)**

https://lrps.wgu.edu/provision/32586589

**Read: Simple Trusts**

https://lrps.wgu.edu/provision/32586597

**Read: Complex Trusts and Estates**

https://lrps.wgu.edu/provision/32586610

**IRS Procedures**

The Internal Revenue Service (IRS) directs tax collection and enforcement in the United States. Accountants need to be thoroughly familiar with its procedures.

**Administrative Procedures of the IRS**
In this section, you will describe IRS procedures, including auditing, private letter rulings, tax returns and payments, penalties, and the statute of limitations.

This topic addresses the following competency:
- **Competency 3027.1.6: IRS Procedures**
  The graduate describes the administrative procedures of the IRS

This topic highlights the following objectives:

- Identify the steps of the auditing process.
- Describe the process for requesting a private letter ruling.
- List the due dates for tax returns and tax payments (including extensions).
- Describe failure-to-file and failure-to-pay penalties.
- Describe the penalties for negligence, substantial understatement, civil fraud, and criminal fraud.
- Explain when the statute of limitations applies for tax returns.

Read: The Auditing Process

[https://lrps.wgu.edu/provision/32586663](https://lrps.wgu.edu/provision/32586663)

Read: Private Letter Rulings

[https://lrps.wgu.edu/provision/32586673](https://lrps.wgu.edu/provision/32586673)

Read: Tax Due Dates

[https://lrps.wgu.edu/provision/32586709](https://lrps.wgu.edu/provision/32586709)

Read: Failure-to-File and Failure-to-Pay Penalties

[https://lrps.wgu.edu/provision/32586831](https://lrps.wgu.edu/provision/32586831)

Read: Negligence, Substantial Understatement, Civil Fraud, and Criminal Fraud

[https://lrps.wgu.edu/provision/32588188](https://lrps.wgu.edu/provision/32588188)

Read: Statute of Limitations

[https://lrps.wgu.edu/provision/32588208](https://lrps.wgu.edu/provision/32588208)

**Tax Research**

Tax law is the foundation for accounting procedures. Central to your role as an accountant is the process of researching, understanding, and applying tax law.

**Tax Research**

In this section, you will study the tax research process, describe sources of tax law, and use tax research tools to resolve tax issues related to corporations.

This topic addresses the following competency:

- **Competency 3027.1.7: Tax Research**
  The graduate researches tax issues related to the taxation of entities

This topic highlights the following objectives:
- Describe the tax research process.
- Describe the various sources of tax law.
- Determine the relative weight of each tax law source in relation to one another.
- Apply various tools and the tax research process to resolve a tax issue related to corporations.

**Read: The Tax Research Process**

https://lrps.wgu.edu/provision/32588221

**Read: Sources of Tax Law**

https://lrps.wgu.edu/provision/32588237

**Read: Tax Research Tools**

https://lrps.wgu.edu/provision/32588255

**Final Steps**

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

**Business Students:** The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**
WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for Business Law for Accountants. The course covers 4 competencies and represents 3 competency units.

Introduction

Overview
Welcome to Business Law for Accountants! While you may have had exposure to other law or even business law courses, this course focuses on those areas of the law that traditionally impact accounting-related and business transaction-related decision functions. The course represents the legal and accounting concepts governing the conduct of business in the United States. It will cover laws and regulations relevant to business operations.

Watch the following video for an introduction to this course:

- <<embedded video>>

Competencies
This course provides guidance to help you demonstrate the following 4 competencies:

- **Competency 3035.1.2: Government Regulations**
  The graduate applies appropriate federal laws and regulations (e.g., antitrust, copyright, patents, money laundering, labor, employment, ERISA).

- **Competency 3035.1.3: Agency**
  The graduate understands the authority, duties, and liabilities of agents and principals.

- **Competency 3035.1.4: Contracts**
  The graduate evaluates the legal implications of business transactions and contracts, particularly as they relate to accounting, auditing, and financial reporting.

- **Competency 3035.1.5: Debtor-Creditor Relationships**
  The graduate understands the rights, duties, and liabilities of debtors, creditors, and guarantors, particularly as they relate to bankruptcy and insolvency issues.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success
The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**Cengage MindTap**
You will access the materials in the following MindTap courseware at the activity level within this course.

- Business Law for Accountants

This web-based resource includes access to the following e-text along with videos, interactive quizzes, integrated links, and homework questions.


*Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

Review the following tutorials to become familiar with MindTap:

- MindTap Annotations: [http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Annotations.html](http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Annotations.html)
- MindTap Media: [http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Media.html](http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Media.html)
- MindTap Apps: [http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Apps.html](http://www.wadsworthmedia.com/tlc/MindTap/MindTap_Apps.html)

*Note: Throughout this courseware, you will see orange text stating “counts toward grade.” Please disregard this text. The assignments within this MindTap course will provide you and the course mentor feedback to identify problematic content areas that may need to be supplemented with other content matter. The Performance Assessments and/or Objective Assessments will determine a pass/fail for the course.**

**Pacing Guide**
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Business Law for Accountants

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Government Regulations

This section addresses the significant volume of both state and federal regulation to which a business is exposed. Perhaps no other area of business law requires as much proactive monitoring and control within the organization as the regulatory environment of business. The term *compliance* is associated with this field and the cost of compliance is oftentimes material for many businesses, as most businesses face compliance requirements in almost every function of the operation and from different governmental authorities.

Federal Regulations

You will learn how the federal government regulates businesses, principally through the administrative agencies that are primarily part of the Executive Branch of the U.S. government. You will be exposed to the purpose and scope of the agencies, from where they derive their powers, and the processes they are required to follow when creating or modifying “regulations.” You will also learn about several of the more important regulations affecting business and the agencies that create and enforce those regulations in areas such as consumer protection, credit transactions, anti-trust, and the environment. Finally, you will touch upon the ethical requirements of those that practice in these, and other fields; principally, the professional trades, including accountants, attorneys, and physicians.

This topic addresses the following competencies:

- **Competency 3035.1.2: Government Regulations**
  The graduate applies appropriate federal laws and regulations (e.g., antitrust, copyright, patents, money laundering, labor, employment, ERISA).

This topic highlights the following objectives:

- Describe the roles of federal administrative agencies.
- Identify significant laws and regulations designed to protect consumers.
- Explain the major federal statutes that address consumer protection in credit transactions.
- Describe current laws and regulations designed to protect the environment.
- Describe the main provisions, prohibitions, and exemptions of current antitrust laws.
- Analyze the legal obligations and potential liabilities of accountants, attorneys, physicians, and other professionals.

Read: Administrative Agencies
Access **chapter 23 (“Administrative Agencies”)** in MindTap and complete the following activities:

1. Throughout this course, you will prepare case briefs for a variety of cases. Skim the links to the IRAC Formula and Advanced Outline of an IRAC that are linked to in MindTap.
2. Read the text.
3. Complete the following worksheets.
   - Administrative Law Agency Creation and Powers
   - The Administrative Procedure Act and Judicial Deference to Agency Decisions
   - Enforcement Adjudication and Public Accountability
4. Watch the following video and complete the corresponding quiz.
   - “Administrative Agencies”
5. Complete Hypothetical Scenario #1.

**Read: Consumer Law**

Access **chapter 24 (“Consumer Law”)** in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Deceptive Advertising
   - Credit Protection
3. Watch the following videos and complete the corresponding quizzes.
   - “Consumer Protection”
4. Complete the Brief Hypothetical Scenario Chapter 24.
6. Prepare a case brief for the following business case problem in *Business Law: Text & Cases*.
   - Problem 24-4 (“Debt Collection”)
   - Refer to the actual case linked in MindTap for more information.

**Read: Environmental Law**

Access **chapter 25 (“Environmental Law”)** in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Common Law Actions Government Regulations and Air Pollution
   - Water Pollution
   - Toxic Chemicals and Hazardous Wastes
3. Watch the following videos and complete the corresponding quizzes.
   - “Environmental Regulation”
   - “Toxic Chemicals and Hazardous Wastes”
4. Complete the Brief Hypothetical Scenario Chapter 25.
5. Review chapter 25.

**Read: Antitrust Law**

Access **chapter 26 (“Antitrust Law”)** in MindTap and complete the following activities:
1. Read the text.
2. Complete the following worksheets.
   - The Sherman Act and its Section 1
   - Section 2 of the Sherman Act
   - The Clayton Act Enforcement and Exemptions in the Global Context
3. Complete the Brief Hypothetical Scenario Chapter 26.

Read: Professional Liability and Accountability

Access [chapter 27 (“Professional Liability and Accountability”)] in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Potential Liability to Clients
   - Potential Liability to Third Parties and the Sarbanes-Oxley Act
   - Liability Under the Securities Laws, Confidentiality and Privilege
3. Watch the following video and complete the corresponding quiz.
   - “Accountant's Liability”
4. Complete the Brief Hypothetical Scenario Chapter 27.
5. Review chapter 27.

Read: Focus on Ethics

Read the following unit in *Business Law: Text & Cases* and reflect on the Legal Reasoning questions it asks throughout the document.

- **Unit Six: Focus on Ethics**

**Federal Employment and Labor Laws**

You will learn the federal scheme for the protection of workers in the US including the numerous federal statutes governing wages, hours, medical leave, safety, and pension and health plans. Perhaps no liability is as troublesome as that related to discrimination in employment and you will thus be exposed to the various types of workplace discrimination (such as discrimination based on age, gender, race, or disability), the regulations that prohibit such discrimination, and the defenses an employer might raise when charged with each type of discrimination. Finally, you'll examine some rights employees have in areas such as privacy on the job, the ability to bargain collectively with employers, and the right to work in the U.S.

This topic addresses the following competencies:

- **Competency 3035.1.2: Government Regulations**
  The graduate applies appropriate federal laws and regulations (e.g., antitrust, copyright, patents, money laundering, labor, employment, ERISA).

This topic highlights the following objectives:
- Identify the federal statutes that regulate employee wages, hours, medical leave, safety, and pension and health plans.
- Identify provisions that protect the rights of employees.
- Identify federal provisions that prohibit a given type of discrimination.
- Identify the defenses that an employer may use if charged with employment discrimination.

**Read: Employment, Immigration, and Labor Laws**

Access chapter 10 ("Employment, Immigration, and Labor Laws") in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Employment at Will, Wages, Hours and Layoffs
   - Health, Safety, Income Security and Privacy Rights
   - Immigration Law and Labor Law
3. Watch the following videos and complete the corresponding quizzes.
   - "Family and Medical Leave Act"
   - "Immigration Law"
   - "Layoffs in Good Economic Times"
4. Complete the Brief Hypothetical Scenario Chapter 10.
5. Review chapter 10.

**Read: Employment Discrimination and Diversity**

Access chapter 11 ("Employment Discrimination and Diversity") in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Title VII of the Civil Rights Act of 1964
   - Sexual Harassment and Age Discrimination
   - Discrimination Based on Disability Defenses and Affirmative Action
3. Watch the following videos and complete the corresponding quizzes.
   - "Age Discrimination"
   - "Americans with Disabilities Act"
   - "Employment Discrimination"
4. Complete the following –
   - Hypothetical Scenario #2
   - Hypothetical Scenario #3
   - Hypothetical Scenario #4
5. Review the "Employment at Will" PDF.
   - Problem 11-4 ("Discrimination Based on Gender")
   - Refer to the actual case linked in MindTap for more information.
Agency

This section addresses the definition, types, formation, activities, duties, and liabilities of the agent/principal relationship and what impacts that relationship can have on a business and its legal exposure.

Agents and Principals

You will learn the overall master/servant dynamic between a principal and its agent as well as the legal rules governing the behavior and expectations of each. In the business context, you will gain insight into two key agency relationships: employer-employee and employer-independent contractor, and the legal and liability differences between the two. Perhaps no legal risk is greater in this area than the liability an agent can create on behalf of a principal. You will see that agency relationships can be formed in several ways; some implicitly and with different types of authority to act granted or implied, thus it is important to understand when and how one is acting on behalf of another. Once an agency is established, certain duties owing to the principal are created and enforceable by law and you will study these important duties.

This topic addresses the following competencies:

- Competency 3035.1.3: Agency
  The graduate understands the authority, duties, and liabilities of agents and principals.

This topic highlights the following objectives:

- Describe the legal relationship between agents and principals.
- Identify the ways in which agency relationships can be formed and terminated.
- Identify the rights and duties of agents.
- Identify the rights and duties of principals.
- Explain the different types of authority an agent can have.
- Determine the liability of principals and agents for contracts, torts, and crimes in a given scenario.

Read: Agency Formation and Duties

Access chapter 8 (“Agency Formation and Duties”) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Agency Relationships
   - Formation of the Agency Relationships
   - Duties, Rights, and Remedies of Agents and Principals
3. Complete Hypothetical Scenario #5.
4. Review chapter 8.

Read: Agency Limited to Third Parties and Termination
Access chapter 9 (“Agency Limited to Third Parties and Termination”) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Scope of Agents Authority and Liability for Contracts
   - Liability for Torts and Crimes
3. Watch the following videos and complete the corresponding quizzes.
   - “Agency and Respondeat Superior”
4. Review website material linked under The Agency Problem in MindTap.
   - Problem 9-5 (“Liability Based on Actual or Apparent Authority”)
   - Refer to the actual case linked in MindTap for more information.

**Read: Focus on Ethics**

Read the following unit in Business Law: Text & Cases and reflect on the Legal Reasoning questions it asks throughout the document.

- **Unit Two: Focus on Ethics**

### Contracts

This section addresses the fundamental relationship between parties in a business context and the primary tool used to define, measure, and control that relationship: the contract. Here, you will learn about the definition, formation, enforcement, type, and source of contracts in use by businesses today.

#### Sales and Leases

You will learn that commercial transactions involving merchants, such as entering into sales and lease agreements, is governed by each state’s adoption of the Uniform Commercial Code or UCC. You will see that the UCC is a statutory “gap” filler for commercial contracts not addressing all important contractual terms and conditions, notably those related to statutory warranties governing the subject matter of the contract. You will contrast these commercial contracts to those governed under each state’s common (judge- or case-made) law where private parties are typically involved. For both categories of contracts you will study the requisite building blocks of a typical contract in order to make it binding on the other party and what it means to “breach” a contact and the resulting remedies available to the complaining party if breach is established.

This topic addresses the following competencies:

- **Competency 3035.1.4: Contracts**
  The graduate evaluates the legal implications of business transactions and contracts, particularly as they relate to accounting, auditing, and financial reporting.
This topic highlights the following objectives:

- Explain the purpose of the Uniform Commercial Code.
- Explain the requirements for the formation of sales and lease contracts, including the offer, acceptance, consideration, the statute of frauds, and parol evidence.
- Apply the rules and regulations governing contracts as outlined in common law rules, the Uniform Commercial Code, and Contracts for the International Sale of Goods in a given scenario.
- Analyze components of a sales or lease contract to determine potential benefits and risks in a given scenario.
- Identify the obligations of the parties involved in sales and lease contracts according to the UCC.
- Explain the legal remedies for a breached contract.
- Describe warranties of title, express warranties, and implied warranties.

Read: The Formation of Sales and Lease Contracts

Access chapter 16 ("The Formation of Sales and Lease Contracts") in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - The UCC: Sales and Leases
   - The Formation of Sales and Lease Contracts
   - Contracts for the International Sale of Goods
3. Watch the following video and complete the corresponding quizzes.
   - "International Sales and Lease Contracts" (2 quizzes)
4. Complete the following –
   - Hypothetical Scenario #6
   - Hypothetical Scenario #7
   - Hypothetical Scenario #8
   - Hypothetical Scenario #9
5. Review chapter 16.

Read: Title, Risk, and Insurable Interest

Access chapter 17 ("Title, Risk, and Insurable Interest") in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Identification
   - When Title Passes
   - Risk of Loss and Insurable Intent
3. Watch the following video and complete the corresponding quiz.
   - "Risk of Loss"
4. Complete the Brief Hypothetical Scenario Chapter 17.
5. Review chapter 17.
Read: Performance and Breach of Sales and Lease Contracts

Access chapter 18 (“Performance and Breach of Sales and Lease Contracts”) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Performance Obligations and Those of the Seller or Lessor
   - Obligations of the Buyer, Anticipatory Repudiation, and Remedies of the Seller
   - Remedies of the Buyer, Other Remedy Issues, and International Contracts
3. Complete Hypothetical Scenario #10.

Read: Warranties

Access chapter 19 (“Warranties”) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Warranties of Title and Express Warranties
   - Implied Warranties
   - Overlapping Warranties and Warranty Disclaimers
3. Watch the following video and complete the corresponding quiz.
   - “Creation of Warranties”
4. Complete the Brief Hypothetical Scenario Chapter 19.
5. Review chapter 19.

Read: Focus on Ethics

Read the following unit in Business Law: Text & Cases and reflect on the Legal Reasoning questions it asks throughout the document.

- Unit Four: Focus on Ethics

Negotiable Instruments

Commercial contracts often involve the use of negotiable instruments representing current payment (drafts and checks) or promises of future payment (promissory notes and certificates of deposit) under the terms and conditions of the contract. You will learn about the various types of negotiable instruments, how and when they become negotiable through indorsement, and who is the legal owner or holder in due course of a negotiable instrument at any time before and after its indorsement. You will also be exposed to the banking perspective of negotiable instruments, principally the acceptance and honoring (or dishonoring) of checks as well as the prevalence today of electronic banking and transfer of funds between contractual parties in settlement of transactions.

This topic addresses the following competencies:

- Competency 3035.1.4: Contracts
The graduate evaluates the legal implications of business transactions and contracts, particularly as they relate to accounting, auditing, and financial reporting.

This topic highlights the following objectives:

- Identify types of negotiable instruments.
- Evaluate an instrument to determine whether it meets the requirements for negotiability.
- Explain the legal effects of a given type of indorsement.
- Analyze a case to determine whether a party is considered a holder in due course (HDC).
- Analyze the defense and liability considerations involved in a given negotiable instrument case.
- Identify banks’ duties and liabilities involving checks.
- Explain the benefits and challenges of electronic banking.

**Read: The Function and Creation of Negotiable Instruments**

Access [chapter 12 ("The Function and Creation of Negotiable Instruments")](#) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Negotiable Instruments
   - Requirements for Negotiability
   - Payable to Order or Bearer and Factors Not Affecting Negotiability
3. Watch the following video and complete the corresponding quiz.
   - Negotiable Instruments
4. Complete the Brief Hypothetical Scenario Chapter 12.
5. Review chapter 12.

**Read: Transferability and Holder in Due Course**

Access [chapter 13 ("Transferability and Holder in Due Course")](#) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Negotiation and Indorsements in General
   - Indorsement Issues
   - Holder in due Course and Holder Through an HDC
3. Complete the corresponding quiz.
   - Transferability and Holder in Due Course (based on the video from chapter 12)
4. Complete the Brief Hypothetical Scenario Chapter 13.

**Read: Liability, Defenses, and Discharge**

Access [chapter 14 ("Liability, Defenses, and Discharge")](#) in MindTap and complete the following activities:
1. Read the text.
2. Complete the following worksheets.
   - Signature Liability
   - Unauthorized Indorsements and Warranty Liability
   - Defenses, Limitations and Discharge
3. Complete the Brief Hypothetical Scenario Chapter 14.

**Read: Banking in the Digital Age**

Access [chapter 15 (“Banking in the Digital Age”)](#) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Checks and the Bank-Customer Relationship
   - The Bank's Duty to Honor Checks
3. Complete the Brief Hypothetical Scenario Chapter 15.
4. Review chapter 15.
5. Prepare a case brief for the following business case problem in *Business Law: Text & Cases*.
   - Problem 15-3 (“Spotlight on Embezzlement—Forged Drawers’ Signatures”)
   - Refer to the actual case linked in MindTap for more information.

**Read: Focus on Ethics**

Read the following unit in *Business Law: Text & Cases* and reflect on the Legal Reasoning questions it asks throughout the document.

- **Unit Three: Focus on Ethics**

**Debtor-Creditor Relationships**

This section addresses the relationship between those lending money (creditor) and those borrowing money (debtor), and the rights and obligations of each party to a lending transaction (most often governed by a contract).

**Debtors and Creditors**

You will learn the fundamental relationship between a debtor and creditor and the legal obligations created by the underlying lending agreement (such as mortgage), including the right of the creditor to collect on the debt, including taking legal action, upon default. You will see that oftentimes a debtor will be joined in the loan obligation by a guarantor or surety, and there are rights created therein allowing the creditor to force payment from these third parties as well. You will be exposed to the use of collateral or property offered by the debtor in a secured loan transaction and perfected via a legally recognized security interest to the creditor in order to further ensure payment of debt and how and when creditors might legally seize that collateral upon default to satisfy the debt. Finally, you’ll learn what happens when more than one creditor has placed a lien on collateral and taken a security interest in the same collateral, a concept known as *priorities*. 
This topic addresses the following competencies:

- **Competency 3035.1.5: Debtor-Creditor Relationships**
  The graduate understands the rights, duties, and liabilities of debtors, creditors, and guarantors, particularly as they relate to bankruptcy and insolvency issues.

This topic highlights the following objectives:

- Describe the remedies available to creditors if a debtor defaults.
- Describe the different types of mortgages.
- Describe suretyship and guaranty arrangements.
- Identify the types of debtor’s property that are exempted from creditors’ actions.
- Define the terms related to secured transactions.
- Identify the steps and requirements involved in creating and perfecting a security interest.
- Describe the general rules of priority between debtors and creditors in secured transactions.

**Read: Creditors? Rights and Remedies**

Access [chapter 20 (“Creditors’ Rights and Remedies”)](access chapter 20) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Laws Assisting Creditors
   - Mortgages
   - Suretyship Guaranty and Protection for Debtors
3. Complete the Brief Hypothetical Scenario Chapter 20.

**Read: Secured Transactions**

Access [chapter 21 (“Secured Transactions”)](access chapter 21) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - Terminology: Creation and Perfection of a Security Interest
   - Perfection Without Filing and the Scope of a Security Interest
3. Watch the following video and complete the corresponding quiz.
   - Secured Transactions
4. Complete the Brief Hypothetical Scenario Chapter 21.
5. Review chapter 21.
6. Prepare a case brief for the following business case problem in *Business Law: Text & Cases*.
   - Problem 21-5 (“Default”)
   - Refer to the actual case linked in MindTap for more information.
Bankruptcy

The federal Bankruptcy Code is a legal means by which a debtor may be relieved of its obligation to satisfy a loan when it is clear that payments cannot be made as agreed. You will learn about the two basic types of bankruptcy under the law: liquidation, in which the debtor is absolved of all obligations; and reorganization, in which the debtor enters into a modified payment plan through the bankruptcy court that allows it to pay significantly less to its creditors for a specific period of time, and thereafter absolved of all remaining obligations. You'll see that private and business bankruptcies are governed under different sections of the code and that this tool is not without exclusions and exemptions thereby providing creditors with certain rights to collect on their loans even when a debtor has filed a bankruptcy petition.

This topic addresses the following competencies:

- **Competency 3035.1.5: Debtor-Creditor Relationships**
  The graduate understands the rights, duties, and liabilities of debtors, creditors, and guarantors, particularly as they relate to bankruptcy and insolvency issues.

This topic highlights the following objectives:

- Explain the purpose of the Bankruptcy Code.
- Describe liquidation bankruptcy and reorganization bankruptcy.
- Identify the factors involved in determining repayment plans and debt adjustments under Chapters 12 and 13 of the Bankruptcy Code.

**Read: Bankruptcy Law**

Access chapter 22 (“Bankruptcy Law”) in MindTap and complete the following activities:

1. Read the text.
2. Complete the following worksheets.
   - The Bankruptcy Code and Liquidation Proceedings
   - Distribution of Property and Reorganizations
   - Bankruptcy Relief Under Chapter 13 and Chapter 12
3. Review the Bankruptcy Basics link in MindTap.
4. Complete the Brief Hypothetical Scenario Chapter 22.
5. Review chapter 22.
6. Prepare a case brief for the following business case problem in *Business Law: Text & Cases*.
   - Problem 22-4 (“Discharge in Bankruptcy”)
   - Refer to the actual case linked in MindTap for more information.

**Read: Focus on Ethics**

Read the following unit in *Business Law: Text & Cases* and reflect on the Legal Reasoning questions it asks throughout the document.

- **Unit Five: Focus on Ethics**
Final Steps

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for the improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Requirements

Please review the University ADA Policy.
This course supports the assessment for Auditing. The course covers 5 competencies and represents 3 competency units.

Introduction

Overview

Welcome to Auditing! This course will walk you through the auditing process, including planning, conducting, documenting, and reporting an audit. You will also learn the roles and professional standards of public accountants. This course is designed to help you study for the CPA exam and develop essential skills for real-world experience.

Competencies

This course provides guidance to help you demonstrate the following 5 competencies:

- **Competency 3030.1.1: Professional Responsibilities and Standards**
  The graduate understands the roles, responsibilities, and professional standards of the public accountant, including the Code of Professional Conduct.

- **Competency 3030.1.2: Planning the Audit Engagement**
  The graduate effectively plans an audit engagement.

- **Competency 3030.1.3: Auditing Internal Controls**
  The graduate assesses the internal control environment to identify potential risks.

- **Competency 3030.1.4: Performing Audit Procedures and Evaluating Evidence**
  The graduate performs audit procedures for various accounts and evaluates evidence in accordance with generally accepted auditing standards.

- **Competency 3030.1.5: Evaluating and Reporting Audit Findings**
  The graduate analyzes audit findings and prepares the final reports at the completion of an audit.

Course Mentor Assistance

As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success
The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

**MyEducator**

All of the course content will be found within the following MyEducator course:

- *Introduction to Auditing*

**Pacing Guide**

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- “Auditing Pacing Guide”

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Professional Responsibilities and Standards**

This section emphasizes the vital role of auditing in the business world. It also introduces the essential roles, responsibilities, and professional standards for auditors.

**The Importance of High-Quality Information and Auditing**

Auditors perform an essential role for businesses and investors. This topic will help you better understand and articulate the need for auditing in the business world and the characteristics of high-quality auditors. You will also differentiate between auditing, attest services, and assurance services.

This topic addresses the following competency:

- **Competency 3030.1.1: Professional Responsibilities and Standards**
  The graduate understands the roles, responsibilities, and professional standards of the public accountant, including the Code of Professional Conduct.

This topic highlights the following objectives:
- Explain why businesses need to provide reliable, high-quality financial information to stakeholders.
- Describe the role of auditors in the financial reporting process.
- Define auditing, attest services, and assurance services.
- Identify characteristics of high-quality auditors.

**The Role and Importance of Auditing**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 1.12:

- **Topic 1 (“What is Auditing and Why Does It Matter?”)**

*Note: The videos throughout the MyEducator course are optional activities. You may view them anytime for further review, but they are not required for this course.*

Complete the following activity in your study journal:

- Analyze the following scenarios and write the answers to the following questions:

1. A large regional CPA firm decides to hire a new audit manager. The top two candidates for the job are Auditor A and Auditor B. Auditor A owns a small amount of stock in KOD Manufacturing, a client of the CPA firm, and Auditor B does not, but her father is a retired KOD Vice President. Considering this information, the company decides to hire Auditor B. Which characteristic does Auditor B exhibit that Auditor A does not? Why?

2. Auditor X has decided to specialize in the oil industry. As a result, she consistently chooses oil companies as clients in order to develop expertise in auditing issues related to the oil industry. Auditor Y has decided to audit companies from a wide variety of industries in order to keep his client pool open and diverse. Consequentially, he obtains a basic-level understanding of many different industries. According to the textbook, which auditor demonstrates a higher level of competence? Why?

3. An auditor is performing preliminary analytics of the trial balance accounts of TOPSPIN, LLC. This is the first year that the firm has audited TOPSPIN’s financial statements. Several account balances are higher than the previous year’s balances. The auditor brings this up to the CFO, who reassures him that any discrepancies are immaterial. However, the auditor decides to perform a more extensive examination of the account, and discovers numerous discrepancies. The amount of discrepancies is considered material. Which characteristic(s) does the auditor exemplify? Why?

Read the following article about internal and external auditors:

- **Internal vs. External Auditors, What’s the Difference?**

If you would like further review, you may take the following optional quiz:

- **Section 1.13 (“CPA Test Prep”)**
Auditing and Assurance Standards

Professional auditors need to follow established standards. This section covers the need for these standards, the organizations that set the standards, and several of the key standards that auditors need to follow.

This topic addresses the following competency:

- **Competency 3030.1.1: Professional Responsibilities and Standards**
  The graduate understands the roles, responsibilities, and professional standards of the public accountant, including the Code of Professional Conduct.

This topic highlights the following objectives:

- Explain the need for well-defined, evolving standards for governing auditing.
- Describe the various standard-setting bodies that establish prescriptive auditing standards.
- Identify the basic Generally Accepted Auditing Standards (GAAS).

Auditing and Assurance Standards

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 3.7:

- **Topic 3 (“Auditing and Assurance Standards”)**

Complete the following activities in your study journal:

- Write a brief answer to the following question:
  - Why is there a need for well-defined, evolving auditing standards?
- Write a brief description of each of the following standard-setting organizations:
  - The Securities and Exchange Commission (SEC)
  - The AICPA’s Auditing Standards Board (ASB)
  - The Public Company Accounting Oversight Board (PCAOB)
  - The International Auditing and Assurance Standards Board (IAASB)
- Write a brief (2-5 word) summary for each of the 10 PCAOB Generally Accepted Auditing Standards (GAAS) as outlined in Section 3.4.

If you would like further review, you may take the following optional quiz:

- **Section 3.8 (“CPA Test Prep”)**

Professional Responsibilities of Auditors

This section outlines the key responsibilities and obligations of auditors and others involved in the auditing process.

This topic addresses the following competency:
• **Competency 3030.1.1: Professional Responsibilities and Standards**

The graduate understands the roles, responsibilities, and professional standards of the public accountant, including the Code of Professional Conduct.

This topic highlights the following objectives:

- Describe the key regulatory requirements in the 1933 and 1934 securities acts and the Sarbanes-Oxley Act of 2002.
- Identify the principles of professional conduct as outlined in the AICPA’s Code of Professional Conduct.
- Identify key rules from AICPA’s Code of Professional Conduct.
- Identify examples of violations of independence according to rules established by the SEC and the AICPA.
- Describe the responsibilities of partners, managers, seniors, and associates within an auditing firm.

**Professional Responsibilities of Auditors**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 4.9:

- **Topic 4 (“Professional Responsibilities of Auditors”)**

Complete the following activities in your study journal:

- Write a brief description of the key requirements in each of the following Acts:
  - The 1933 Securities Act
  - The 1934 Securities Exchange Act
  - The Sarbanes-Oxley Act
- Match each of the following scenarios with the rule that is being violated:

  1. An auditor agrees to receive $1,000 for recommending a client’s services to another company.
  2. An auditor commits an action that reflects poorly on the reputation of the auditing profession.
  3. An auditor creates an auditing firm whose organizational structure does not conform to accepted standards.
  4. An auditor agrees to receive $5,000 from a client for giving a favorable audit report for that client.
  5. An auditor guarantees that she will provide a favorable audit report for a prospective client before initiating the audit engagement.
  6. An auditor reveals a client’s private information in a public statement.

A. Confidential client information
B. Contingent fees
C. Acts discreditable
D. Advertising and other forms of solicitation
E. Commissions and referral fees
F. Form of organization and name

- Explain the difference between independence in fact and independence in appearance.
- Write a description of the following types of relationships that are prohibited by the SEC:
  - employment relationships
  - contingent fee relationships
  - direct or material indirect business relationships
  - certain financial relationships
- Match each of the following types of prohibited relationships with an example of that relationship. (Note: some of the examples may be categorized into more than one of the relationship types and some of the relationship types may apply to more than one scenario).

A. Employment relationships
B. Contingent fee relationships
C. Direct or material indirect business relationships
D. Certain financial relationships

1. An auditor performs an audit for one of her creditors.
2. A company pays an auditor an extra sum for providing a favorable audit report.
3. An auditor’s parent company asks her to consult for their newly-acquired subsidiary.
4. A company hires an auditor a few weeks after the auditor completes an auditing engagement for that company.
5. An auditor owns stock in a company that he audits.

If you would like further review, you may take the following optional quiz:

- Section 4.10 (“CPA Test Prep”)
Legal and Organizational Structure of Firms

Read the following section in Introduction to Auditing and take the quiz at the end:

- Section 2.3 (“Legal and Organizational Structure of the Firm”)

Complete the following activity in your study journal:

- Write the description of the responsibilities of each of the following members of a firm:
  - partner
  - manager
  - senior (in-charge)
  - associate (staff)

Planning the Audit Engagement
The first steps in the auditing process are very important. This section outlines the key steps that an auditor should take to begin a successful audit.

**Client Acceptance and Quality Control**

When an auditor begins the auditing process with the client, there are several important interactions and prerequisites that need to take place between the auditor and client. In this section, you will learn more about these initial procedures, which include the client acceptance process, the engagement letter, and quality control processes.

This topic addresses the following competency:

- **Competency 3030.1.2: Planning the Audit Engagement**
  - The graduate effectively plans an audit engagement.

This topic highlights the following objectives:

- Describe key steps and requirements in the client acceptance process.
- Explain the purpose and content of the engagement letter in an audit engagement.
- Describe internal and external quality control processes.

**Client Acceptance and Quality Control**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 5.7:

- **Topic 5 (“Client Acceptance and Quality Control”)**

Complete the following activities in your study journal:

- Write a brief summary of what you would do to fulfill each of the following steps if you were an auditor accepting a new client:
  - preconditions for an audit
  - analysis of client integrity
  - communication with the predecessor auditor
  - engagement letter
- Write a brief engagement letter to a hypothetical client. Be sure to include all of the required information that needs to be included in an engagement letter (see the bulleted list under the “Engagement Letter” section in Section 5.2 of the text).
- Summarize the purpose of and give examples of each of the following:
  - firm-level quality control
  - engagement-level quality control
  - external quality control
  - PCAOB Inspections
  - AICPA Peer Review Program

If you would like further review, you may take the following optional quiz:
Audit Planning

This topic outlines important planning considerations, including the information that auditors need to understand about their clients, materiality issues, and the primary concerns an auditor must consider during the auditing process.

This topic addresses the following competency:

- **Competency 3030.1.2: Planning the Audit Engagement**
  The graduate effectively plans an audit engagement.

This topic highlights the following objectives:

- Identify the information an auditor should understand about a client when planning an audit.
- Identify PCAOB’s key management assertions.
- Distinguish between overall planning materiality and performance materiality.
- Identify the primary concerns an auditor must consider while examining a client’s revenue and expenditure cycles.

Audit Planning

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 6.10:

- **Topic 6 (“Audit Planning”)**

Complete the following activities in your study journal:

- Write a list of the things an auditor should learn about a client when planning an audit.
- Write a brief description of each of the following assertions:
  - existence or occurrence
  - completeness
  - valuation or allocation
  - rights and obligations
  - presentation and disclosure
- Write a brief description of each of the following:
  - overall planning materiality
  - performance materiality
  - the major differences between overall planning materiality and performance materiality
- Write a list of the primary concerns an auditor must consider while examining the following:
  - a client’s revenue cycle
  - a client’s expenditure cycle
Audit Planning: Audit Risk and the Risk of Material Misstatement

Another essential element to audit planning is calculating the various risks involved. This section introduces and explores these risks.

This topic addresses the following competency:

- **Competency 3030.1.2: Planning the Audit Engagement**
  The graduate effectively plans an audit engagement.

This topic highlights the following objectives:

- Identify examples of engagement risk and audit risk.
- Identify examples of Type I and Type II audit errors.
- Define the components of the audit risk model.
- Calculate risks using the audit risk model.
- Define the fundamental components of fraud.
- Explain the Fraud Triangle and its components.
- Identify characteristics of known incidences of fraudulent financial reporting.

Audit Planning

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 7.9:

- **Topic 7 (“Audit Planning: Audit Risk and the Risk of Material Misstatement”)**

Complete the following activities in your study journal:

- In your study journal, fill in the following table with either “H” (high) or “L” (low) to rate each of the following clients in terms of the level of engagement and audit risk. For example, a client may present a high engagement risk, but a low audit risk.

<table>
<thead>
<tr>
<th></th>
<th>Engagement Risk</th>
<th>Audit Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A large, well-known company with a reputable management team and a clean financial track record</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. A small, lesser-known company with an honest management team and effective internal controls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. A global company with a</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
world-famous brand that has a tendency to manipulate its financial statements

4. A small, lesser-known company with poorly-designed internal controls

Classify each of the following errors as either a Type I error or a Type II error:

1. An auditor concludes that a specific control is operating effectively, when in fact it is not
2. An auditor concludes that a specific control is not operating effectively, when in fact it is

Answer the following questions:

You work for an audit firm that has established an acceptable audit risk level of 5%. For each of the following scenarios, use the Audit Risk Model to determine whether the audit engagement will stay within the acceptable audit risk level:

1. Risk of material Misstatement = 60%; Detection Risk = 15%
2. Inherent Risk = 20%; Control Risk = 50%; Detection Risk = 50%
3. Inherent Risk = 75%; Control Risk = 66%; Detection Risk = 10%

For each of the following scenarios, determine the maximum level of detection risk (%) that is necessary in order to stay within the acceptable risk level of 5%:

4. Risk of Material Misstatement = 50%
5. Inherent Risk = 50%; Control Risk = 60%
6. Inherent Risk = 15%; Control Risk = 25%

Use the following information for questions 7 and 8:

You work for an audit firm that has established an acceptable audit risk level of 5%. The firm has also established the following rating system for assessing Inherent Risk and Control Risk:

<table>
<thead>
<tr>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>75% - 100%</td>
</tr>
<tr>
<td>Moderate</td>
<td>50% - 75%</td>
</tr>
<tr>
<td>Low</td>
<td>25% - 50%</td>
</tr>
<tr>
<td>Very Low</td>
<td>1% - 25%</td>
</tr>
</tbody>
</table>

7. The client you are preparing to audit is a relatively new software company that was founded 2 years ago. The company is governed by a young, aggressive CEO who is preparing for the company’s Initial Public Offering. The company has decent internal controls for most areas, but lacks internal controls for one particular area.

a. What qualitative and quantitative ratings would you give for this company’s Inherent Risk?
b. What qualitative and quantitative ratings would you give for this company’s Control Risk?

c. What level of Detection Risk is necessary in order to meet the acceptable audit risk level of 5%?

8. The client you are preparing to audit is an established manufacturing company that has thrived for decades. The management is experienced and tends to make conservative decisions in guiding the company. Previous audits of the company have all presented unqualified (positive) opinions. The company has internal controls for all areas, though several of them are slightly outdated.

   a. What qualitative and quantitative ratings would you give for this company’s Inherent Risk?
   
   b. What qualitative and quantitative ratings would you give for this company’s Control Risk?
   
   c. What level of Detection Risk is necessary in order to meet the acceptable audit risk level of 5%?

For each of the following questions, identify which of the five components of fraud are present (see section 7.5 for the five components). Then indicate whether each incident was fraudulent in nature.

1. The founder of a startup accidentally omitted important financial information in a document that she provided to an investor. The investor lost significant capital as a result of the omission.

2. A manager purposely overstated his department’s quarterly revenues and consequently received a large salary bonus.

3. A new accountant at a corporation accidentally included some misinformation on a company financial statement, but the mistake did not cause significant loss for any of the parties involved.

4. A CFO of a large corporation decides to overstate a few items on the company’s annual report. As a result, the company’s stock price increases and all of the shareholders benefit.

Identify which items in the following list are examples of characteristics of known instances of fraudulent financial reporting, as outlined in the textbook:

1. The company reports its median assets and revenues at $250 million
2. The company changed auditors before the incident occurred
3. The CFO was involved in the incident
4. The incident was concerned with potential improper revenue recognition
5. The company has used the same auditor for many years in a row
6. The CEO was involved in the incident
7. The company reports its median assets and revenues at $98 million
8. The CTO was involved in the incident

If you would like further review, you may take the following optional quiz:
Auditing Internal Controls

Internal controls establish safeguards within organizations. This section explores the role of the auditor in relation to a client’s internal controls.

**Internal Controls**
This topic introduces the COSO internal control framework, the auditor’s responsibility for a client’s internal control, and different types of internal control deficiencies.

This topic addresses the following competency:

- **Competency 3030.1.3: Auditing Internal Controls**
  The graduate assesses the internal control environment to identify potential risks.

This topic highlights the following objectives:

- Explain the purpose of the COSO internal control framework.
- Describe the control components of the COSO framework as illustrated by the COSO cube.
- Describe the auditor’s responsibility for their client’s internal control when performing an audit.
- Define each type of internal control deficiency.

**Internal Controls**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 8.10:

- **Topic 8 (“Internal Controls”)**

Complete the following activity in your study journal:

- Summarize an auditor’s responsibilities for their client’s internal control when performing an audit (as outlined in section 8.6)

If you would like further review, you may take the following optional quiz:

- **Section 8.11 (“CPA Test Prep”)**

**Performing Audit Procedures and Evaluating Evidence**

The previous section outlined the steps for planning and preparing for an audit. This section covers the many facets of actually conducting the audit. These include sampling, analytical procedures, confirmations, and concluding the audit engagement.

**Sampling**
Sampling is central to conducting a successful audit. This section introduces the benefits of
sampling, steps in the sampling process, various sampling techniques, and the process for evaluating the results of a sampling test.

This topic addresses the following competency:

- **Competency 3030.1.4: Performing Audit Procedures and Evaluating Evidence**
  The graduate performs audit procedures for various accounts and evaluates evidence in accordance with generally accepted auditing standards.

This topic highlights the following objectives:

- Identify the benefits and potential costs of sampling versus auditing 100 percent of transactions.
- Explain the first five steps in the sampling process.
- Explain the difference between statistical and non-statistical sampling.
- Identify various sampling techniques.
- Explain factors to be considered when determining a sample size.
- Evaluate the results of a sampling test.

**Sampling**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 10.11:

- **Topic 10 (“Sampling”)**

Complete the following activities in your study journal:

- Write a comparison of the costs and benefits of each of the following practices:
  - auditing 100% of transactions
  - auditing a sample of transactions
- Write a brief description of important factors to be considered when determining a sample size for each of the following types of tests:
  - Test of Controls
  - Substantive Test of Details
- List the eight steps in the sampling process and write a brief description of how to perform each step

If you would like further review, you may take the following optional quiz:

- **Section 10.12 (“CPA Test Prep”)**

**Audit Evidence: Analytical Procedures**

This section introduces analytical procedures, provides a walkthrough of the analytical procedures process, and offers suggestions for ensuring high-quality execution of analytical procedures.
This topic addresses the following competency:

- **Competency 3030.1.4: Performing Audit Procedures and Evaluating Evidence**
  The graduate performs audit procedures for various accounts and evaluates evidence in accordance with generally accepted auditing standards.

This topic highlights the following objectives:

- Define analytical procedures.
- Describe the key steps and requirements for performing each phase of the substantive analytical procedures process.
- Explain factors that can assist the auditor in improving the quality of substantive analytical procedures.

### Analytical Procedures

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 11.10:

- **Topic 11 (“Audit Evidence: Analytical Procedures”)**

Complete the following activities in your study journal:

- List the five steps in the substantive procedures process and write a brief description of how to perform each step

If you would like further review, you may take the following optional quiz:

- **Section 11.11 (“CPA Test Prep”)**

### Audit Evidence: Confirmations

This section introduces the benefits of using confirmations, types of confirmations, and procedures related to the use of confirmations.

This topic addresses the following competency:

- **Competency 3030.1.4: Performing Audit Procedures and Evaluating Evidence**
  The graduate performs audit procedures for various accounts and evaluates evidence in accordance with generally accepted auditing standards.

This topic highlights the following objectives:

- Describe the benefits of obtaining evidence using confirmations.
- Explain the different types of audit confirmations.
- Describe the procedures for handling unreturned confirmations.
- Describe strategies for managing risks when using external confirmations.
Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 12.7:

- **Topic 12 (“Audit Evidence: Confirmations”)**

Complete the following activities in your study journal:

- List the benefits of using confirmations as outlined in section 12.2
- Write a list of strategies for managing risks when using external confirmations.

If you would like further review, you may take the following optional quiz:

- **Section 12.8 (“CPA Test Prep”)**

**Concluding the Audit Engagement**

This section introduces a variety of important factors in the auditing process, including contingent liabilities, the going concern assumption, and the auditor’s reviews of engagement quality.

This topic addresses the following competency:

- **Competency 3030.1.4: Performing Audit Procedures and Evaluating Evidence**
  The graduate performs audit procedures for various accounts and evaluates evidence in accordance with generally accepted auditing standards.

This topic highlights the following objectives:

- Describe contingent liabilities and how to identify them.
- Classify events as Type I events and Type II events.
- Evaluate a company’s ability to continue as a going concern.
- Describe the purposes of the auditor’s reviews of engagement quality.

**Concluding the Audit Engagement**

Read the following sections in *Introduction to Auditing* and take the quiz at the end of each section:

- **Section 14.1 (“Introduction”)**
- **Section 14.2 (“Consideration of Contingent Liabilities”)**
- **Section 14.3 (“Consideration of Subsequent Events”)**
- **Section 14.4 (“Auditor’s Responsibility for Subsequent Events”)**
- **Section 14.5 (“Evaluating the Going Concern Assumption”)**
- **Section 14.9 (“Quality Control Reviews”)**

Complete the following activities in your study journal:

- Define contingent liabilities and list several examples.
Write a definition for and give at least one example of each of the following:
- Type I events
- Type II events

Provide a basic outline of the process you would undergo to evaluate a company's ability to continue as a going concern. Additionally, list the four conditions or events listed in the textbook that may influence the going concern evaluation.

**Evaluating and Reporting Audit Findings**

The final stage of the auditing process involves the analysis and reporting of the audit findings. This final section outlines both the analysis and reporting processes.

**Evaluating Audit Findings**

Auditors must review and analyze both the audit procedures and the audit evidence. This section outlines this final analysis.

This topic addresses the following competency:

- **Competency 3030.1.5: Evaluating and Reporting Audit Findings**
  The graduate analyzes audit findings and prepares the final reports at the completion of an audit

This topic highlights the following objectives:

- Describe the final review of audit procedures and evidence.
- Identify the types of information an auditor must communicate with the audit committee.
- Describe the auditor's responsibility for subsequent discovery of relevant information.

**Final Evaluation of Audit Procedures**

Read the following sections in *Introduction to Auditing* and take the quiz at the end of each section and the overall topic assessment in Section 14.12:

- Section 14.6 (“Final Evaluation of Audit Procedures and Audit Evidence”)
- Section 14.7 (“Communications with Management and the Audit Committee”)
- Section 14.8 (“Responsibilities for Subsequently Discovered Facts”)
- Section 14.10 (“Consideration of Omitted Audit Procedures”)
- Section 14.11 (“Conclusion”)
- Section 14.12 (“Overall Assessment”)

Complete the following activities in your study journal:

- List the six items that an auditor should evaluate during a final evaluation, and provide a description of how the auditor should evaluate each of them.
- List the information that auditors must communicate to the auditing committee during the final stages of the engagement.
If you would like further review, you may take the following optional quiz:

- Section 14.13 ("CPA Test Prep")

**Audit Documentation**

The concluding step in the auditing process is documenting the final reports. This section covers the different types of required documentation and the processes for completing them.

This topic addresses the following competency:

- **Competency 3030.1.5: Evaluating and Reporting Audit Findings**
  The graduate analyzes audit findings and prepares the final reports at the completion of an audit

This topic highlights the following objectives:

- Describe the purposes of audit documentation.
- Describe the various types of audit documentation used by auditors.
- Describe the requirements for audit documentation completion and retention.

**Audit Documentation**

Read all of the sections of the following topic in *Introduction to Auditing*. Complete the quizzes at the end of each section and the overall topic assessment in Section 13.6:

- Topic 13 ("Audit Documentation")

If you would like further review, you may take the following optional quiz:

- Section 13.7 ("CPA Test Prep")

Complete the following overall course assessment in preparation for your final assessment:

- Final Prep ("Overall Topic Assessment")

**Final Steps**

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

**The WGU Library**

The [WGU Library](https://library.wgu.edu/) is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on [The WGU](https://library.wgu.edu/).
Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Business Students: The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for the improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

ADA Requirements

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for ACCT 4900. The course covers 1 competency and represents 5 competency units.

Introduction

Overview
This course is the culminating assessment of the accounting curriculum and requires students to synthesize core knowledge from across the degree program and apply accounting skills to benefit an organization. Students will be asked to work with case studies to address accounting challenges.

Competencies
This course provides guidance to help you demonstrate the following competency:

- **Competency 981.1.1 Bachelor of Science in Accounting Program Capstone**
  The graduate integrates and synthesizes competencies from across the degree program and thereby demonstrates the ability to participate in and contribute value to the chosen professional field.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
*Note: There are no new learning resources for this course. However, you may choose to access any of the learning resources that you have used throughout your Accounting program. These resources are listed below. You may be prompted to log in to the WGU student portal to access the resources.*
Cengage MindTap

- Business Law for Accountants

CourseSmart E-Text


McGraw Hill Connect

- Cost and Managerial Accounting

MyAccountingLab


MyEducator

- Spreadsheets Excel Educator
- Introduction to Auditing

WileyPlus

- Intermediate Accounting I
- Intermediate Accounting II

Additional Preparations

The Accounting Capstone course differs from your previous courses in several ways. Because it is an integration of previous courses, you will want to review your notes and assessments from those courses as you complete your capstone activities.
Final Video Presentation

The final task in the capstone requires a recorded video presentation of your work. You will be using the Panopto video recording system. As part of the task requirements, you will submit your recording for evaluation. Instructions for using this system are included in the course of study.

The Model Capstone Archive

Your final capstone project should be a project that you will be proud to exhibit in your portfolio. Exemplary work is also eligible for annual capstone awards selected from projects from all graduates. Western Governors University has developed capstone archives to display final capstone written work and presentations. When WGU archives your final capstone documents, these will be made available to current students, mentors, and evaluators after you have graduated. You will be able to determine whether you wish to participate in the Capstone Archive by completing a copy of the Capstone Waiver and Release Form upon completion of your capstone. By participating, your scholarship and effort at the university will be recognized, and you will have the satisfaction of contributing to the advancement of WGU and its students.

Since your final capstone project is to be shared with the WGU academic community, you will want to make sure that this represents your best work and displays rigorous scholarship and practical application of competencies. WGU has taken great care to ensure that safeguards are in place to ensure the academic authenticity and the exposure of sensitive information. When you submit the Capstone Waiver and Release Form, you agree to remove voluntarily confidential information. This means your own personal details and contact information and information identifying co-workers, organizations, and their contact information. View the "Capstone Security and Anonymity" document for more information.

Go to the Model Capstone Archive to see examples of competent student work in your own program that show a variety of ways students approach project requirements. Some of the materials housed in the archive are artifacts produced along the way to the final capstone materials so that you can see what is involved during the entire process that you are about to undertake.

The Accounting Capstone Team will aid you in understanding areas where you need to improve and will guide you to learning resources. Request their help as needed when preparing for the assessment.

Capstone Overview

This course of study is designed to prepare you for the Accounting Capstone, a performance assessment which requires you to apply competencies from throughout the Accounting program by resolving a real-world business challenge using demonstrated accounting capabilities. The capstone is comprised of 2 tasks.

Accounting Capstone Task 1
You will analyze various business transactions for a fictional merchandising company called Yellow Leaf Fashion, Inc. You will prepare financial statements, including a balance sheet, income statement, and a statement of cash flows. You will also assess the performance and financial position of the company.

Use the “Yellow Leaf Scenario,” “Yellow Leaf Workbook,” and “Yellow Leaf Approved Ratios” to complete this task.

You will complete the following activities as part of Task 1:

- Prepare the adjusted trial balance in the attached “Yellow Leaf Workbook,” including schedules for adjusting entries.
- Prepare the multistep income statement for Yellow Leaf Fashion for 2014 in the attached “Yellow Leaf Workbook.”
  - Include the earnings-per-share computation in the multistep income statement for Yellow Leaf Fashion for 2014.
- Prepare the classified balance sheet for Yellow Leaf Fashion for 2014 in the attached “Yellow Leaf Workbook.”
- Prepare the statement of cash flows for Yellow Leaf Fashion for 2014 in the attached “Yellow Leaf Workbook.”
- Prepare the statement of retained earnings for Yellow Leaf Fashion for 2014 in the attached “Yellow Leaf Workbook.”
- Prepare the common size balance sheet with total assets as a base in the attached “Yellow Leaf Workbook.”
  - Compute the growth rate for each component of the balance sheet over the previous year.
- Prepare the common size income statement with revenue as a base in the attached “Yellow Leaf Workbook.”
  - Compute the growth rate for the income statement over the previous year.
- Prepare a report (suggested length of 6–8 pages) that analyzes the financial position and performance of Yellow Leaf Fashion.

This topic addresses the following competency:

- **Competency 981.1.1 Bachelor of Science in Accounting Program Capstone**
  
The graduate integrates and synthesizes competencies from across the degree program and thereby demonstrates the ability to participate in and contribute value to the chosen professional field.

**Complete: Accounting Capstone Task 1**

Complete the following task in TaskStream:

- Accounting Capstone: Task 1

For details about this performance assessment, see the “Assessment Preparation” box in this course.
Accounting Capstone Task 2
For the purpose of this task, you will analyze the annual report, 10K and other company SEC filings, and industry data for a selected publically-held company. You will prepare a broad audit plan for one of the following companies:

- The Home Depot Inc.
- Gap Inc.
- Darden Restaurants, Inc.

The broad-based audit plan should identify control risks and areas of focus for the audit. You will provide recommendations for which accounts should be audited using analytical procedures and which accounts should be tested using substantive test of detail. Additionally, you will address going concern considerations, the prior year’s audit opinion, and audit locations.

You will complete the following activities as part of Task 2:

- Analyze one company from the given list based on the 2013 10K and the 2013 annual report.
- Assess your chosen company’s business risk based upon the analysis you previously performed.
- Perform preliminary analytical procedures.
- Prepare a broad-based audit plan based upon your findings.

This topic addresses the following competency:

- **Competency 981.1.1 Bachelor of Science in Accounting Program Capstone**
  The graduate integrates and synthesizes competencies from across the degree program and thereby demonstrates the ability to participate in and contribute value to the chosen professional field.

**Complete: Accounting Capstone Task 2**

Complete the following task in TaskStream:

- Accounting Capstone: Task 2

For details about this performance assessment, see the “Assessment Preparation” box in this course.

**Final Steps**

Congratulations on completing the activities in this course! You are now prepared to complete the associated assessment. If you have not already been directed to complete it, schedule and complete the assessment now.

**The WGU Library**
The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- [WGU: Accessing the Library](#)
- [WGU Library: Finding Articles, Books, & E-Reserves](#)

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- [Course Feedback](#)

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)
This course supports the assessments for BNC1. The course covers 6 competencies and represents 3 competency units.

**Introduction**

**Overview**
In today's increasingly competitive global market, companies are finding that what used to be minor considerations have much greater importance. Aspects of a business, such as culture, leadership, teamwork, and behavior, now have a much more prominent role.

Think about the difference between the corporate culture of Google, one of the most successful companies in the past decade, and AIG, one of the most disgraced companies in the past decade. Google set out to establish a clear sense of its corporate identity and culture, and has based its organization on that. AIG, on the other hand, allowed a culture to evolve that was counterproductive to its original intent of doing business, and the results speak for themselves. Your study of organizational behavior will introduce the underlying principles of culture, leadership, teamwork, and behavior so that you will be able to understand and apply them in your own work experience.

Watch the following video for an introduction to this course:

*Note: To download this video, right-click the following link and choose "Save as...": [download video]*

**Competencies**
This course provides guidance to help you demonstrate the following 6 competencies:

- **Competency 317.1.1: Behavioral Influences**
  The graduate can describe the effects of specified influences on individual behavior.

- **Competency 317.1.2: Group Development**
  The graduate can recommend appropriate principles or techniques for guiding the development of a group.

- **Competency 317.1.3: Teams and Team Building**
  The graduate can determine which type of team and team leadership should be used to accomplish a task or project.

- **Competency 317.1.4: Organizational Culture**
  The graduate analyzes the culture within an organization to determine how to work effectively within that organization.

- **Competency 317.1.5: Leadership**
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

- **Competency 317.1.6: Performance Evaluation**
  The graduate can develop and recommend how to implement effective performance-evaluation processes.
Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts
The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: This e-text is available to you free of charge, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

IMPORTANT NOTE: As you read the various assigned chapters in the e-text provided in this course, you may occasionally encounter situations in which the e-text reading indicates that you should visit an outside website to view other content or participate in another activity such as the Self-Assessment Library. It is not possible to click on embedded links within the e-text and be re-directed to other websites. It is also NOT possible to edit or make other changes within the e-text itself, as this content is created by the publisher in a digital format. Please ignore all instructions redirecting you to an outside website.
SkillSoft and Books 24x7
You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Organizational Behavior and Leadership

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Behavior Influences

Individuals behave in certain ways for particular reasons. Reasons for behavior stem from various influences. These influences can be classified into general categories, such as biological, personal, social, or environmental. Individuals can modify the behaviors based on some influences more easily than they can modify the behaviors based on others.

Individual Behavior
Dealing with influences on the behavior of individuals within an organization is an integral part of a manager's responsibilities and has a clear impact on the overall performance of an organization's workforce. Understanding these influences and how managers should respond to them is key to a productive work.

This topic addresses the following competency:

- Competency 317.1.1: Behavioral Influences
  The graduate can describe the effects of specified influences on individual behavior.

This topic highlights the following key concepts:

- Perception
- Value systems
- Intrinsic and extrinsic factors of motivation
- Theories of motivation

Personality and Values

Read the following chapter in Organizational Behavior:

- chapter 5 ("Personality and Values")

Work through the chapter 5 multiple choice questions using the knowledge you learned while
reading the chapter.

After completing the multiple choice questions, watch the chapter 5 video:

*Note: The correct answer for question #3 is B; the captioning in the video is in error.*

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Perception and Individual Decision Making**

Read the following chapter in *Organizational Behavior*:

- chapter 6 ("Perception and Individual Decision Making")

Work through the [chapter 6 multiple choice questions](#) using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 6 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Motivation Concepts**

Read the following chapter in *Organizational Behavior*:

- chapter 7 ("Motivation Concepts")

Work through the [chapter 7 multiple choice questions](#) using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 7 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video].*

**Review of Concepts: Behavior Influences**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- [mgmt_09_a05_bs_enus: Emotions, Mindsets, and Coaching](#)
- [lead_01_a06_bs_enus: Coaching Performance](#)

**Group Development**
A number of theoretical models have been developed to explain how certain groups change over time. In some cases, the type of group being considered had influenced the model of group development that was proposed, as in the case of therapy groups. In general, some of these models view group change as regular movement through a series of "stages," while others view them as "phases" that groups may or may not go through and which might occur at different points of a group's history. Attention to group development over time has been one of the differentiating factors between the study of ad hoc groups and the study of teams such as those in the workplace, the military, sports, and many other contexts.

**Group Development**

Many different researchers and theorists have studied groups to understand how they develop. This section will cover the techniques and methods for group development. Group development covers a wide range of different concepts and strategies in order to build and maintain effective groups within an organization.

This topic addresses the following competency:

- **Competency 317.1.2: Group Development**
  - The graduate can recommend appropriate principles or techniques for guiding the development of a group.

This topic highlights the following key concepts:

- Techniques for guiding group development
- The five-stage group development model
- Group roles and group norms
- Factors of group cohesiveness
- Conflict resolution techniques

**Foundations of Group Behavior**

Read the following chapter in *Organizational Behavior*:

- chapter 9 ("Foundations of Group Behavior")

Work through the chapter 9 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 9 video:

Note: To download this video, right-click the following link and choose "Save as...": download video.

**Conflict and Negotiation**
Read the following chapter in *Organizational Behavior*:

- chapter 14 ("Conflict and Negotiation")

Work through the chapter 14 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 14 video:

*Note: To download this video, right-click the following link and choose "Save as...":* [download video](#).

**Review of Concepts: Group Development**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- pd_04_a06_bs_enus: Group Problem Solving and Decision Making
- oper_04_a02_bs_enus: Team Dynamics

**Teams and Team Building**

Team building refers to a wide range of activities, usually in a business context, for improving team performance. Team building is pursued via a variety of practices and can range from simple bonding activities to activities designed to develop a team (including group assessment and group-dynamic games), usually falling somewhere in between.

**Teams and Team Building**

Effective team building involves establishing ownership of shared goals, removing barriers to achieving those goals, employing resources that facilitate achievement of goals, and using team building processes to increase team performance.

This topic addresses the following competency:

- Competency 317.1.3: Teams and Team Building
  The graduate can determine which type of team and team leadership should be used to accomplish a task or project.

This topic highlights the following key concepts:

- Work groups and work teams
- Cross-functional work teams
- Virtual teams
- Team failure
- Reward systems
Understanding Work Teams

Read the following chapter in *Organizational Behavior*:

- chapter 10 ("Understanding Work Teams")

Work through the chapter 10 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 10 video:

*Note: To download this video, right-click the following link and choose "Save as...":* [download video].

Review of Concepts: Teams and Team Building

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- mgmt_08_a03_bs_enus: Facilitating Meetings and Work Groups
- MGMT009B: Coaching Teams and Personalities Simulation
- team_01_a01_bs_enus: Launching Successful Virtual and On-Site Teams

Organizational Culture

Organizational culture is an idea in the field of organizational studies and management that describes the psychology, attitudes, experiences, beliefs, and values (personal and cultural) of an organization.

**Organizational Culture**

Organizational culture is the personality of the organization. Some corporate cultures are very strict and formal while others are more laid-back and informal. Some organizational cultures reward processes while others reward innovation.

This topic addresses the following competency:

- Competency 317.1.4: Organizational Culture
  The graduate analyzes the culture within an organization to determine how to work effectively within that organization.

This topic highlights the following key concepts:

- Organizational culture
- Functional and a dysfunctional organizational culture

**Organizational Culture**

Read the following chapter in *Organizational Behavior*.
• chapter_16 ("Organizational Culture")

Work through the chapter_16 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 16 video:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Review of Concepts: Organizational Culture

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

• lead0122: Organizational Culture and Leadership
• hr_02_a02_bs_enus: Changing Corporate Culture

Leadership

In an intelligently-managed organization, leadership is not a randomly operating process; it is a purposeful force requiring joint effort. It is management's role to ensure that this organizational leadership has a substantive and meaningful core around which to form itself and to give it traction for advancing the organization toward its stated ends.

Leadership

Organizational leadership focuses on building leadership skills that are applicable across industries and specific disciplines. This section will focus on the strategic relationship between leadership theories, practices, and organizational goals.

This topic addresses the following competency:

• Competency 317.1.5: Leadership
  The graduate can analyze leadership theories, methods, and tools in given situations and select the appropriate behavior of the leader.

This topic highlights the following key concepts:

• Leadership theories, methods, and tools
• Transformational and transactional leaders
• Charismatic leadership
• Contingency theories of leadership
• Conflict resolution
Contemporary Issues in Leadership

Read the following chapter in *Organizational Behavior*:

- **chapter 12** ("Leadership")

Work through the chapter 12 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 12 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video]*

What Is Organizational Behavior?

Read the following chapter in *Organizational Behavior*:

- **chapter 1** ("What Is Organizational Behavior?")

Work through the chapter 1 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 1 video:

*Note: To download this video, right-click the following link and choose "Save as...": [download video]*

Review of Concepts: Leadership

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:

- **mgmt_09_a01_bs_enus**: Business Coaching
- **pd_05_a02_bs_enus**: Managing From Within: Self-Empowerment

Performance Evaluation

Performance assessment methods for individuals and teams seek the measurement about productivity, fit, and competency of employees contributing to the greater good of an organization. Performance appraisal surveys and evaluations hope to achieve higher productivity outcomes by delineating how employees meet job specifications. A major challenge for performance appraisal systems is to define performance standards while maintaining objectivity.

**Performance Evaluation**

Performance evaluations serve numerous purposes in an organization. They help management man make human resource decisions regarding things like termination, promotions, and
compensation, and they showcase an employee’s strengths and pinpoint weaknesses in an employee's performance.

This topic addresses the following competency:

- Competency 317.1.6: Performance Evaluation
  The graduate can develop and recommend how to implement effective performance evaluation processes.

This topic highlights the following key concepts:

- Performance evaluation processes
- Performance evaluations and motivation
- 360-degree performance evaluations

**Power and Politics**

Read the following chapter in *Organizational Behavior*:

- chapter 13 ("Power and Politics")

Work through the chapter 13 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 13 video:

*Note: To download this video, right-click the following link and choose "Save as...": download video.*

**Human Resources Policies and Procedures**

Read the following chapter in *Organizational Behavior*:

- chapter 17 ("Human Resource Policies and Practices")

Work through the chapter 17 multiple choice questions using the knowledge you learned while reading the chapter.

After completing the multiple choice questions, watch the chapter 17 video:

*Note: To download this video, right-click the following link and choose "Save as...": download video.*

**Review of Concepts: Performance Evaluation**

Complete the following SkillSoft modules and review their associated SkillBriefs and Job Aids:
BNC1 - Organizational Behavior and Leadership
Course of Study

- **MGMT0150: 360-Degree Performance Appraisal Simulation**
- **MGMT0151: About 360-Degree Performance Feedback**

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

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For more information about using the WGU Library, view the following videos on [The WGU Channel](#):

- [WGU: Accessing the Library](#)
- [WGU Library: Finding Articles, Books, & E-Reserves](#)

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail [writingcenter@wgu.edu](mailto:writingcenter@wgu.edu).

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- [Course Feedback](#)

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at [ADASupport@wgu.edu](mailto:ADASupport@wgu.edu). Further information on WGU?'s ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)
This course supports the assessment for Spreadsheets. The course covers 3 competencies and represents 3 competency units.

**Introduction**

**Overview**
The Spreadsheets course will help students become proficient in using spreadsheets to analyze business problems. Students will demonstrate competency in spreadsheet development and analysis for business/accounting applications (e.g., using essential spreadsheet functions, formulas, charts, etc.)

**Competencies**
This course provides guidance to help you demonstrate the following 3 competencies:

- **Competency 3024.1.1: Build Effective Spreadsheet Models**
  The graduate creates functional, formatted spreadsheets using appropriate spreadsheet functions and formulas to solve business problems.

- **Competency 3024.1.2: Presenting Data Graphically**
  The graduate creates charts to present spreadsheet data for use in a professional setting.

- **Competency 3024.1.3: Solving Business Problems with Spreadsheets**
  The graduate demonstrates proficiency in using spreadsheet software to analyze business problems.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to help you prepare for another attempt. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**

The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you
may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Manually Enrolled Resources**

Take a moment to enroll in the learning resources listed in this section. To enroll, navigate to the “Learning Resources” tab, click the “Show Sections” button, and then click the “Enroll Now” button for each resource. Once your mentor approves your enrollment in the resource, you will receive an e-mail with further access instructions. Contact your mentor if you have questions.

**Microsoft (MS) Excel**

In this course, you will also develop a basic proficiency in Microsoft Excel. Excel is the most popular spreadsheet application in the world. It’s flexible and powerful enough to handle sophisticated statistical and business analyses, yet simple enough that many people use it to manage their personal budgets and help in personal decision-making.

You will need to have Microsoft (MS) Excel available on your computer in order to complete the exercises in this course. MS Excel is part of the MS suite of applications. If you do not already have MS Excel, you can download it through MS Office 365, a cloud-based version of MS Office, using the “Learning Resources” tab. MS Excel 2013 will also work for this course.

**Automatically Enrolled Resources**

You will access MyEducator *Spreadsheets Excel Educator* modules at the activity level within this course.

- *Spreadsheets Excel Educator*

**Additional Preparation**

It would be difficult to find a career in accounting that does not involve technology to a great degree. Your ability to leverage technology in the workplace can give you an advantage over your colleagues and make you more valuable to your organization. You will gain skills you will use for in your other coursework at WGU as well as in both your professional career and your personal life.

Throughout this course you will complete structured lessons that contain instructional text and videos. There is 100% overlap between the text and the videos, so you can choose which medium is better for you and how you learn. We find that most people prefer to watch the videos and use the text when they are looking up something specific – like the set of arguments required for a function.

**Assessments**

In addition to the text and videos, you will find opportunities throughout the book to work through activities, called assessments, to apply what you have learned. Each assessment contains a data file that you will download and complete on your computer in Excel. Once you have completed an assessment, you will submit it for grading. The grading process happens on your
computer and takes only a few seconds. Once the grading is complete, you are presented detailed feedback about how you did on the assessment. Your score and feedback on the assessment will automatically be stored with your instructional materials so that you can review them later.

There are two types of assessments in the book: Practice Problems and Test Your Skills Problems. Practice problems are designed to help you apply the skills you are learning in that section of a lesson. You will notice that there are step-by-step instructions and videos that walk you through the process of completing practice problems. Test Your Skills problems are designed to help you assess your mastery of the topics for a lesson. These problems do not have step-by-step instructions or instructional videos, but you will receive feedback on your performance.

The Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Spreadsheets

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Building Effective Spreadsheet Models

Excel is a critically important business application. It provides managers with the capability to perform sophisticated and powerful analyses, including connecting with corporate databases with hundreds of thousands of records, within moments. At the same time, it is intuitive and straightforward to use. It would be hard to find any business, small or large, whose managers do not rely on Excel in their daily work.

In this course you will start with the basics, but will quickly demonstrate how to use some of the most advanced features of Excel. By the end of this section, you will be able to build your own spreadsheet models using some of Excel’s many built in functions.

Formatting Spreadsheets

Before you can build spreadsheet models, you must first understand the basic building blocks of a spreadsheet. This topic will present the basic vocabulary of spreadsheet files, show you how to enter data in a spreadsheet file, and outline how to change the way that data are presented.

This topic addresses the following competency:

- **Competency 3024.1.1: Build Effective Spreadsheet Models**
  The graduate creates functional, formatted spreadsheets using appropriate spreadsheet functions and formulas to solve business problems.

This topic highlights the following objectives:
- Describe the purpose and uses of spreadsheets.
- Describe the components of spreadsheets using appropriate vocabulary.
- Format spreadsheet cells and worksheets for organized views of data.
- Use sorting and filtering functions of spreadsheets to highlight data patterns.

**Download: MS Excel**

If you do not have MS Excel on your computer, you will need to download a version so that you can complete the exercises in this course. WGU makes MS Excel available to you as a part of your term tuition. Follow the directions:

- Navigate to the “Learning Resources” tab
- Click the “Show Sections” button
- Click the “Enroll Now” button for each resource.

Once your mentor approves your enrollment in the resource, you will receive an e-mail with further access instructions. Contact your mentor if you have questions.

**Complete: Excel Basics**

In this section you will learn how to work with Excel workbooks, worksheets, and cells. In particular, you will learn how to add and edit information in a spreadsheet. You will also learn how to change the appearance of the data in your workbook files. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- Getting Started with Excel
- Cells and Worksheets
- Formatting Cells and Sheets
- Sorting and Filtering
- Test Your Skills: Excel Basics

Read and complete the following Lesson material in Excel Educator:

- Lesson 1 ("Excel Basics")
- Test Your Skills: Excel Basics
  - Download and complete the Test Your Skills assessment file for this module.

**Formulas and Functions**

Building effective spreadsheet models requires you to complete calculations in spreadsheets. We use formulas and functions to perform these calculations. By the end of this section of the course, you will be able to perform simple calculations in Excel using formulas and functions.

This topic addresses the following competency:

- **Competency 3024.1.1: Build Effective Spreadsheet Models**
  The graduate creates functional, formatted spreadsheets using appropriate spreadsheet
functions and formulas to solve business problems.

This topic highlights the following objectives:

- Create formulas to perform simple arithmetic with values in cells.
- Create formulas to calculate summary statistics.
- Create or edit formulas that use the time value of money to perform financial calculations.
- Locate errors in a spreadsheet, including formulas and results.
- Correct errors in the spreadsheet formula using the audit function.

Complete: Formulas and Functions

In this section you will perform arithmetic on numbers in your spreadsheets. You will also learn the basics of performing calculations using spreadsheet functions. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- References and Calculations
- Summary Statistics Functions
- Financial Functions
- Formula Auditing

Access the following Lesson material in Excel Educator:

- Lesson 2 (“Formula and Functions” Sections 2.1 through 2.4)
- Test Your Skills: Formulas and Functions
  - Download and complete the Test Your Skills assessment file for this module.

Logic and Reference Functions

Most spreadsheet models require more than simple calculations. Often we need to incorporate “smart” functions whose calculations can change depending on the data in our models. These “smart” functions are referred to as logic and reference functions. By the end of this section of the class you will be able to perform calculations using logic and reference functions.

This topic addresses the following competency:

- Competency 3024.1.1: Build Effective Spreadsheet Models
  The graduate creates functional, formatted spreadsheets using appropriate spreadsheet functions and formulas to solve business problems.

This topic highlights the following objectives:

- Use Boolean logic statements in an Excel formula.
- Use the IF function to perform complex calculations.
- Use the VLOOKUP and HLOOKUP functions to simplify complicated tasks.
Use the SUMIF, COUNTIF, and AVERAGEIF functions to perform complex calculations.
Use validation tools to restrict allowable values in a spreadsheet

**Complete: Logic and Reference Functions**

By the end of this section you will use complex functions in Excel to perform “smart” calculations. These functions are key building blocks for creating sophisticated spreadsheet models. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- Boolean Functions
- The "IF" Function
- Conditional Functions
- Reference Functions

Read and complete the following lesson material in [Excel Educator](#):

- Lesson 3 (“Logic and Reference Functions” Sections 3.1 through 3.4)
- Test Your Skills: Logic and Reference Functions
  - Download and complete the Test Your Skills assessment file for this module.

**Date, Time, and Text Functions**

Spreadsheet models can be an effective way for managers to present data to their colleagues. To present data in a spreadsheet well, you will need to effectively use text and date/time elements to your spreadsheet models. By the end of this section of the course, you will be able to use functions that manipulate text and add date and time information to your spreadsheet models.

This topic addresses the following competency:

- **Competency 3024.1.1: Build Effective Spreadsheet Models**
  The graduate creates functional, formatted spreadsheets using appropriate spreadsheet functions and formulas to solve business problems.

This topic highlights the following objectives:

- Use Day/Time functions to annotate and add context to spreadsheet data.
- Use text functions to annotate and add context to spreadsheet data.

**Complete: Date, Time, and Text Functions**

By the end of this section you will learn to enrich your spreadsheets by adding date and text to your calculations. Date and text elements of your worksheets provide context and add meaning to the calculations.

Complete the module linked below, including reading or viewing the videos and doing the
practice problems.

As you complete the listed material below, pay attention to the following key points:

- Date and Time Functions
- Text Functions

Read and complete the following lesson material in Excel Educator:

- Lesson 4 (“Date, Time, and Text Functions” Sections 4.1 and 4.2)
- Test Your Skills: Date, Time, and Text Functions
  - Download and complete the Test Your Skills assessment file for this module.

**Presenting Data Graphically**

There are times that raw numbers in a spreadsheet don’t tell the whole story. It is often beneficial to create a visual representation of a dataset to fully appreciate what the numbers mean. Excel has a powerful and comprehensive set of tools that allow you to create professional charts and graphs.

**Graphic Displays of Spreadsheet Data**

Visually depicting numbers on a chart can be an effective way to communicate the results of your data analyses. By the end of this section of the course, you will be able to use the charting features in Excel to effectively present the data in your spreadsheets in appropriate charts.

This topic addresses the following competency:

- **Competency 3024.1.2: Presenting Data Graphically**
  The graduate creates charts to present spreadsheet data for use in a professional setting.

This topic highlights the following objectives:

- Distinguish between different types of charts and how to use them appropriately in a given situation.
- Display data graphically using different charting features.
- Use formatting tools to modify a chart.

**Complete: Charting**

In this lesson you will learn how to use Excel’s charting environment. You also use Excel to create several different types of charts. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- The Charting Environment
- Column Charts
• Stacked Column Charts
• Pie Charts
• Line Charts

Read and complete the following lesson material in *Excel Educator*:

• Lesson 5 (“Charting” Sections 5.1 and 5.5)
• Test Your Skills: Charting
  o Download and complete the Test Your Skills assessment file for this module.

**Solving Business Problems with Spreadsheets**

Building models allows you to use spreadsheets to make good decisions based on sophisticated and relevant analyses of the problems you are trying to solve. Models can be very useful for decision-making in many different settings. Once you are able to model a process by building a spreadsheet you will likely find that Excel is one of the first tools you will use in problem solving.

**Build Business Spreadsheets Models**

One of the most powerful things you will do with spreadsheets is model real-world processes in order to make business decisions. By the end of this section you will understand the parts of a spreadsheet model, perform what-if analyses, and make managerial recommendations based on the analyses you perform.

This topic addresses the following competency:

• **Competency 3024.1.3: Solving Business Problems with Spreadsheets**
  The graduate demonstrates proficiency in using spreadsheet software to analyze business problems.

This topic highlights the following objectives:

• Describe the parts of a spreadsheet model.
• Use spreadsheet functions to perform what-if analysis for managerial decision-making.
• Make a recommendation for a given situation based on the data analyzed in a spreadsheet model.

**Complete: Basic Modeling**

By the end of this section you will be able to build basic spreadsheet models of business processes. You will also use the what-if analysis tools in Excel to aid in decision-making. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

• Building Spreadsheet Models
• Analyzing Spreadsheet Models Using What-If Analyses
Read and complete the following lesson material in Excel Educator:

- Lesson 6 ("Basic Modeling" Sections 6.1 and 6.2)
- Test Your Skills: Modeling Basics
  - Download and complete the Test Your Skills assessment file for this module.

**Advanced Modeling**

At times it becomes necessary to build large or complex spreadsheet models. By the end of this section, you will be able to build spreadsheet models that use named ranges, span multiple worksheets, and incorporate feedback using iterative calculations.

This topic addresses the following competency:

- **Competency 3024.1.3: Solving Business Problems with Spreadsheets**
  The graduate demonstrates proficiency in using spreadsheet software to analyze business problems.

This topic highlights the following objectives:

- Build a complex workbook using multiple worksheets, including a summary worksheet.
- Explain how iterative calculations work in a spreadsheet model for a given situation.

**Complete: Advanced Modeling**

By the end of this section you will be able to create advanced spreadsheet models. These models will use named ranges, span multiple worksheets, and use iterative calculations. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- Creating Named Ranges
- Using Multiple Worksheets
- Working with Circular References in Excel

Read and complete the following lesson material in Excel Educator:

- Lesson 7 ("Basic Modeling" Sections 7.1 and 7.2)
- Test Your Skills: Advanced Modeling
  - Download and complete the Test Your Skills assessment file for this module.

**Using Spreadsheet Models for Decision-Making**

One of the most difficult parts of doing effective analysis in Excel is getting the inputs to your spreadsheet models correct. There is a famous expression, “garbage in, garbage out” which means that even if you are completing the right calculation you will not get the right results if the data you are using in your calculation is incorrect. By the end of this section, you will be able to use statistics to determine appropriate inputs to your spreadsheet models.
This topic addresses the following competency:

- **Competency 3024.1.3: Solving Business Problems with Spreadsheets**
  The graduate demonstrates proficiency in using spreadsheet software to analyze business problems.

This topic highlights the following objectives:

- Explain the outputs from some advanced statistical functions.
- Use spreadsheet functions to conduct optimization analysis.

**Complete: Statistics**

By the end of this lesson, you will be able to use important statistical functions to aid in managerial decision-making. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- Determining Model Inputs

Read and complete the following lesson material in *Excel Educator*:

- Lesson 8 (“Basic Modeling” Sections 8.1)
- Test Your Skills: Statistics
  - Download and complete the Test Your Skills assessment file for this module.

**Complete: Optimization Analysis**

Many business decisions require that managers examine a problem from multiple and, at times, conflicting points of view. These problems rarely have a “right” answer, but involve finding the best possible solution given the constraints to the problem. After completing this section you will be able use one technique, called optimization analysis, to solve this type of business problem. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- Building Optimization Models
- Using Solver for Optimization

Read and complete the following lesson material in *Excel Educator*:

- Lesson 10 (“Optimization Analysis” Sections 10.1)
- Test Your Skills: Solver
  - Download and complete the Test Your Skills assessment file for this module.

**Analyzing Data with PivotTables**
In many cases the data that we need to solve a problem is available to use, but it is not organized well or there is so much information available that it is difficult to make sense of it. By the end of this section you will be able to use PivotTables to organize and analyze data.

This topic addresses the following competency:

- **Competency 3024.1.3: Solving Business Problems with Spreadsheets**
  The graduate demonstrates proficiency in using spreadsheet software to analyze business problems.

This topic highlights the following objectives:

- Explain the benefits of using PivotTables to analyze data.
- Perform calculations on multi-varied data using PivotTable functions.
- Use PivotTables to analyze qualitative or categorical data.

**Complete: Analyzing Data with PivotTables**

PivotTables are a powerful tool for organizing and analyzing large amounts of data. By the end of this lesson, you will be able to create PivotTables and arrange them to organize and analyze large data sets. Complete the module linked below, including reading or viewing the videos and doing the practice problems.

As you complete the listed material below, pay attention to the following key points:

- **PivotTables**

Read and complete the following lesson material in *Excel Educator*:

- Lesson 9 (“PivotTables” Sections 9.1)
- Test Your Skills: PivotTables
  - Download and complete the Test Your Skills assessment file for this module.

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

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Business Students
The WGU Library offers a variety of resources to support students in all business degree programs. When searching for articles from scholarly journals, select “Business and Law Databases” using the federated database search. You should also search the ABI/INFORM database, the most comprehensive database on business topics. When searching for books, search both the eBrary and Books 24x7 e-text collections. You can also find more detailed information about the resources available to you in the College of Business Library Guide.

Center for Writing Excellence: The WGU Writing Center
If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback
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- Course Feedback

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- Policies and Procedures for Students with Disabilities
This course supports the assessments for DAC1. The course covers 11 competencies and represents 3 competency units.

Introduction

Overview
Management of the information systems that help businesses gather and analyze endless amounts of data is vital in today’s knowledge-based economy, where practically everything anyone does is tracked in a database and transmitted via networks. Effective managers are able to communicate with IT personnel about the hardware and software that store and transmit important business data. This communication may occur in discussions about the development of a system to support the CEO’s newly announced business strategy or compliance with government privacy regulations.

This course provides an overview of the many facets of information systems applicable to businesses. As you examine the programming languages, methods of system development and implementation, networks, databases, and hardware and software used by IT professionals, you will be able to show how these tools securely facilitate e-commerce, decision support, and communication in a global marketplace. In short, you will learn to view IT as a strategic partner in your company.

Watch the following video introduction for this course:

Competencies
This course provides guidance to help you demonstrate the following 11 competencies:

- Competency 333.1.1: Information Systems and Business Functions
  The graduate analyzes the role of information systems in supporting essential business functions.
- Competency 333.1.2: Computer Hardware and Software
  The graduate analyzes the characteristics, functions, and evolution of computer hardware and software in support of business functions.
- Competency 333.1.3: Data Resource Management
  The graduate employs effective techniques for managing databases and data warehouses.
- Competency 333.1.4: Networking and E-Commerce
  The graduate analyzes the importance and effective applications of telecommunications, networking, the Internet, and e-commerce to business.
- Competency 333.1.5: Decision Support and Artificial Intelligence
  The graduate evaluates the use of various decision support, decision analysis, and artificial intelligence systems in business.
- Competency 333.1.6: Planning, Analysis, and Design in Systems Development
  The graduate integrates effective strategies into the planning, analysis, and design in systems development.
Competency 333.1.7: Implementing and Sustaining Systems
The graduate integrates effective strategies into the implementation and maintenance of information systems.

Competency 333.1.8: Managing Information Technology
The graduate determines best practices for managing information technology in businesses and the particular challenges of global information technology implementation.

Competency 333.1.9: Information Security
The graduate integrates best practices for ensuring information security in enterprise information systems.

Competency 333.1.10: Ethics, Privacy, and Societal Effects
The graduate integrates best practices for ensuring privacy, averting ethical issues related to intellectual property, and minimizing negative societal effects in the management of information systems.

Competency 333.1.11: Emerging Trends
The graduate evaluates various emerging trends in technology and the potential impact on the business environment.

Course Mentor Assistance
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Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

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Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.
VitalSource E-Texts
The following textbook is available to you as an e-text within this course of study. You will be directly linked to the specific readings required within the activities that follow.


*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

McGraw-Hill Online Learning
The following learning environment includes lessons required for completion of this course of study and valuable practice for the assessment:

- Information Systems Management

*Note: The McGraw-Hill Online Learning resources are currently not compatible with the Chrome or Safari web browsers. To utilize the learning resources, you will need to use either Internet Explorer or Firefox.*

Business Information Technology Learning Community
You will need to access the Business Information Technology Learning Community. You can access it through the "Learning Resources" tab. In this community, you will receive notices and instructions related to this course, and you will share ideas and thoughts with your course mentor and other students.

Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- [Pacing Guide: Information Systems Management](#)

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

Information Systems and Business Functions
Have you ever been affected by a new IT policy or software update that seemed to only really help the IT department and created more work for everyone else? Have you ever had someone show you a new software tool that helped you to do your job in half the time it used to take? Hopefully your experience has been more consistent with the latter, but unfortunately IT departments can sometimes be known for focusing more on themselves than on the core business.

Ideally, IT managers will understand and appropriately convey to their staff the needs of the
business, and other business managers will understand IT well enough to ask for the right tools to support their initiatives. When this shared understanding occurs, IT will be invited to the planning table. By including IT in business strategy and planning discussions, information systems can be built that help departments communicate better, automate manual processes, reduce errors, make decisions, and gain a competitive advantage.

**Introduction to Information Systems**

This topic addresses the following competencies:

- **Competency 333.1.1: Information Systems and Business Functions**
  The graduate analyzes the role of information systems in supporting essential business functions.

This topic highlights the following key concepts:

- Information as a key resource to business
- Information systems in business
- Porter's approach to assessing competition and building business strategies
- Main components of information systems

**Introduction to Information Systems**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- Introduction to Information Systems

Complete all sections of the lesson and the review activities.

**Changing the Face of Business**

Read the following chapter in *Management Information Systems for the Information Age*:

- chapter 1 (“The Information Age in Which You Live: Changing the Face of Business”)

**Electronic Business Systems**

This topic addresses the following competencies:

- **Competency 333.1.1: Information Systems and Business Functions**
  The graduate analyzes the role of information systems in supporting essential business functions.

This topic highlights the following key concepts:

- How information systems are used to gain strategic advantage in business
- Role of cross-functional enterprise business systems in e-business
- How information systems support essential business functions

**Electronic Business Systems**

Work through the following lesson in McGraw-Hill *Information Systems Management*:
Complete all sections of the lesson and the review activities.

Gaining Competitive Advantages with IT

Read the following chapter in Management Information Systems for the Information Age:

- chapter 2 ("Major Business Initiatives: Gaining Competitive Advantages with IT")

Computer Hardware and Software

While the essential elements of computer hardware (e.g., processor, storage, input devices, and output devices) and computer software (e.g., operating system, utilities, drivers, and application software) remain largely the same, the format in which these elements are presented is going through constant change. Ultra-portable computers in the form of phones and tablets are pervasive. Many applications have moved from expensive, processor-intensive, locally installed desktop software to free or cheap web-based software accessed through a browser or light apps that are maximized for mobile devices. Input alternatives to the keyboard and mouse such as voice, handwriting, and motion are becoming more commonplace.

Understanding how your computer works is as important as ever. Are your files stored locally or on a server somewhere else, and can you get to your data if there is a network outage or if you forget your password? If you buy a new phone, will it sync with the music you've already purchased? Will your laptop or tablet run the data-intensive applications you use at work? Do you need the expensive quad-core processor and piles of memory to run a word processor and check your e-mail? You should be able to analyze the relative costs, performance, security, storage, power consumption, ease of use, available software, compatibility, portability, and networking of various devices so you can coordinate their use.

Information Technology: Computer Hardware

This topic addresses the following competencies:

- Competency 333.1.2: Computer Hardware and Software
  The graduate analyzes the characteristics, functions, and evolution of computer hardware and software in support of business functions.

This topic highlights the following key concepts:

- Concept of the computer system and the evolution of computer hardware
- Distinctions of various types of computer systems
- Characteristics of input, output, and storage technology

Information Technology: Computer Hardware

Work through the following lesson in McGraw-Hill Information Systems Management:

- Information Technology: Computer Hardware
Complete all sections of the lesson and the review activities.
Computer Hardware

Read the following sections in *Management Information Systems for the Information Age*:

- pages 322–328 and 333–345 in *Extended Learning Module A* ("Computer Hardware and Software")

**Information Technology: Computer Software**

This topic addresses the following competencies:

- Competency 333.1.2: Computer Hardware and Software
  The graduate analyzes the characteristics, functions, and evolution of computer hardware and software in support of business functions.

This topic highlights the following key concepts:

- Types of application software based on the functions they perform
- Characteristics of different operating system software
- Function of programming languages in the development of computer programs

**Information Technology: Computer Software**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- [Information Technology: Computer Software]

Complete all sections of the lesson and the review activities.

**Computer Software**

Read the following sections in *Management Information Systems for the Information Age*:

- pages 328–332 in *Extended Learning Module A* ("Computer Hardware and Software")

**Data Resource Management, Decision Support, and Artificial Intelligence**

Everything we do, from purchasing groceries at the store to helping kids with their homework to applying for a new job is stored in a database, whether directly or indirectly. Customer buying habits are analyzed to determine what items to put on sale together or which coupons to publish each week. You probably look up information online to help work through homework problems, and then scores on the homework and end-of-year testing are stored in databases that are used to determine how federal and state funding are appropriated and whether teacher contracts are renewed. An algorithm may drop you from consideration for a job before a human even sees your information if a certain word isn’t present somewhere in your application materials.

While your information is all over in everyone else’s databases, how are you using databases to your advantage? By storing data in a way that it can be accessed again in a meaningful way,
you harness the power of the database to analyze your clients’ habits, identify inefficiencies in manufacturing processes, track the performance of business units, and answer your boss’s questions with authority rather than by guessing.

**Data Resource Management**

This topic addresses the following competencies:

- Competency 333.1.3: Data Resource Management
  The graduate employs effective techniques for managing databases and data warehouses.

- Competency 333.1.5: Decision Support and Artificial Intelligence
  The graduate evaluates the use of various decision support, decision analysis, and artificial intelligence systems in business.

This topic highlights the following key concepts:

- Structure of various types of databases
- Features of the relational database model and working with a database
- Managing databases and data warehouses in the process of information management

**Databases and Data Warehouses**

Read the following chapter in *Management Information Systems for the Information Age*:

- chapter 3 ("Databases and Data Warehouses: Building Business Intelligence")

**Data Resource Management**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- Data Resource Management

Complete all sections of the lesson and the review activities. Some portions of this module delve into technical aspects of databases that might be overwhelming at first. Do not worry if all the technical points do not make perfect sense to you. Rest assured that you will not have to actually create or query a database on the assessment. But completing this module will help you to see what a database administrator deals with on a daily basis and to understand the basics of how data within a database are stored and accessed.

**Designing Databases and Entity-Relationship Diagramming**

*Note: This module is optional.*

If you're interested in databases and would like additional guidance on designing your own database, read the following sections in *Management Information Systems for the Information Age*:

- pages 370–385 in Extended Learning Module C ("Designing Databases and Entity-Relationship Diagramming")
Implementing a Database with Microsoft Access

*Note: This module is optional.*

If you're interested in databases and would like additional guidance on designing your own database, read the following sections in *Management Information Systems for the Information Age*:

- pages 472–501 in *Extended Learning Module J (“Implementing a Database with Microsoft Access”)*

**Decision Support and Artificial Intelligence**

This topic addresses the following competencies:

- Competency 333.1.3: Data Resource Management
  The graduate employs effective techniques for managing databases and data warehouses.
- Competency 333.1.5: Decision Support and Artificial Intelligence
  The graduate evaluates the use of various decision support, decision analysis, and artificial intelligence systems in business.

This topic highlights the following key concepts:

- Various types of decision support systems
- Various analytical modeling processes
- Decision analysis in the development of decision support systems
- Various artificial intelligence technologies and their features
- How artificial intelligence technologies are used in business

**Decision Support and Artificial Intelligence**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- [Decision Support and Artificial Intelligence](#)

Complete all sections of the lesson and the review activities.

**Analytics, Decision Support, and Artificial Intelligence**

Read the following chapter in *Management Information Systems for the Information Age*:

- [chapter 4 (“Analytics, Decision Support, and Artificial Intelligence: Brainpower for Your Business”)](#)

**Networking and E-Commerce**

Over the past decades, Internet access has grown from something only available at universities and government agencies or through limited local networks for home users to pervasive high-speed access that facilitates global communication and sharing. With this continued shift, it
is important to understand how your company uses public and private networks to communicate internally, with partners and suppliers, and with customers. The security and stability of your network is directly associated with the security and stability of your company.

In addition to understanding the technology that supports the network, it is vital to understand the e-commerce models that rely on that network. Some of the most successful companies are those who have mastered not only online sales to consumers but building a supply chain that provides just-in-time information about trends, inventory levels, and sales forecasts to their suppliers and customers in order to smooth the flow of information, shipments, payments, and other aspects of their business.

**Telecommunications, Networks, and the Internet**

This topic addresses the following competencies:

- **Competency 333.1.4: Networking and E-Commerce**
  The graduate analyzes the importance and effective applications of telecommunications, networking, the Internet, and e-commerce to business.

- **Competency 333.1.5: Decision Support and Artificial Intelligence**
  The graduate evaluates the use of various decision support, decision analysis, and artificial intelligence systems in business.

This topic highlights the following key concepts:

- Networking and emerging communications standards in business information systems
- Networks and their types, components, and communications media
- Technical aspects of the Internet
- How the use of the Internet has affected the scope, implementation, and management of information systems

**Telecommunications, Networks, and the Internet**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- [Telecommunications, Networks, and the Internet](#)

Complete all sections of the lesson and the review activities.

**The World Wide Web and the Internet**

Read the following sections in *Management Information Systems for the Information Age*:


**Network Basics**

Read the following sections in *Management Information Systems for the Information Age* for additional information about different types of networks, protocols, and network hardware:
E-Commerce
This topic addresses the following competencies:

- Competency 333.1.4: Networking and E-Commerce
  The graduate analyzes the importance and effective applications of telecommunications, networking, the Internet, and e-commerce to business.

- Competency 333.1.5: Decision Support and Artificial Intelligence
  The graduate evaluates the use of various decision support, decision analysis, and artificial intelligence systems in business.

This topic highlights the following key concepts:

- Concept of e-commerce
- Various e-commerce business models
- Various processes of e-commerce
- Applications of e-commerce and potential issues encountered

**E-Commerce**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- **E-Commerce**

Complete all sections of the lesson and the review activities.

**Strategies for the New Economy**

Read the following chapter in *Management Information Systems for the Information Age*:

- **chapter 5 (“Electronic Commerce: Strategies for the New Economy”)**

**Planning, Analysis, and Design in Systems Development**

Software comes in many forms, from a simple single-user program installed on one computer to complex systems that coordinate the work of thousands of users across a variety of networks and devices. No matter how many lines of code or concurrent users, a software product can only be as good as its design. A systems analyst starts by reviewing the need for a new system and documenting the internal and external requirements, such as budget, user buy-in, and relevant government or industry regulations. If the case can be made to move forward, the system is designed to show how information is stored and transmitted throughout the system, how users interact with it, and how errors are prevented.

A variety of methods may be used in development, depending on the nature of the system and the organization, but the method is generally an iterative process where the developers create the system according to the design, it is tested, and problems are fixed before moving on to the next phase. It is important to understand how this process occurs so the planning and design phases are fully supported and the specifications handed off to the developers provide a true
and complete picture of the desired system.

**Planning, Analysis, and Design in Systems Development**

This topic addresses the following competencies:

- Competency 333.1.6: Planning, Analysis, and Design in Systems Development
  The graduate integrates effective strategies into the planning, analysis, and design in systems development.

This topic highlights the following key concepts:

- Importance of investigation in the planning and analysis phases of systems development
- Process of systems design and the prototyping approach to design
- Problems and solutions in component-based and end-user application development

**Planning, Analysis, and Design in Systems Development**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- [Planning, Analysis, and Design in Systems Development](#)

Complete all sections of the lesson and the review activities.

**Systems Development**

Read the following sections in *Management Information Systems for the Information Age*:


**Implementing and Sustaining Systems**

If IT is to be a true strategic partner in your business, it is essential that you be able to measure the value that IT systems add. When it comes time to upgrade, the time and expense of doing so is large enough that you need to get it right the first time. Knowing that your competitors are moving forward with IT initiatives that make them better able to respond to customer needs means that you must act quickly so your company is not left behind.

By using the techniques covered in this section, you will be able to implement the hardware, software, processes, networks, and other aspects of a new information system with proven levels of performance. Using the appropriate combination of cost-benefit analysis and benchmarking performance against competitors and industry standards, your company can select the best system. Implementing the chosen system with proven change management techniques will ensure the system is accepted by users and does not cause disruptions to business operations.

**Implementing and Sustaining Systems**

This topic addresses the following competencies:

- Competency 333.1.7: Implementing and Sustaining Systems
  The graduate integrates effective strategies into the implementation and maintenance of
information systems.

This topic highlights the following key concepts:

- Process of implementing scalable and sustainable business systems
- Methods of measuring the effectiveness of hardware, software, and services implementation
- Processes of testing, data conversion, documentation, training, and business continuity planning

Implementing and Sustaining Systems

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- Implementing and Sustaining Systems

Complete all sections of the lesson and the review activities.

Building and Sustaining the Dynamic Enterprise

Read the following chapter in *Management Information Systems for the Information Age*:

- chapter 7 (“Infrastructure, Cloud Computing, Metrics, and Business Continuity Planning: Building and Sustaining the Dynamic Enterprise”)

Managing Information Technology

There are many roles required to perform the varied tasks that fall under the IT department. With the rate of technology change, the IT department seems to always be in the middle of adjusting, reorganizing, and updating themselves and the company. It is important for business leaders to understand the IT department organization in order to include appropriate representatives from IT in discussions about business strategy and upcoming projects.

Outsourcing can bring in needed expertise for a specific project, and offshoring can often provide lower cost support, but neither brings the level of commitment that your own staff will have. A balance has to be made between hiring internal IT employees who are loyal and who know the business inside and out and bringing in outside experts who are up to date on the latest technology. Utilizing some combination of the two can help increase the quality and responsiveness of your IT department while controlling costs.

Managing Information Technology

This topic addresses the following competencies:

- Competency 333.1.8 - Managing Information Technology

  The graduate determines best practices for managing information technology in businesses and the particular challenges of global information technology implementation.

This topic highlights the following key concepts:
- Effectiveness of techniques of planning and organizing information technology in companies
- Effective implementation strategies of outsourcing and offshoring
- Challenges, concerns, and effective approaches of managing global information technology

**Managing Information Technology**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- Managing Information Technology

Complete all sections of the lesson and the review activities.

**Outsourcing**

Read the following sections in *Management Information Systems for the Information Age*:


**Information Security**

In order to keep your company protected against the multitude of security threats that are out there, it is imperative that you know what those threats are. Security threats come in many forms, from some of the low-tech social engineering techniques to the high-tech cracking of encryption keys. Whether the bad guys harness the power of a supercomputer to force entry into your system through the network or dress up nicely and ask politely for the server room like they’re supposed to be there, the end result is that they can steal or destroy your data quickly once they have gained access to it.

Once you know how they can attack you, the next step is understanding how to implement multiple levels of protection against those threats. Block physical and network access to information and systems, and encrypt the information in case they do get inside. Security measures such as access logs and audits can protect against malicious or incompetent employees who do have legitimate access to your systems. Of course, occasionally hardware fails, so it is important that backups and redundant hardware provide a defense against this type of risk as well.

**Management Challenges: Security**

This topic addresses the following competencies:

- Competency 333.1.9: Information Security
  The graduate integrates best practices for ensuring information security in enterprise information systems.

This topic highlights the following key concepts:

- Different sources of threats to information security
- Techniques for mitigating common security risks
- Effectiveness of various security processes, system controls, and audits

**Management Challenges: Security**

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- **Management Challenges: Security**

Complete all sections of the lesson and the review activities.

**Security**

Read the following sections in *Management Information Systems for the Information Age*:

- pages 244-249 of chapter 8 (“Protecting People and Information: Threats and Safeguards”)
- pages 427-430 of Extended Learning Module E (“Network Basics”)

**Computer Crimes and Digital Forensics**

*Note: This module is optional.*

If you’re interested in computer security and would like to know more about different types of computer crimes and how investigators gather information stored on electronic devices, read the following sections in *Management Information Systems for the Information Age*:

- pages 436–469 in Extended Learning Module H (“Computer Crimes and Digital Forensics”)

**Ethics, Privacy, and Societal Effects**

With technology developing faster than laws can keep up, society is constantly faced with ethical issues to deal with. Employees may waste company resources, and employers may track employee or customer behavior without their knowledge or consent. Even if we don’t do anything overtly illegal, we still have ethical responsibilities to respect the rights of others.

When creating policies and practices or implementing new systems, it is important to both respect others and obey the law while protecting company assets and gathering information that is useful in making the company more efficient. While there is no one right way to do things, by being aware of specific legal requirements related to medical records, school records, and other information protected by privacy laws as well as how policy decisions affect others, the appropriate balance between respect and productivity can be achieved.

**Management Challenges: Ethics, Privacy, and Societal Effects**

This topic addresses the following competencies:

- Competency 333.1.10 - Ethics, Privacy, and Societal Effects
  The graduate integrates best practices for ensuring privacy, averting ethical issues related to intellectual property, and minimizing negative societal effects in the management of information systems.
This topic highlights the following key concepts:

- How ethical guidelines can avert ethical issues related to information technology and intellectual property
- Right to privacy in the context of information technology and privacy laws
- Impact of business applications of information technology in the areas of employment, working conditions, individuality, and health

Management Challenges: Ethics, Privacy, and Societal Effects

Work through the following lesson in McGraw-Hill *Information Systems Management*:

- Management Challenges: Ethics, Privacy, and Societal Effects

Complete all sections of the lesson and the review activities.

Ethics and Privacy

Read the following sections in *Management Information Systems for the Information Age*:

- pages 226-244 of chapter 8 (“Protecting People and Information: Threats and Safeguards”)

Emerging Trends

With artificial intelligence built into more applications, further integration of wireless, and more natural input and output devices, there will continue to be major advances in the personal and business technologies we use on a daily basis. This is especially the case if you combine all three. What types of applications could you imagine in a system that provides information to you in a nonintrusive way about the people and things around you, but only the ones you’re interested in knowing about? For decades, science fiction has been showing us technologies that are not far from becoming our reality.

While guessing about the next cool consumer gadgets to come out might be an interesting way to pass time, being aware of emerging technology becomes an important skill to have when you are looking to leverage those technologies as a strategic part of your business. Often the technology you choose to invest in or base your business on can mean success or failure. By keeping up on the latest innovations, you will be in a better position to make smart technology decisions and bypass your competitors.

Information Systems: Emerging Trends

This topic addresses the following competencies:

- Competency 333.1.11: Emerging Trends
  The graduate evaluates various emerging trends in technology and the potential impact on the business environment.

This topic highlights the following key concepts:
• Various Internet-based trends and technologies
• Emerging technology trends related to the concept of an e-society
• The characteristics of physiological interfaces
• The features and applications of various wireless and pure technology applications

Information Systems: Emerging Trends

Work through the following lesson in McGraw-Hill *Information Systems Management*:

• **Information Systems: Emerging Trends**

Complete all sections of the lesson and the review activities.

Emerging Trends and Technologies

Read the following chapter in *Management Information Systems for the Information Age*:

• **chapter 9 (“Emerging Trends and Technologies: Business, People, and Technology Tomorrow”)**

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

The [WGU Library](https://library.wgu.edu) is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on [The WGU Channel](https://www.youtube.com/c/WGUChannel):

• [WGU: Accessing the Library](https://www.youtube.com/watch?v=ZLxLZzOQYcY)
• [WGU Library: Finding Articles, Books, & E-Reserves](https://www.youtube.com/watch?v=ZLxLZzOQYcY)

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail [writingcenter@wgu.edu](mailto>writingcenter@wgu.edu).

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

• [Course Feedback](https://www.wgu.edu/feedback)

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for EST1. The course covers 2 competencies and represents 3 competency units.

**Introduction**

**Overview**
There has been a major breakdown in corporate ethics in today's business world. The results of a blatant disregard of ethics are prevalent. Studying business ethics takes on relevance and immediacy that requires careful attention and effort to create an ethical environment that is good for businesses, employees, and society as a whole.

Once you've successfully completed this course of study, you should be able to determine ethical and socially responsible courses of action in a given business situation and be able to develop an appropriate and comprehensive ethics program for a given business venture.

Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

**Competencies**
This course provides guidance to help you demonstrate the following 2 competencies:

- **Competency 310.2.1: Ethical Issues in Business**
  The graduate can determine ethical and socially responsible courses of action in a given business situation.

- **Competency 310.2.3: Ethics Programs**
  The graduate can develop an appropriate and comprehensive ethics program for a given business venture.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**
The information in this section is provided to detail the resources available for you to use as you complete this course.

Before you begin reviewing this section, we strongly urge you to watch the Getting Started video. This video provides specific information that will help you to successfully complete this course.

- **Getting Started in EST1**

**Learning Resources**
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Resources**

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

**VitalSource E-Texts**
The following textbooks are available to you as e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


*Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**SkillSoft and Books 24x7**
You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the “Accessing SkillSoft Learning Resources” page.

**Pacing Guide**
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- **Pacing Guide: Ethical Situations in Business**

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Social Responsibility in Business (Part I)**
The term social responsibility is a concept which encompasses the actions, activities, and
attitudes of business and the impact a business has on the community within which it operates—trying to maximize a positive impact and minimize any negative impact. Corporate social responsibility is often described as an "obligation" to be fair and to do good. Issues of corporate social responsibility span a wide range of ethical and social issues, including environmental protection, working conditions, stakeholder rights, consumer protections, fair competition, and community support.

**Concepts of Social Responsibility**

When you have completed this topic you will be able to

- describe, define, and explain business ethics from an organizational perspective,
- describe the historical foundations and evolution of business ethics,
- list the ways in which ethical value systems support business performance,
- identify courses of action in a given business situation that are socially responsible for that situation,
- explain stakeholder orientation and perspective in corporate social responsibility and identify the roles of stakeholders in business ethics, and
- define and identify ethical issues and delineate types of behavior as business ethics issues.

This topic addresses the following competencies:

- Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given business situation.

**Understanding the Importance of Business Ethics**

Read the following chapter in *Business Ethics*:

- chapter 1 ("The Importance of Business Ethics")

After reading the chapter you should be able to answer the following questions:

- How would you define business ethics?
- How has business ethics developed over time?
- What is involved in developing an ethical culture in an organization?
- What are three benefits to business of a clear ethical framework?

**Chapter 1: Questions - Exercises**

Answer the "Questions - Exercises" at the end of *chapter 1 ("The Importance of Business Ethics")*. If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

**Chapter 1: Connecting Terms**

Think about the key terms listed at the end of *chapter 1 ("The Importance of Business Ethics")*. 
Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts

### Case Studies 1 and 2

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

- [case 1](#) ("Wal-Mart: The Challenge of Managing Relationships with Stakeholders")
- [case 2](#) ("The Coca-Cola Company Struggles With Ethical Crises")

Document your answers to the case questions in your study notes book.

### Identifying, Understanding, and Defining Stakeholder Relationships, Social Responsibility, and Corporate Governance

Read the following in chapter *Business Ethics*:

- [chapter 2](#) ("Stakeholder Relationships, Social Responsibility, and Corporate Governance")

After reading the chapter you should be able to answer the following questions:

- What are various stakeholder roles in business ethics?
- What is an accepted definition of social responsibility?
- What are the relationships between stakeholder orientation and social responsibility?
- What should be the role of corporate governance in structuring ethics and social responsibility in business?
- What are the steps involved in implementing a stakeholder perspective in social responsibility and business ethics?

### Chapter 2: Questions - Exercises

Answer the "Questions - Exercises" at the end of [chapter 2](#) ("Stakeholder Relationships, Social Responsibility, and Corporate Governance").

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

### Chapter 2: Connecting Terms

Think about the key terms listed at the end of [chapter 2](#) ("Stakeholder Relationships, Social Responsibility, and Corporate Governance").

Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
• a short statement of how that term relates to social responsibility concepts

**Chapter 2: Check Your EQ (Ethics Quotient)**

Complete the following exercise in *Business Ethics*:

• "Check your EQ" on page 53 of chapter 2 ("Stakeholder Relationships, Social Responsibility, and Corporate Governance")

Ask a family member or a friend to take the "Check Your EQ" and compare answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding.

Check your answers against the answer provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Case Studies 3 and 4**

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

• case 3 ("The Fall of Enron: A Stakeholder Failure")
• case 4 ("Tyco International: Leadership Crisis")

Document your answers to the case questions in your study notes book.

**Identify Emerging Business Ethics Issues**

Read the following chapter in *Business Ethics*:

• chapter 3 ("Emerging Business Ethics Issues")

After reading the chapter you should be able to

• describe ethical issues in the context of organizational ethics,
• explain how ethical issues relate to basic values of honesty, fairness, and integrity,
• delineate and identify unethical behaviors as business ethics issues, and
• identify three challenges of determining an ethical issue in business.

**Chapter 3: Questions - Exercises**

Answer the "Questions - Exercises" at the end of chapter 3 ("Emerging Business Ethics Issues")

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

**Chapter 3: Connecting Terms**

Think about the key terms listed at the end of chapter 3 ("Emerging Business Ethics Issues").

Prepare a set of review/flash cards, one for each term, and identify the following:
Complete the following exercise in *Business Ethics*:

- "Check your EQ" on page 87 of *chapter 3 ("Emerging Business Ethics Issues")*

Ask a family member or a friend to take the "Check Your EQ" and compare answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding.

Check your answers against the answer provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Case Studies 5 and 6**

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

- [case 5 ("The American Red Cross")](#)
- [case 6 ("Mattell Responds to Ethical Challenges")](#)

Document your answers to the case questions in your study notes book.

**Social Responsibility in Business (Part II)**

The activities in this subject will complete your work with the concepts associated with social responsibility in business and prepare you to submit your first EST1 performance task in TaskStream.

**Concepts of Social Responsibility**

When you have completed this topic you will be able to

- identify issues of social responsibility within an organization's operations, and
- develop recommendations for action to improve that organization's level of social responsibility.

At this point, focus on review and confirm your mastery of these concepts in preparation to submit your work in TaskStream for grading.

This topic addresses the following competencies:

- Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given business situation.
Watch the following video:

- "Chiquita Faces an Ethical Dilemma in Colombia" (14 min)

Complete the following module in SkillSoft:

- pd_02_a04_bs_enus: Social Responsibility in Corporations

**Review Terms**

Review the flash cards you prepared for chapters 1, 2, and 3.

**Business Law & Ethics Community Chatter**


Post your initial thoughts about the following questions to the community chatter:

- What are the social responsibilities of a business to its community?
- What are the social responsibilities of a business to the larger world?
- Who determines those responsibilities?
- How is business doing today with being socially responsible?

Read and respond to the ideas presented by other students.

**Understanding the Institutionalization of Business Ethics**

Read the following in *Business Ethics*:

- chapter 4 ("The Institutionalization of Business Ethics")

After reading the chapter you should be able to

- understand what it means to manage ethical risk,
- distinguish between voluntary and mandated boundaries of ethical conduct, and
- provide an overview of regulatory efforts to provide incentives for ethical behavior.

**Chapter 4: Questions - Exercises**

Answer the "Questions - Exercises" at the end of chapter 4 ("The Institutionalization of Business Ethics").

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

**Chapter 4: Connecting Terms**

Think about the key terms listed at the end of chapter 4 ("The Institutionalization of Business Ethics").
Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts

**Chapter 4: Check Your EQ (Ethics Quotient)**

Complete the following exercise in *Business Ethics*:

- "Check your EQ" in chapter 4 ("The Institutionalization of Business Ethics").

Ask a family member or a friend to take the "Check Your EQ" and compare answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding.

Check your answers against the answer provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Case Studies 7 and 8**

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

- case 7 ("Arthur Andersen: Questionable Accounting Practices")
- case 8 ("Sunbeam Corporation: 'Chainsaw Al' and Greed")

Document your answers to the case questions in your study notes book.

**Mid-way Review**

Congratulations! You have successfully completed the first section of this course of study. The responsibility of business to be a "good citizen" is not only important from the social perspective, but it is good business as well.

**Review of Major Points**

At this midway point in your work on the course of study, you should have developed competency in "determining ethical and socially responsible courses of action in a given business situation," including the following:

- understanding the concept of social responsibility in business
- recognizing the range of issues that fall under corporate social responsibility
- identifying socially responsible courses of action in given business situations
- identifying stakeholders involved in creating corporate social responsibility

**Performance Task 310.2.1-05**

Complete the following task in TaskStream:

- Ethical Situations in Bus: Task 310.2.1-05
For details about this performance assessment, see the "Assessment" tab in this course.

Carefully read the given information in the task instructions. Be sure to include the following in your submission:

- a logical evaluation of Company Q's attitude toward social responsibility
- an appropriate recommendation for three areas that could be improved regarding the company's attitude toward social responsibility

**Finalize Your Document**

1. Organize your recommendations into an essay.
2. Proofread your document for spelling and grammar errors.
3. Check your formatting to make sure that you have used the same format throughout the document.
4. Read the essay closely to make sure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.
6. Save your document with the following naming convention: student number, last name, EST1 Task #. (For example, 55455 Smith EST1 Task 310.2.1-05).

Check that you did the following before submission:

- You completely, thoroughly, and logically evaluated Company Q's attitude toward social responsibility.
- You provided three clear recommendations for areas that could be improved regarding the Company Q's attitude toward social responsibility.
- Your work contains generally effective sentence structure, solid vocabulary, and accurate word choice.
- Your work contains no minor or major errors.
- Your work is extremely clear and easy to follow.

Self-score your task using the scoring rubrics in TaskStream. In TaskStream, each task has a posted scoring rubric. Review your work using the provided scoring rubric, which is the same rubric that the grader uses to score your task. Make sure that your work meets the minimum requirements as set out by the scoring rubric.

Submit your task to TaskStream to be graded. After a few days, check on the status of your task. If the grader did not give you a passing grade for your task you can review, revise, and resubmit with corrections. If there are any areas where you do not understand a concept, please check with the course mentor for assistance. If you do not pass the assessment within two tries, you will need to have the course mentor’s approval to try again.

**Developing an Ethics Program (Part I)**

The activities for this section will introduce you to the concepts associated with developing an ethics program for a business to foster ethical decision-making for business directors, officers, and employees. Effective ethics programs provide the opportunity for management to establish
a culture that establishes ethical behavior both inside and outside of the organization as the business strives to eliminate unethical conduct. You will study factors that are essential parts of an ethical program: codes of conduct, ethics officers and delegation of authority, training, monitoring, compliance, and improvement reviews.

**Developing an Ethics Program**

When you have completed this topic you will be able to

- describe the rationale for why businesses need to develop ethics programs,
- list the minimum requirements of an ethics program,
- describe the role of codes of ethics in identifying key risk areas for an organization,
- identify keys to successful ethics training,
- explain how ethical standards are monitored, audited, and enforced.

This topic addresses the following competencies:

- Competency 310.2.3: Ethical Issues in Business
  The graduate can develop an appropriate and comprehensive ethics program for a given business venture.

**Understanding Ethical Decision Making**

Read the following in *Business Ethics*:

- chapter 5 ("Ethical Decision Making and Ethical Leadership")

After reading the chapter you should be able to

- provide a comprehensive framework for ethical decision making in business, and
- understand leadership styles and habits of ethical leaders.

**Chapter 5: Questions - Exercises**

Answer the "Questions - Exercises" at the end of chapter 5 ("Ethical Decision Making and Ethical Leadership").

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

**Chapter 5: Connecting Terms**

Think about the key terms listed at the end of chapter 5 ("Ethical Decision Making and Ethical Leadership").

Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts
Case Studies 9 and 10

Study the following cases in Business Ethics and post your thoughts on the community chatter:

- case 9 ("Countrywide Financial: The Subprime Meltdown")
- case 10 ("Banking Industry Meltdown: The Ethical and Financial Risks of Derivatives")

Document your answers to the case questions in your study notes book.

Understanding Moral Philosophies and Values

Read the following in Business Ethics:

- chapter 6 ("Individual Factors: Moral Philosophies and Values")

After reading the chapter you should be able to

- understand how moral philosophies and values influence individuals and group decision making,
- discuss the impact of philosophies on business ethics, and
- recognize stages of cognitive moral development.

Chapter 6: Questions - Exercises

Answer the "Questions - Exercises" at the end of chapter 6 ("Individual Factors: Moral Philosophies and Values").

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

Chapter 6: Connecting Terms

Think about the key terms listed at the end of chapter 6 ("Individual Factors: Moral Philosophies and Values").

Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts

Case Studies 11 and 12

Study the following cases in Business Ethics and post your thoughts on the community chatter:

- case 11 ("The Fraud of the Century: The Case of Bernard Madoff")
- case 12 ("Nike: From Sweatshops to Leadership in Employment Practices")

Document your answers to the case questions in your study notes book.

Understanding Organizational Factors
Read the following in *Business Ethics*:

- **chapter 7 ("Organizational Factors: The Role of Ethical Culture and Relationships")**

After reading the chapter you should be able to

- discuss the relationship between individual and group ethical decision making,
- assess organizational structure in relation to its business ethics, and
- determine how leadership, power, and motivation relate to ethical decision making.

**Chapter 7: Questions - Exercises**

Answer the "Questions - Exercises" at the end of *chapter 7 ("Organizational Factors: The Role of Ethical Culture and Relationships")*.  

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

**Case Studies 13 and 14**

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

- **case 13 ("The Healthcare Company: Learning From Past Mistakes?")**
- **case 14 ("PETCO Develops Successful Stakeholder Relationships")**

Document your answers to the case questions in your study notes book.

**Developing an Effective Ethics Program**

Read the following in *Business Ethics*:

- **chapter 8 ("Developing an Effective Ethics Program")**

After reading the chapter you should be able to answer the following questions:

- What is the responsibility of the corporation to be a moral agent?
- Why does a business need to develop an ethics program?
- What are the minimum requirements for an ethics program?
- What is the role of a code of ethics in identifying key risk areas for an organization?
- What are the keys to successful ethics training, including program types and goals?
- How are ethical standards monitored, audited and enforced?
- Why is continuous improvement important with an ethics program?

**Chapter 8: Questions - Exercises**

Answer the "Questions - Exercises" at the end of *chapter 8 ("Developing an Effective Ethics Program")*.  

If you have difficulty with any of the questions, go to the Business Law & Ethics Community
Chatter and post a question to get input from your peers.

**Chapter 8: Connecting Terms**

Think about the key terms listed at the end of chapter 8 ("Developing an Effective Ethics Program").

Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts

**Chapter 8: Check Your EQ (Ethics Quotient)**

Complete the following exercise in *Business Ethics*:

- "Check your EQ" on page 239 of chapter 8 ("Developing an Effective Ethics Program")

Ask a family member or a friend to take the "Check Your EQ" and compare answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding.

Check your answers against the answer provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Case Studies 15 and 16**

Study the following cases in *Business Ethics* and post your thoughts on the community chatter:

- case 15 ("Coping with Financial and Ethical Risks at American International Group (AIG")
- case 16 ("Starbucks' Mission: Responsibility and Growth")

Document your answers to the case questions in your study notes book.

**Implementing and Auditing Ethics Programs**

Read the following in *Business Ethics*:

- chapter 9 ("Implementing and Auditing Ethics Programs")

After reading the chapter you should be able to answer the following questions:

- What is ethics auditing and how is it performed?
- What are the benefits and limitations of ethics auditing?
- What are the challenges of measuring nonfinancial performance in an organization?
- What are the stages of an ethics auditing process?
- What strategic role does the ethics audit play?
Answer the "Questions - Exercises" at the end of chapter 9 ("Implementing and Auditing Ethics Programs").

If you have difficulty with any of the questions, go to the Business Law & Ethics Community Chatter and post a question to get input from your peers.

Chapter 9: Connecting Terms

Think about the key terms listed at the end of chapter 9 ("Implementing and Auditing Ethics Programs").

Prepare a set of review/flash cards, one for each term, and identify the following:

- the term
- its definition
- a short statement of how that term relates to social responsibility concepts

Chapter 9: Check Your EQ (Ethics Quotient)

Complete the following exercise in Business Ethics:

- "Check your EQ" on page 269 of chapter 9 ("Implementing and Auditing Ethics Programs")

Ask a family member or a friend to take the "Check Your EQ" and compare answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding.

Check your answers against the answer provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Case Studies 17 and 18

Study the following cases in Business Ethics and post your thoughts on the community chatter:

- case 17 ("Home Depot Implements Stakeholder Orientation")
- case 18 ("New Belgium Brewing: Ethical and Environmental Responsibility")

Document your answers to the case questions in your study notes book.

Developing an Ethics Program (Part II)

The activities for this subject will prepare you to submit the next EST1 task in TaskStream.

Developing an Ethics Program

When you have completed this topic you will be able to develop an effective ethics program for an organization, including codes of conduct, ethics officers and their roles, ethics training, program monitoring, program auditing, and improvement systems. Potential employees who not only understand the significance of creating effective ethics programs, but are also able to monitor, audit, and improve those programs, will become sought after in the workplace as the
ethics environment in business continues to change.

This topic addresses the following competencies:

- Competency 310.2.3: Ethical Issues in Business
  The graduate can develop an appropriate and comprehensive ethics program for a given business venture.

**Lifelong Learning**

Watch the following videos:

- [Leading for Life: The Power of Confidence and Lifelong Learning](#) (90 min)
- [Good Boss, Bad Boss: Be the Best and Learn from the Worst](#) (90 min)

Summarize your impressions and gained understanding in your study notes. You may also provide additional thoughts on the community chatter.

**Ethics for Managers**

Complete the following module in SkillSoft:

- [pd_02_a02_bs_enus: Ethics for Managers](#)

**Study Tip: Mastering Concepts (Chapter 8)**

Review the following in *Business Ethics*, focusing on important terminology:

- [chapter 8 ("Developing an Effective Ethics Program")](#)

**Study Tip: Mastering Concepts (Chapter 9)**

Review the following in *Business Ethics*, focusing on important terminology:

- [chapter 9 ("Implementing and Auditing Ethics Programs")](#)

**Connecting Terms to Concepts**

Think about the key terms listed at the end of

- [chapter 8 ("Developing an Effective Ethics Program")](#)
- [chapter 9 ("Implementing and Auditing Ethics Programs")](#)

**Business Law & Ethics Community Chatter**

Visit the Business Law & Ethics Community Chatter. Look for the discussion thread labeled "Ethics Programs in Business: Effective or Not?"

Post your initial thoughts about the following questions to the community chatter:

- What could an effective, enforced ethics program do in the face of such massive instances of unethical corporate behavior?
Could such ethical programs protect investors, employees, and customers?
What elements need to be in place for an effective ethics program?

Read and respond to the ideas presented by other students.

**Final Review**

You have successfully completed the second section of the course of study. You have mastered the concepts of developing an ethics program, and how those concepts can be utilized in particular business settings.

**Performance Assessment**

As you prepare to complete your work with EST1 and ethical issues in business, and as you complete this course of study, you should have developed competency in "developing an appropriate and comprehensive ethics program for a given business venture," including the following:

- explaining why businesses need ethics programs, and the benefits from those programs
- listing minimum requirements for an ethics program
- understanding what is required for successful ethics training
- understanding how to monitor, audit and improve ethical standards and programs in business

**Submit Your Task in TaskStream**

Complete the following task in TaskStream:

- Ethical Situations in Bus: 310.2.3-08

For details about this performance assessment, see the "Assessment" tab in this course.

Carefully read the given information for the task, as this contains the relevant facts you need to consider as you develop your ethics program for this company. Draft your ethics program for the task. Be sure to include the following in your ethics program document:

- an appropriate standards and procedures section, such as a code of ethics
- a section that has a plan for an appropriate ethics training program
- a section that discusses systems to monitor, audit, and report misconduct
- a section that has a plan to review and improve the ethics program over time

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The WGU Library is available online to WGU students 24 hours a day.
For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for EZC1. The course covers 7 competencies and represents 3 competency units.

Introduction

Overview
This course is an introduction to the theory, methods, and concerns of business finance, including financial management and profit maximization of a business enterprise. You will evaluate the performance and value of a firm, employ time value of money to solve common financial problems, and make corporate investment decisions using capital budgeting.

Watch the following welcome video for this course:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Competencies
This course provides guidance to help you demonstrate the following 7 competencies:

- **Competency 3001.1.1: Financial Statement Analysis**
  The graduate assesses the economic strength of the firm using financial statement analysis.

- **Competency 3001.1.2: Financial Forecasting**
  The graduate forecasts standard financial statements to facilitate business decision making.

- **Competency 3001.1.3: Time Value of Money**
  The graduate analyzes cash flows across time to solve common business problems.

- **Competency 3001.1.4: Bond and Stock Valuation**
  The graduate values common assets such as stocks and bonds.

- **Competency 3001.1.5: Risk and Return**
  The graduate estimates the cost of capital for business decision making.

- **Competency 3001.1.6: Capital Budgeting**
  The graduate analyzes business projects using capital budgeting techniques.

- **Competency 3001.1.7: Firm Valuation**
  The graduate estimates the value of a business entity.

Course Mentor Assistance
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.
Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources
The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

MyEducator
The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense by contacting info@myeducator.com.

Additional Preparations

Calculators and Scratch Paper/Whiteboards
WGU permitted calculators are allowed on all internal WGU assessments.

As of January 1, 2014, paper and pencil may not be used during an OLP internal objective assessment, students may use a whiteboard. The student will be asked to clear the whiteboard after each testing session. Paper and pencil may be used during an internal WGU objective assessment taken at a proctored site. For external assessments outside of WGU, please check the calculator policy for the specific exam.

- The guidelines below are for internal WGU assessments.
Permitted Calculators
You may use one basic, scientific, business/financial, or graphing calculator, unless it has a built in computer algebra system (CAS). Some examples of acceptable calculators include: TI-30, TI-34, TI-36, Casio FX300, TI-82, TI-83, TI-83+, TI-84, TI-84+, TI-85, TI-86, and TI-Nspire (non-CAS), TI BA II Plus (NOT the Professional series), HP 10bII, HP 12c, HP 12cPlatinum, Sharp EL-738C, and Casio FC-200V. Calculators with paper tape are allowed if the tape is removed and they are not prohibited for other reasons.

Prohibited Calculators
The following types of calculators are prohibited:

- Calculators that include a computer algebra system (CAS) are not allowed. For example, the TI-89, TI-92, and TI-Nspire CAS, HP 48GII and other model numbers that begin with HP 40G, HP 49G, or HP 50G are not allowed.
- Computers and PDAs are not allowed.
- Calculators with an electronic writing pad, pen-input device, or QWERTY (typewriter) keyboards are not allowed.
- Calculators that are part of electronic communication devices are not allowed. For example, cell phone calculators are not allowed.

White Board

- Must not have any lettering or graphics
- Must be erasable
- Cannot have memory

Scratch Paper

- Only individual pieces of paper are allowed
- Multiple pieces of scratch paper are allowed, but you may only use one sheet of clean scratch paper at a time
- Multiple pieces of graph paper are allowed, but you may only use one sheet of clean graph paper at a time
- Notebooks are not allowed
- Proctors will collect and dispose of all scratch paper used after the student has completed the assessment

Other Approved Tools

- Ruler
- Protractor
- Compass

Questions
Please contact your mentor with any questions regarding calculators that are recommended for your program. If you have questions regarding the actual calculator policy, including questions
about specific calculator models, please contact the appropriate course mentor.

**Pacing Guide**
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Finance

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

**Introduction to Finance**

The following section provides a contextual foundation to build on. Topics include disciplines and careers within finance, as well as the relationship between corporate finance and business management.

**Finance Fields, Careers, and the Big Picture**

This topic will introduce you to the foundations and principles of finance.

**Introduction to Finance**

Read the following section in *Principles of Finance*:

- topic 1 ("An Introduction to Finance")

**Financial Statements**

This topic covered in this section covers the basics of financial accounting. From your accounting course, you may be familiar with the three basic financial statements:

- the balance sheet
- the income statement
- the statement of cash flows

Understanding what these statements are and how they are used will help you analyze and interpret the economic status of a company.

**Financial Statements Analysis**

As you cover this material pay particular attention to cash and non-cash items on the income statement and balance sheet. The statement of cash flows will help you in this regard. Along with the statement of cash flows, you will be shown how to construct free cash flow to the firm and free cash flow to equity. Using ratios to determine the health of a company will also be a key topic. Finally, the DuPont formula will provide a structure to analyze the return on equity for a firm.

This topic addresses the following competencies:

- Competency 3001.1.1: Financial Statement Analysis
The graduate assesses the economic strength of the firm using financial statement analysis.

This topic highlights the following key concepts:

- income statement, balance sheet, and statement of cash flows
- cash and non-cash items on an income statement
- statement of cash flows, free cash flow, firm equity
- financial statement analysis using ratios
- return on equity for a business, DuPont framework

**Read: Accounting and Financial Statement Review and Ratio Analysis**

As you read the listed material below, pay attention to the following key points:

- depreciation and amortization
- statement of cash flow
- standardizing financial information
- components of return on equity (ROE)
- business decisions: efficiency, profitability, financial leverage, liquidity

Ask yourself the following questions:

- Can I analyze the different statements?
- Can I construct a statement of cash flow?
- Do I understand the difference between cash flow from operations and net income/EBIT (earnings before interest and taxes)?
- How do I use ratios to analyze financial statements?
- Can I construct free cash flow to the firm and to equity?
- What is the DuPont framework and how is it used?
- Can I describe some of the different implications return on equity has on business decisions?

Read the following sections in *Principles of Finance*:

- sections 2.1–2.3 and 2.5 in [topic 2](#) (*Accounting and Financial Statement Review*)
- sections 3.1–3.7 and 3.9 in [topic 3](#) (*Ratio Analysis*)

As you read, complete the review problems for each section to check your understanding.

Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

**Financial Forecasting**

In this section you will be introduced to the percent of sales forecasting method. Percent of sales forecasting is probably the most common method of forecasting. The key insight in this
process is to understand the relationship between changes in sales and changes in the various line items on the income statement and the balance sheet. Once completed, a financial forecast offers important details on important decision criteria such as financing requirements and profitability.

**Financial Forecasting for Decision Making**

The percent of sales forecasting method focuses on which line items vary with sales (spontaneous accounts) and which accounts do not (discretionary accounts). Discretionary accounts get their name because they are left to the management’s discretion. Once spontaneous and discretionary accounts are identified, focus on how to project retained earnings which will permit the eventual computation of discretionary funds needed. The sustainable growth rate helps managers determine optimal growth so they do not run out of funds.

This topic addresses the following competencies:

- Competency 3001.1.2: Financial Statement Analysis
  The graduate assesses the economic strength of the firm using financial statement analysis.

This topic highlights the following key concepts:

- process of financial forecasting
- differences between spontaneous and non-spontaneous accounts
- a firm’s discretionary financing, sales forecast, and appropriate data
- sustainable growth rate
- reducing discretionary financing needs

**Read: Financial Forecasting**

As you read the material listed below, pay attention to the following key points:

- spontaneous accounts
- discretionary accounts
- percent of sales forecasting
- discretionary financing needed
- sustainable growth rate

Ask yourself the following questions:

- What are spontaneous and non-spontaneous accounts?
- Can I list line items from the income statement and balance sheet that are usually considered to be spontaneous?
- What does discretionary financing needed (DFN) mean?
- How do I compute the change in retained earnings?
- How do I compute the DFN?
- How do I calculate a firm’s sustainable growth rate?
Can I explain how a manager might be able to decrease a forecasted DFN?

Read the following sections in *Principles of Finance*:

- sections 4.1–4.4 in [topic 4 ("Financial Forecasting")](#)

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

**Time Value of Money**

Most financial contracts and assets involve cash flows at multiple points in time. The timing of cash flows has a significant impact on value. This section investigates the nature of the relationship between time and value and provides you with the tools to evaluate how timing impacts the valuation of cash flows. Most of the theories and techniques utilized in finance depend on a sound understanding of this topic. The time value of money serves as a basis for almost all other topics covered in this course.

**Time Value of Money**

In this topic, the use of a financial calculator will be key (pun intended). Practice enough problems so the key strokes are automatic. Five keys will be covered:

- PV
- FV
- PMT
- I
- N

These same elements are used in Excel spreadsheets, so once you have mastered them on the calculator, you will easily be able to perform time value of money in Excel. The timing of cash flows matter and you will learn when to have the calculator in begin mode or end mode.

This topic addresses the following competencies:

- Competency 3001.1.3: Time Value of Money
  The graduate analyzes cash flows across time to solve common business problems.

This topic highlights the following key concepts:

- compounding and discounting of cash flows
- present and future value of single sums
- ordinary annuities and annuities due
- present value of mixed-stream cash flows
- deferred annuity and perpetuity

Read: Time Value of Money
As you read the listed material below, pay attention to the following key points:

- compounding vs. discounting of cash flows
- present and future lump sum value
- present and future value of an annuity
- deferred annuity

Ask yourself the following questions:

- What is the difference between compounding and discounting of cash flows?
- How do I calculate present and future value?
- How do I calculate ordinary annuities and annuities due?
- Am I competent with calculating time value of money?
- Can I calculate loan payments for a home/car loan?
- Can I calculate the present value of mixed stream cash flows?

Read the following sections in *Principles of Finance*:

- sections 5.1–5.5 in topic 5 ("The Time Value of Money")

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

**Bond and Stock Valuation**

The valuation of common financial assets such as stocks and bonds is an essential skill in finance. The guiding principle in this process is that the value of any asset is simply equal to the discounted value of its future cash flows. However, applying this simple principle requires a thorough understanding of the characteristics and attributes of an asset. This topic area will provide you with both a basic understanding of the most common financial assets and the details concerning their valuation.

**Bonds**

In this topic, you will learn the key characteristics of bonds and how to use your financial calculator to compute bond prices and yields. You will use the same five calculator buttons you used in the time value of money section. Focus on the inverse relationship between price and yield and the different types of interest rates associated with bonds.

This topic addresses the following competencies:

- Competency 3001.1.4: Bond and Stock Valuation
  The graduate values common assets such as stocks and bonds.

This topic highlights the following key concepts:

- cash flows for a simple coupon bond, par value, time to maturity, and coupon
rate/payment
- bond value and yield to maturity (YTM)
- price and market yield for a bond
- time to maturity, interest rate of a bond

Read: Bond Valuation: Fixed Income Analysis

As you read the listed material below, pay attention to the following key points:

- graphing, sometimes known as charting, bond cash flows
- find the price when given the yield to maturity
- find the yield to maturity when given the price
- inverse relationships of price and yields
- the effects of longer time to maturity

Ask yourself the following questions:

- Can I create a timeline for the cash flows for a simple coupon bond?
- Do I know how to calculate the value and YTM of a bond?
- What is the relationship between price and market yield of a bond?
- What is the impact of time to maturity on the interest rate sensitivity of a bond (duration)?

Read the following sections in Principles of Finance:

- sections 6.2–6.4, 6.6, and 6.7 in topic 6 ("Bond Valuation")

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

Stocks

Stocks are trickier to price than bonds because their cash flows are not as predictable. In this topic, focus on the models we develop to price preferred and common equity. Notice that the perpetuity model and constant growth model is the same model with growth equaling zero in the perpetuity model. All of these models are applications of time value of money and discounted cash flow methods.

This topic addresses the following competencies:

- Competency 3001.1.4: Bond and Stock Valuation
  The graduate values common assets such as stocks and bonds.

This topic highlights the following key concepts:

- common and preferred stock
- value for a share of preferred stock and common stock
• perpetuity model, single-stage model, the constant growth model, two-stage growth model

**Read: Stock Valuation: Understanding Equity**

As you read the listed material below, pay attention to the following key points:

• preferred vs. common stock
• single period model
• constant growth model
• two-stage growth model

Ask yourself the following questions:

• What is the difference between common and preferred stock?
• Do I know how to use the different models to calculate the value for a share of preferred stock and common stock?
• Do I feel comfortable using the two-stage growth approach to valuing common stock?

Read the following sections in *Principles of Finance*:

• sections 7.3–7.5 in [topic 7 ("Stock Valuation")](#)

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

**Stock and Self-Check**

Complete all of the review problems, including the end of topic practice exam, for the following topic in *Principles of Finance*:

• [topic 7 ("Stock Valuation")](#)

Contact your course mentor if you are having difficulty finishing the problems or do not understand a concept.

Submit the review problems after answering to see if you answered correctly and how to reach the correct response. You are encouraged to use these review problems to check your understanding of the covered concepts.

**Risk, Return, and the Cost of Capital**

Up to this point, the cost of capital or discount rate has been given. In this section, you will work on how to identify the cost of capital for a business. It is important to identify the determinants of the cost of capital. You will read about how to calculate the cost of debt and the cost of equity. You will be introduced to the weighted average cost of capital (WACC) and how it is determined. You will also perform the calculation necessary for the WACC to include all of its components.
Risk, Return, and the Cost of Capital
In finance, we always need to think of return in the context of risk. In this topic, you will employ models that will allow you to estimate the estimated return for a given security (bond or stock). Each component of a firm’s capital structure will have an associated cost that will be estimated. All of these components will then be combined in a weighted average resulting in the weighted average cost of capital for a firm. Both the expected return and the WACC are measures of risk from the investor’s point of view.

This topic addresses the following competencies:

- Competency 3001.1.5: Risk and Return
  The graduate estimates the cost of capital for business decision making.

This topic highlights the following key concepts:

- expected return for common stock
- capital asset pricing model (CAPM), Gordon model, build-up methods
- weighted average cost of capital (WACC)

Read: The Cost of Capital

As you read the listed material below, pay attention to the following key points:

- the different methods of calculating expected return for stocks
- adjusting required returns for flotation costs
- WACC
- the impact of taxes on the cost of debt
- the calculation of weights (or portions) of debt and equity

Ask yourself the following questions:

- How do I calculate the cost of capital for common stock using the different models?
- How do I calculate the cost of debt capital?
- How do I calculate the cost of capital for preferred?
- Can I calculate the WACC for a firm?
- When is the WACC the appropriate discount rate?

Read the following sections in Principles of Finance:

- sections 9.2–9.4 in topic 9 ("The Cost of Capital")

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

Capital Budgeting
Capital budgeting is the process of evaluating long-lived capital investments. Usually, this refers to investment in real assets such as vehicles, machines, or factories. The goal of the capital budgeting process is to accept projects that increase firm value and reject projects that destroy firm value. Ultimately, the outcome of capital budgeting decisions determines what the firm will be in the future.

**Capital Budgeting**

In this topic, focus on the mechanics and intuition of computing payback, profitability index, NPV, and IRR. You will be introduced to the intricacies of computing the cash flows which are used in these methods to make real business decisions. As part of these cash flows, you will learn the MACRS (Modified Accelerated Cost Recovery System) and straight-line depreciation systems.

This topic addresses the following competencies:

- Competency 3001.1.6: Capital Budgeting Techniques
  The graduate analyzes business projects using capital budgeting techniques.

This topic highlights the following key concepts:

- capital budgeting evaluation method
- payback period, net present value, profitability index, and internal rate of return for a project
- cash flows for a capital budgeting
- depreciation through the MACRS (Modified Accelerated Cost Recovery System) and straight-line methods
- initial outlay, periodic differential cash flows, and the terminal cash flow for a project

**Read: Capital Budgeting Decision Criteria**

As you read the listed material, pay attention to the following key points:

- the main criteria for capital budgeting
- depreciation expense calculations
- net present value
- internal rate of return

Ask yourself the following questions:

- What are the three main criteria for capital budgeting evaluation methods?
- Can I calculate and analyze the payback period, net present value, profitability index, and internal rate of return for a project?
- Do I know the weaknesses of the IRR method?
- Do I know how to calculate cash flows for capital budgeting using multiple methods?
- Do I know the accept/reject rule for the different methods?

Read the following sections in *Principles of Finance:*
As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

**Firm Valuation**

You will now examine the valuation of an entire firm. The good news is that you have already developed the understanding and skills to take on this complicated task. Now all you really need to do is pull together the skills you've learned previously and apply them to a firm.

**Firm Valuation**

There are three primary methods to value the entire firm. In the cost method, the analyst determines how much it would cost to rebuild the firm from scratch. In the discounted cash flow (DCF) method, you will project the future cash flows and then discount them by the cost of capital of those cash flows. The third method, comparables, involves finding similar firms to construct multiples that can be used to infer the value of the firm. Each of these methods should be adjusted for three valuation caveats.

This topic addresses the following competencies:

- Competency 3001.1.7: Firm Valuation
  The graduate estimates the value of a business entity.

This topic highlights the following key concepts:

- replacement cost method of valuing a firm
- firm value, discounted cash flows, comparable multiples
- valuation caveats

**Read: Topic 13: Firm Valuation**

As you read the material below, pay attention to the following key points:

- DCF (discounted cash flow) valuation
- cost approach or replacement method of valuation
- approach to valuation

Ask yourself the following questions:

- Can I explain the replacement cost methods of valuing a firm?
- Can I calculate the value of a firm using discounted cash flows and comparable multiples?
- What are three valuation caveats and how do I adjust the firm value for them?

Read the following sections in *Principles of Finance*:
sections 13.1–13.4 in topic 13 (“Firm Valuation”)

As you read, complete the review problems for each section to check your understanding. Reach out to your course mentor if you are having difficulty finishing the problems or do not understand a concept.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

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For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessment for FVC1. The course covers 15 competencies and represents 3 competency units.

Introduction

Overview
This course provides an introduction to global business. The advantages of global production and the benefits of trade are critical aspects of global business. Many factors influence global business, such as transparency, geography, corruption, intellectual property protections, outsourcing and off-shoring, operation management, and generally accepted accounting principles.

You will study various economic ideologies, including trade policies, sustainability, regional integration blocs, balance of payments, standardization and adaptation, and stateless corporations. You will also consider components of culture, the relationship between ethics and economic progress, entry strategies in emerging market economies, and the sequence for developing and managing products in international markets. This course will provide you with a basic conceptual framework for global business, including theory and empiric observations of global business in action.

Watch the following video for an introduction to this course:

Competencies
This course provides guidance to help you demonstrate the following 15 competencies:

- Competency 3004.1.1: The Rise of Globalism
  The graduate explains factors that influence sustainable globalization.
- Competency 3004.1.2: The Evolution of International Business
  The graduate analyzes how trade influences societies, businesses, consumers, and governments.
- Competency 3004.1.3: Regional Economic Integration
  The graduate discusses economic integration as it pertains to global geographic regions.
- Competency 3004.1.4: The International Flow of Funds and Exchange Rates
  The graduate explains how international monetary systems and markets function.
- Competency 3004.1.5 The Cultural Environment
  The graduate explains how culture influences global business practices.
- Competency 3004.1.6: The Legal and Political Environment of Global Business
  The graduate analyzes how various political and legal systems affect international business.
- Competency 3004.1.7: Corruption and Ethics in Global Business
  The graduate identifies ethical global business practices.
- Competency 3004.1.8: Entry Strategies in Global Business
  The graduate identifies strategies for entering and operating within global business
markets.

- **Competency 3004.1.9: Control of Global Business**
  The graduate analyzes strategic approaches for controlling business operations.

- **Competency 3004.1.10 The Organization of Global Business**
  The graduate describes organizational structure for global business.

- **Competency 3004.1.11: Global Human Resource Management**
  The graduate explains how culture and regulatory factors affect global human resource management.

- **Competency 3004.1.12: Global Marketing**
  The graduate analyzes strategies for marketing international products.

- **Competency 3004.1.13: Global Operations and Supply-Chain Management**
  The graduate describes how products are produced globally.

- **Competency 3004.1.14: Global Financial Management**
  The graduate explains how exchange rates affect global business.

- **Competency 3004.1.15: Accounting and Taxation in Global Business**
  The graduate analyzes the effect of taxes on global business practices.

### Course Mentor Assistance

As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course mentors are fully committed to your success!

### Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

#### Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

##### Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources.
Simply click on the links provided in the activities to access the learning materials.

- **Cengage MindTap**
Introduction to Global Business is linked with Cengage MindTap resources. The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

In addition to the e-text provided by Cengage MindTap, you will find supplemental learning resources designed to improve your understanding of the material and provide self-checks of your comprehension. If after completing the chapter reading you desire additional support please use Cengage MindTap resources. These resources include homework assignments, chapter tests, interactive quizzes, multimedia videos, and vocabulary flashcards.

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Note: In order to avoid experiencing any problems using the supplemental resources in MindTap it is essential that your internet settings accept third party cookies with respect to this site. If you make this change and still experience problems accessing the supplemental material you may want to change the browser that you are using. The use of Internet Explorer is not advisable.

**Pacing Guide**

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- **Pacing Guide: Global Business**

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

**Foundations of Global Business**

This section covers the rise of globalization, the evolution of international business, regional economic integration, and the international flow of funds and exchange rates.

**Foundations of Global Business**

You will learn how globalization, trade policies, economic integration, and monetary systems influence business practices.
This topic addresses the following competencies and objectives:

- **Competency 3004.1.1: The Rise of Globalization**
  The graduate explains factors that influence sustainable globalization.
  - Identify characteristics of globalization.
  - Identify how major international institutions facilitate globalization.
  - Identify why it is important for political leaders and institutions to be transparent in responding to global competition.
  - Identify key policy measures that make globalization sustainable.
  - Identify ways that technology bridges the global digital divide.
  - Identify the rationale of specific anti-globalization arguments.

- **Competency 3004.1.2: The Evolution of International Business**
  The graduate analyzes how trade influences societies, businesses, consumers, and governments.
  - Identify the benefits of trade.
  - Identify the benefits of foreign investment.
  - Identify major international trade theories from their descriptions.
  - Identify the impact of trade policy on various stakeholders such as businesses, consumers, and governments.
  - Identify the rationale for managing trade.

- **Competency 3004.1.3: Regional Economic Integration**
  The graduate discusses economic integration as it pertains to global geographic regions.
  - Identify the costs of regional economic integration.
  - Identify key aspects of economic geography.
  - Identify reasons why countries pursue regional integration.
  - Match characteristics of regional integration blocs with the regional bloc.

- **Competency 3004.1.4: The International Flow of Funds and Exchange Rates**
  The graduate explains how international monetary systems and markets function.
  - Define balance of payments for a country.
  - Identify components of the foreign exchange market.

**Complete: Foundations of Global Business**

Complete the activities for the following chapters in Introduction to Global Business from Cengage MindTap:

- chapter 1 ("The Rise of Globalization")
- chapter 2 ("The Evolution of International Business")
- chapter 3 ("Regional Economic Integration")
- chapter 4 ("The International Flow of Funds and Exchange Rates")

If after completing the chapter reading you desire additional support please use Cengage MindTap resources. These resources include homework assignments, chapter tests, interactive
quizzes, multimedia videos, and vocabulary flashcards.

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**Global Business Environment**

This section covers cultural environments, legal and political environments of global business, and corruption and ethics in global business.

**Global Business Environment**

You will learn how culture, political systems, and ethics affect global business.

This topic addresses the following competencies and objectives:

- **Competency 3004.1.5: The Cultural Environment**
  The graduate explains how culture influences global business practices.
  - Identify critical components of culture.
  - Identify the primary and secondary sources that can be used to learn about foreign countries’ cultures.
  - Identify facets of culture that are significant for doing business in various countries, including East Asian, Arabian, and Latin American countries in given scenarios.
  - Identify ways that culture influences product management and marketing.

- **Competency 3004.1.6: The Legal and Political Environment of Global Business**
  The graduate analyzes how various political and legal systems affect international business.
  - Identify the business implications for conducting international business in different economic ideologies.
  - Identify key political risks when conducting global business.
  - Identify the reasons why intellectual property protections are critical in today’s global business environment.

- **Competency 3004.1.7: Corruption and Ethics in Global Business**
  The graduate identifies ethical global business practices.
  - Identify the relationship between ethics and economic progress.
  - Identify the function of corporate social responsibility.
  - Match famous scandals with events related to the scandals.
  - Identify the reasons for having internal controls that facilitate ethical behavior.

**Complete: Global Business Environment**
Complete the activities for the following chapters in Introduction to Global Business from Cengage MindTap:

- chapter 5 ("The Cultural Environment")
- chapter 6 ("The Legal and Political Environment of Global Business")
- chapter 7 ("Corruption and Ethics in Global Business")

If after completing the chapter reading you desire additional support please use Cengage MindTap resources. These resources include homework assignments, chapter tests, interactive quizzes, multimedia videos, and vocabulary flashcards.

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Global Business Strategy and Organization

This section covers entry strategies in global business, control of global business, and the organization of global business.

Global Business Strategy and Organization

This topic addresses the following competencies and objectives:

- **Competency 3004.1.8: Entry Strategies in Global Business**
  The graduate identifies strategies for entering and operating within global business markets.
  - Identify specific strategies for entering emerging market economies in given scenarios.
  - Identify reasons why multinational enterprises (MNEs) invest abroad.
  - Identify the benefits of foreign direct investment from a host country perspective.
  - Identify the costs of foreign direct investment from a host country perspective.
  - Identify ways that countries successfully attract foreign direct investment.

- **Competency 3004.1.9: Control of Global Business**
  The graduate analyzes strategic approaches for controlling business operations.
  - Identify purposes for writing mission statements.
  - Identify the four basic types of longer-term strategic implementation.
  - Identify the role that knowledge management and systems play in addressing various impediments to strategic implementation of global business.
  - Identify how specific control systems affect global business.
  - Analyze how organization culture influences organization activities in given scenarios.
• Competency 3004.1.10: The Organization of Global Business
  The graduate describes organizational structure for global business.
  - Define stateless corporations.
  - Identify potential outcomes of organizational structures on business performance.
  - Identify issues in creating international divisions in global business.
  - Identify organizational structures from their descriptions.

Complete: Global Business Strategy and Organization

Complete the activities for the following chapters in Introduction to Global Business from Cengage MindTap:
  - chapter 8 ("Entry Strategies in Global Business")
  - chapter 9 ("Control of Global Business")
  - chapter 10 ("The Organization of Global Business")

If after completing the chapter reading you desire additional support please use Cengage MindTap resources. These resources include homework assignments, chapter tests, interactive quizzes, multimedia videos, and vocabulary flashcards.

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Managing Global Business

This section covers human resource management, global marketing, operations and supply chain management, financial management, and accounting and taxation.

Managing Global Business
In this topic, you will learn how companies manage human resources in international contexts, produce and market global products, and manage finances.

This topic addresses the following competencies and objectives:

• Competency 3004.1.11: Global Human Resource Management
  The graduate explains how culture and regulatory factors affect global human resource management.
  - Identify issues involved in outsourcing and offshoring.
  - Identify challenges involved in staffing foreign operations.
  - Identify performance appraisal and employee compensation issues around the world, including cultural differences, cost of living, and expatriate status.
  - Identify the relationship between international labor standards and free trade.


- **Competency 3004.1.12: Global Marketing**
  The graduate analyzes strategies for marketing international products.
  - Compare marketing research and marketing intelligence systems.
  - Define key terms for marketing strategies.
  - Identify the sequence for developing and managing products in international markets.
  - Match descriptions of marketing methods with specific marketing methods.
  - Match descriptions of distribution channels with the role each plays in marketing products internationally.
  - Match the descriptions of international pricing objectives with their pricing objectives.
  - Identify facets of customer service required for goods and services that are globally marketed.

- **Competency 3004.1.13: Global Operations and Supply-Chain Management**
  The graduate describes how products are produced globally.
  - Identify how global operations management operate.
  - Identify the reasons why companies outsource and insource.
  - Identify advantages of global production.
  - Identify considerations for locating and relocating production facilities in given scenarios.
  - Identify how the Internet and enterprise resource planning systems affect global supply chains.

- **Competency 3004.1.14: Global Financial Management**
  The graduate explains how exchange rates affect global business.
  - Identify foreign exchange risks that affect firms.
  - Identify approaches to hedge exchange rate risks.
  - Identify sources of funds to finance international trade and investment.

- **Competency 3004.1.15: Accounting and Taxation in Global Business**
  The graduate analyzes the effect of taxes on global business practices.
  - Identify the function of generally accepted accounting principles.
  - Identify the goal of the International Accounting Standards Board.
  - Identify ways that financial statements can be used to evaluate a company’s financial situation in relation or relative to other companies.
  - Identify tax issues that multinational corporations (MNCs) face.

**Complete: Managing Global Business**

Complete the activities for the following chapters in Introduction to Global Business from Cengage MindTap:

- chapter 11 ("Global Human Resource Management")
- chapter 12 ("Global Marketing")
- chapter 13 ("Global Operations and Supply-Chain Management")
- chapter 14 ("Global Financial Management")
chapter 15 (“Accounting and Taxation in Global Business”)

If after completing the chapter reading you desire additional support please use Cengage MindTap resources. These resources include homework assignments, chapter tests, interactive quizzes, multimedia videos, and vocabulary flashcards.

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- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with
Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](#)
This course supports the assessments for LIT1. The course covers 2 competencies and represents 3 competency units.

Introduction

Overview
Why study business law? Is there any question that your society, including the business community, has become more and more litigation-prone? There has been a major surge in legal actions involving both small and large corporations over the past decade. The result of not understanding the legal issues and the ramifications of missing legal requirements on a business can be extremely costly and can even lead to the collapse of the business itself, as seen in some of the recent financial failures and shareholder lawsuits against management. An awareness and understanding of the legal environment protects the business, its employees, shareholders, and other stakeholders.

This course of study is designed to prepare you for the performance assessment consisting of two separate sections, each with specific performance tasks to be completed. The first section has two parts:

- Part A requires an analysis and recommendation of a form of business ownership based on a given situation, and will take the form of a report and a business memorandum;
- Part B requires the analysis and determination of whether certain given business activities violate specific labor and employment laws. Once you have successfully completed this course of study you should be able to determine the proper business organization forms for given business situations, and be able to identify violations of particular labor and employment laws in a given business setting.

You have some experience with the legal system, either through your own encounters or merely through listening to nightly news reports, and have probably seen or heard about various business legal issues which can serve you well in this study. Now you can expand that understanding of the business legal environment and perhaps refine and enhance your own views on these issues. Once you complete this course of study you will have the demonstrated a level of competence that you can immediately use in your work and career experience.

Watch the following video for an introduction to this course:

*Note: View the video in full screen at 720p for best results.*

Competencies
This course provides guidance to help you demonstrate the following 2 competencies:

- Competency 310.1.2: Organizational Forms
  The graduate can select the appropriate form of organization for a business.
- Competency 310.1.5: Labor and Employment Law
The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

**Course Mentor Assistance**

As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

**Preparing for Success**

The information in this section is provided to detail the resources available for you to use as you complete this course.

**Learning Resources**

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

**Automatically Enrolled Learning Resources**

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

**SkillSoft and Books 24x7**

You will access SkillSoft items at the activity level within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

**Flat World Knowledge E-Texts**

The following textbook is available to you as an e-text within this course of study. You will be directly linked to the specific readings required within the activities that follow:


*Note: Only two chapters are assigned reading in this course. However, there is a broad range of additional information contained in the other chapters of the text that can broaden your*
knowledge in this area of study.

Additional Preparations

Participate in the Message Board

Throughout your studies, you will want to follow the questions, observations, and responses of the other students and the expert advice of the course mentor. If you have questions of your own, do not hesitate to use this resource to get those answered as you develop your competencies. The course mentor will not provide answers but will engage you in discussion to help you clarify and extend your understanding of important concepts. In addition, you will find specific assignments in this course of study that direct you to the message board.

Preparing Flashcards

Throughout this course of study you will find activities asking you to prepare flashcards. These are simply cards that you prepare with key concepts, terms, ideas on one side and the definition or description of that item on the other side. These can be 3x5 index cards, sticky notes, or anything that would work for your study methods. The flashcards are an excellent review technique to be sure you understand each of the important concepts in your reading and study.

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Legal Issues in Business Organizations

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Additional Preparation

There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

Participate in the LIT1 Community Chatter

Throughout your studies, you will want to follow the questions, observations, and responses of the other students and the expert advice of the course mentor. If you have questions of your own, do not hesitate to use this resource to get those answered as you develop your competencies. The course mentor will not provide answers but will engage you in discussion to help you clarify and extend your understanding of important concepts. In addition, you will find specific assignments in this course of study that direct you to the community chatter.

Preparing Flashcards

Throughout this course of study you will find activities asking you to prepare flashcards. These are simply cards that you prepare with key concepts, terms, ideas on one side and the definition or description of that item on the other side. These can be 3x5 index cards, sticky notes, or anything that would work for your study methods. The flashcards are an excellent review
technique to be sure you understand each of the important concepts in your reading and study.

**Forms of Business Ownership**

The activities for this subject will introduce you to the concepts associated with forms of business ownership.

Forms of business ownership cover a wide-range of different types of business structures:

- sole proprietorship,
- partnerships (general and limited),
- limited liability companies, and
- corporations (sub-chapter S corporation, C corporation, close corporation, publicly traded corporation).

Each of these business forms has its own set of characteristics, advantages, and disadvantages for owners and management. Various federal laws, IRS regulations, and state regulations will apply depending on the business form. Deciding on the proper form of business is one of the most important decisions a business owner must make, and requires a careful analysis of the specific characteristics, business activity, and the various business forms under consideration.

**Identifying Business Forms of Organization and Partnerships**

When you have completed this topic you will be able to accomplish the following:

- Describe the characteristics of a sole proprietorship, general partnership, limited partnership, limited liability company, sub-chapter S corporation, and C corporation
- Differentiate between a sole proprietorship, general partnership, limited partnership, limited liability company, sub-chapter S corporation, and C corporation as an appropriate form of business organization in a given business situation
- Explain the key characteristics of partnerships
- Describe the duties and responsibilities of corporate officers and directors
- Describe how a corporate entity may be terminated

Just look at the news today and you will see that the importance of understanding business legal issues is at the forefront of the country’s concerns over the financial crisis. Who is liable for the collapse of Bear Stearns? Can those receiving executive bonuses be sued? What is the validity of employment contracts when a company goes bankrupt? Those are just some of the legal questions currently being debated. This is your opportunity to develop not only your understanding of these legal concepts, but also your competence in applying these principles to a variety of business settings, including your employment experience.

Your study of business forms of organization includes resources from the Internet, SkillSoft and SkillPort, the message boards. Be sure to utilize each of these resources as they provide a broad range of viewpoints on the topics you will need to master in order to pass the performance assessment.

This topic addresses the following competency:
Competency 310.1.2: Organizational Forms

The graduate can select the appropriate form of organization for a business.

Business Organizations

Read the following chapter in *The Legal and Ethical Environment of Business*:

- chapter 11 ("Business Organizations")

After reading the chapter, answer the questions stated in the "Exercise" box at the end of each section.

Distinguishing Between Business Form

Read the following chapter from *Essentials of Business Insurance*:


This chapter provides a straightforward and meaningful discussion on the ten different forms of businesses that are found in the United States. Begin your study on page 4.

After reading the information, you should be able to answer the questions below about the following forms of business ownership:

1. sole proprietorship
2. general partnership
3. limited partnership
4. C corporation
5. S corporation
6. limited liability company

- How would you describe each form of business ownership?
- What are the distinguishing characteristics of each form of business ownership?
- What are the advantages of each form of business ownership?
- What are the disadvantages of each form of business ownership?

Contrasting Forms of Organization in Business

When you have completed this portion of the "Characteristics of Business Forms of Organization" subject, you will compare and contrast various forms of business organizations. Identify the advantages and disadvantages of various forms of business organizations. You can now build on what you learned in the last subject and expand your knowledge to understand the distinctions organizations. This will lead to your demonstration of competence in identifying correct forms of business organization.

This topic addresses the following competency:

- Competency 310.1.2: Organizational Forms
The graduate can select the appropriate form of organization for a business.

Choosing a Business Form

Complete the following SkillSoft module:

- LAW0104: American Business Formations in the 21st Century *

Complete the following SkillSoft Job Aid:

- LAW0104: Criteria That Determine Sole Proprietorships, Partnerships, Franchises, and Corporations

Review the following SkillBriefs:

- LAW0104: The Criteria That Determine Sole Proprietorships
- LAW0104: The Criteria That Determine Partnerships
- LAW0104: The Criteria That Determine Corporations *
- LAW0104: How Businesses Are Taxed

Review and Submission of Task 310.1.2-01-06

You have mastered the concepts related to selecting an appropriate form of business organization, and how to apply those concepts to a particular business situation. This is more and more significant today as business liabilities and legal issues have taken on a larger concern for management in both small and large organizations.

At this point you should have developed competency in selecting the appropriate form of organization for a business, including the ability to do the following:

- Differentiate between a sole proprietorship and general partnership
- Differentiate between a general partnership and a limited partnership
- Identify the distinguishing characteristics of C corporations
- Identify the distinguishing characteristics of S corporations
- Recognize the characteristics of a limited liability company (LLC)
- Determine the appropriate business form for a given situation

Preparing to Submit Task 310.1.2-01-06

Now that you have completed your study of the forms of business organizations, it is time to for you to apply your knowledge by drafting your recommendations required in Task 310.1.2-01-06. Carefully read the given information for the task in the TaskStream Instructions. Those are the relevant facts you need to consider as you develop your recommendations and prepare your task.

Draft Your Report for Part A of the Task

Be sure to include the following in your report:
- A sub-heading for each business form listed with a brief description of each business form (sole proprietorship, general partnership, limited partnership, C corporation, S corporation, limited liability company)
- A brief discussion of the key characteristics, advantages, and disadvantages of each form
- A differentiation among the listed forms by explaining how at least six of the seven key characteristics from the introduction to the task apply to each of the listed forms of organization
- A bullet list of characteristics used to present your selected characteristics for each form of business organization

**Draft Your Memorandum for Part B of the Task**

Be sure to include the following in your memorandum:

- A recommendation of a specific form of organization that should be used in the given situation
- A justification or rationale as to why that is the best business organization form for this situation

**Finalize Your Documents**

1. Include both your report and memorandum in one word processing document, labeled as "Part A (the report)" and "Part B (the memorandum)."
2. Remove spelling and grammar errors from the document.
3. Check your formatting to make sure that you have used the same format throughout the document.
4. Read the report and memorandum closely to make sure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.
6. Save your document, with the following naming convention: student number/last name/LIT1 Task number (e.g., 55455 Smith LIT1 Task 310.2.1-05).

**Legal Issues for Bus.Org Performance Task**

Complete the following task in TaskStream:

- Legal Issues for Bus.Org: Task 310.1.2-01-06

For details about this performance assessment, see the "Assessment" tab in this course.

**Labor and Employment Law Concepts**

The activities for this subject will introduce you to the concepts associated with labor and employment law.

All businesses in the United States are subject to a variety of federal and state laws and regulations regarding how they conduct business, and more particularly, how to treat employees
fairly and equitably. Issues of family; medical leave; pregnancy; discrimination based on gender, race, and ethnicity; equal pay; workplace safety; and disability are just a few of the situations covered by various federal acts. It is important for any business owner to know and understand the major labor and employment laws that affect business operations; including acceptable business practices and how to recognize violations should they occur.

**Concepts of Labor and Employment Law**

When you have completed this topic you will be able to do the following:

- Describe the key provisions of the National Labor Relations Act
- Describe key provision of the Family and Medical Leave Act
- Explain the purpose and significance of COBRA
- Identify situations that constitute wrongful discharge of an employee
- Describe the key provisions of the Age Discrimination in Employment Act
- Describe the key provision of the Americans with Disabilities Act
- Identify proper and improper hiring practices

Today, more than ever, the issues surrounding employment and federal regulation of labor play a major role in management decision-making. Having a clear understanding of key federal employment and labor laws will provide a solid basis for understanding options as an employer, whether in a small or large business organization.

This topic addresses the following competency:

- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

**Employment Laws**

Visit the following web sites to learn about the concepts behind the respective employment laws.

**The Family and Medical Leave Act (FMLA)**

- [The Family and Medical Leave Act](#)
- [FMLA Compliance](#)
- [FMLA Online](#)
- [University of Washington FMLA](#)

**Age Discrimination**

- [Facts About Age Discrimination](#)
- [SBA.gov Community](#)

**Americans with Disabilities Act**
Take particular note of how they affect employers and employees. After exploring these web sites, you should be able to answer the following questions:

- What is the purpose of the laws regarding FMLA, age discrimination, and ADA?
- What are the key characteristics of FMLA?
- What are the key characteristics of laws related to age discrimination?
- What are the key characteristics of ADA?
- How do these laws apply to the given scenarios in the performance task?

**SkillSoft Books24x7**

For additional information on labor and employment law, access the SkillSoft Home Page. Use the key word search and search for books in SkillPort Books24x7. Here are some suggested keywords:

- Federal Employment Laws
- Age Discrimination in Employment Act (ADEA)
- American with Disabilities Act (ADA)
- Family and Medical Leave Act (FMLA)

**Labor and Employment Law Requirements**

The activities for this subject will conclude your study of concepts associated with labor and employment law, and prepare you to submit your second task into TaskStream for grading.

All businesses in the United States are subject to a variety of federal and state laws and regulations regarding how they conduct business, and more particularly, how to treat employees fairly and equitably. Issues of family; medical leave; pregnancy; discrimination based on gender, race, and ethnicity; equal pay; workplace safety; and disability are just a few of the situations covered by various federal acts. It is important for any business owner to know and understand the major labor and employment laws that affect daily business operations; including acceptable business practices and how to recognize violations should they occur.

**Employment and Labor Law Violations**

When you have completed this topic section you will be able to do the following:

- Describe the key provisions of various federal employment and labor acts
- Explain whether a violation of a particular federal employment or labor act has occurred in a given business situation

Now that you are completing your study of the concepts of labor and employment law, it is time to focus on review and mastery of those concepts.

This topic addresses the following competency:
Competency 310.1.5: Labor and Employment Law
The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

Employment Discrimination

Read the following chapter in *The Legal and Ethical Environment of Business*:

- chapter 12 ("Employment Discrimination")

After reading the chapter, answer the questions stated in the "Exercise" box at the end of each section.

SkillSoft Reviews

Review the following SkillBrief:

- LAW0103: Provisions of the Family and Medical leave Act

Website Reviews

Review the following websites for additional information:

- Family and Medical Leave Act (FMLA)
- Americans with Disabilities Act (ADA)
- Age Discrimination

At the Family and Medical Leave Act (FMLA) website, click on the "Family & Medical Leave" link in the "Subtopics" box on the right-hand side. At the Age Discrimination website, click on the "Age Discrimination" link found in the "Subtopics" box on the right-hand side.

The Community Chatter

Check the community chatter in the course of study, and post any questions you might have at this point. Be sure to follow the questions and responses of other students and the expert advice of the course mentor on the community chatter.

**Review and Submission of Task 310.1.5-02, 11, 13**

As you prepare to complete your work with the performance assessment and labor and employment issues in business, and as you complete this course of study, you should have developed competency in determining whether business activities in a given situation violate specific labor and employment laws, including the following:

- Evaluating a given situation to determine how the provisions of the Family and Medical Leave Act of 1993 would apply
- Analyzing a given situation to determine whether a violation of the Age Discrimination in Employment Act of 1967 has occurred
- Analyzing a given situation to determine whether there has been a violation of the Americans with Disabilities Act of 1990
Preparing to Submit Task 310.1.5-02, 11, 13

Now that you have completed your study of concepts necessary to understand and apply various provisions of labor and employment to business situations, it is time to see if you can apply your knowledge by analyzing three case studies for Task 310.1.5-02, 11, 13.

Carefully read the "Given" for the task as it contains the relevant facts you need to consider as you develop your report for this company. Draft your essay for the task, and be sure to include the following:

- Three sub-headings, one for each of the three situations
- A clear description of the relevant facts of the "Given" for each situation
- A clear description of the pertinent provision(s) of the federal act pertaining to each situation
- A clear explanation of whether or not a violation of the pertinent act occurred in each situation

Finalize Your Document

1. Organize your essay into sections using sub-headings, one section for each situation presented.
2. Remove all spelling and grammatical errors from your document.
3. Check your formatting to make sure that you have used the same format throughout the document.
4. Read the essay closely to make sure your sentences are clear and concise.
5. If you used references, make sure that you cite them using APA style.
6. Save your document with the following naming convention: student number last name LIT1 Task number (e.g., 55455 Smith LIT1 Task 310.1.5-02, 11, 13).

Self-Check

Make sure your task includes the following:

- A logical evaluation of how the provisions of the Family and Medical Leave Act of 1993 apply to the facts of Situation A
- A clear explanation of whether or not a violation has occurred in Situation A is given
- A logical evaluation of the how the provisions of the Age Discrimination in Employment Act of 1967 apply to the facts of Situation B
- A clear explanation of whether or not a violation has occurred in Situation B is given
- A logical evaluation of how the provisions of the Americans with Disabilities Act of 1990 apply to the facts of Situation C
- A clear explanation of whether or not a violation has occurred in Situation C is given

Legal Issues for Bus.Org Performance Task

Complete the following task in TaskStream:

- Legal Issues for Bus.Org: Task 310.1.5-02, 11, 13
For details about this performance assessment, see the "Assessment" tab in this course.
Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
This course supports the assessments for LWC1. The course covers 10 competencies and represents 6 competency units.

Introduction

Overview
This course covers the following topics

- contractual relationship
- government regulation of business
- dispute resolution
- labor and employment law
- hiring and employment practices
- warranties, negligence, and liabilities
- Sarbanes-Oxley Act
- ethical issues in business
- ethical leadership
- ethics programs
- use of company resources

You likely have had some experience with the legal system, either through your own encounters or merely through listening to the nightly news, and you have probably read or heard about various ethical and legal issues causing financial upheaval in today's business world. This background will serve you well in this study. Now you can expand on that experience, and perhaps refine and enhance your own views on these issues. Once you complete this course, you will have demonstrated a level of competence that you can immediately use in your work setting and career.

Watch the following video for an introduction to this course:

Note: View the video in full screen at 720p for best results.

Before you begin reviewing this course, we also strongly urge you to watch the following Getting Started video. This video provides specific information that will help you to successfully complete this course.

Competencies

This course provides guidance to help you demonstrate the following 6 competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.
● Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an
  organization meets U.S. regulatory requirements.
● Competency 310.1.4: Dispute Resolution
  The graduate can select an appropriate approach to resolve a dispute.
● Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate
  specific labor and employment laws.
● Competency 310.1.6: Hiring and Employment Practices
  The graduate can determine whether hiring and employment practices in a given
  situation are legal or wrongful.
● Competency 310.1.7: Warranties, Negligence, and Liability
  The graduate can determine an organization’s responsibilities with regard to warranties,
  negligence, and liability.
● Competency 310.1.8: Sarbanes-Oxley Act
  The graduate can determine if corporate practices comply with the provisions of the
● Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given
  business situation.
● Competency 310.2.2: Ethical Leadership
  The graduate can identify ethical considerations that shape business practices and
  leadership.
● Competency 310.2.4: Use of Company Resources
  The graduate makes appropriate judgments regarding proper use of company
  resources.

Activities at a Glance Outline

An abbreviated study plan has been provided for you to use as you work through this course.

● LWC1 Study Notes Guide

Course Mentor Assistance

As you prepare to successfully demonstrate competency in this subject, remember that course
mentors stand ready to help you reach your educational goals. As subject matter experts,
mentors enjoy and take pride in helping students become reflective learners, problem solvers,
and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course
mentors are able to share tips on approaches, tools, and skills that can help you apply the
content you're studying. They also provide guidance in assessment preparation strategies and
troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors
act as a support system to guide you through the revision process. You should expect to work
with course mentors for the duration of your coursework, so you are welcome to contact them
as soon as you begin. Course mentors are fully committed to your success!
Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Your Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts

The following textbooks are available to you as e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: These e-texts are available to you free of charge, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

SkillSoft and Books 24x7

You will access SkillSoft items at the activity level within this course. For more information on accessing SkillSoft items, please see the “Accessing SkillSoft Learning Resources” page.

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- Pacing Guide: Fundamentals of Business Law and Ethics

Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.

Contractual Relationships I

The activities for this subject will introduce you to the concepts associated with contractual relationships. Contracts are the lifeblood of any commercial organization. Good contracts save
time and money, while bad contracts can lead to lawsuits, economic losses, and wasted time. These contractual concepts are essential to understand in order to protect an organization and maintain its commercial activity.

Contractual relationships cover a wide range of types of business agreements. You will study the basic concepts of offer, acceptance, and consideration, along with the types of contracts and the possible remedies available should a breach of contract occur. Understanding how contracts are governed and just when a legal agreement is formed are essential to properly managing a company and protecting it from false claims.

**Contractual Relationships: The Basics**

Dealing with contractual relationships is an integral part of a manager's responsibilities. Knowing what actions might obligate your organization is crucial to protecting the company and to maintaining legal benefits from business agreements. These concepts of contract law are found every day in the operation of businesses large and small. Once these concepts are understood, managers are able to make good decisions regarding business relationships.

When you have completed this topic, you will be able to:

- define the elements of a legal agreement,
- recognize what constitutes a legal offer, acceptance, and consideration,
- identify when a contractual relationship has been entered into,
- describe the conditions that constitute a discharge of contract obligations,
- identify what constitutes performance under a given contract, and
- specify what constitutes a breach of a contract.

This topic addresses the following competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.

"Introduction to Contracts"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 10 ("Introduction to Contracts")

Respond to the following points in your notebook.

- What is the definition of a contract?
- Describe the various types of contracts.
- Identify and describe the theories of recovery in contract law.

**Chapter 10 Interactive Quiz**

Take the [interactive quiz](#) for chapter 10 to test your understanding of the basic contract concepts. After you are done, check your answers to the interactive quiz against the answers.
provided. Be sure to go back into chapter 10 to review any points that you missed on the quiz. "Performance and Discharge"

Read the following chapter in *Business Law and the Legal Environment*

- chapter 17 ("Performance and Discharge")

After reading this chapter, respond to the following points in your notebook:

- What conditions would constitute a discharge of a contract?
- Describe the conditions for a discharge of a contractual obligation.
- Describe the types of acceptable performances of a contract.
- What constitutes a breach of a contract?

**Chapter 17 Interactive Quiz**

Take the interactive quiz for chapter 17 to test your understanding of the concepts related to partnerships. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 17 to review any points that you missed on the quiz.

**Contractual Relationships II**

The activities for this section will continue and conclude your study of contractual relationships. Remember, the concepts of contractual relationships that you are studying are essential to the smooth functioning of any commercial organization.

**Contractual Relationships: Remedies**

You can now build on what you learned in the previous section and expand your knowledge to help you understand the consequences of violating or breaching a contract. Recognizing a potential breach of contract is important in alerting managers to impending problems, helping them to mitigate the impact of such a breach, and determining the proper remedies available. When you have completed this topic, you will be able to:

- identify what constitutes a breach of contract,
- define *breach of a contractual obligation*,
- identify the categories of damages available for a breach of contract, and
- describe the conditions for which specific types of breach of contract damages would apply.

This topic addresses the following competencies:

- Competency 310.1.1: Contractual Relationships
  The graduate can determine whether a contractual relationship exists and meets legal requirements.

"Remedies"

Read the following chapter in *Business Law and the Legal Environment*:
chapter 18 ("Remedies")

Respond to the following points in your notebook:

- What is the definition of remedies?
- Describe the various types of remedies in contracts.
- Identify and describe the theories of recovery in contract law.

Chapter 18 Interactive Quiz

Take the interactive quiz for chapter 18 to test your understanding of the concepts related to remedies. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 18 to review any points that you missed on the quiz.

Review of Concepts in SkillBriefs

Complete the following SkillBriefs in SkillSoft:

- LAW0102_sbLAW0102003001: Five Reasons to Discharge Contracts
- LAW0102_sbLAW0102001004: How Contracts Are Governed
- LAW0102_sbLAW0102002004: Modifying and Discharging Contracts
- LAW0102_sbLAW0102002001: Ethical Foundations of Business Contracts

Application of Knowledge: Contractual Relationships

Now that you have completed your study of contractual relationships, it is important to see if you can apply your knowledge by responding to the following study prompts in your notebook. Use your review flash cards and notes as well as your textbooks and other resources to help you, if necessary.

1. What is the point at which a legal agreement is said to have occurred?
2. What are the differences among enforceable, unenforceable, express, and implied contracts?
3. Describe a situation where a breach of contract has occurred.
4. If there is a breach of contract, what remedies are available?

Government Regulation of Business I

This section will help you see the importance of recognizing and understanding the government regulations that govern the function of a particular business or industry. The textbook readings and exercises will help you to identify the various ways in which the federal government establishes and monitors business activity and the specific areas that are of most concern to the general business community.

Every successful business must effectively deal with some form of government regulation, from regulation of waste disposal, to product safety, to consumer protection. These regulations reach into every industry and govern much of the activities in both small and large companies. These regulations can be costly, and failing to follow them can be even costlier; so understanding the regulatory environment of your business, and the particular regulations governing your activities,
is essential to profitable management.

**Antitrust Regulation**

Dealing with government regulation in business is an integral part of a manager’s responsibilities. Knowing what actions might violate particular regulations is crucial to protecting the company and to insuring its profitable operation. Government regulation is found every day in the operation of businesses of any size, and recognizing these regulations allows managers to make good decisions regarding business practices. When you have completed this topic, you will be able to:

- list the common types of antitrust violations,
- identify types of illegal aggressive strategies,
- describe the key provisions of the Sherman Antitrust Act of 1890, and
- describe the key provisions of the Clayton Antitrust Act of 1914.

This topic addresses the following competencies:

- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

"Antitrust"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 39 ("Antitrust")

Respond to the following points in your notebook:

- What are the Sherman and Clayton antitrust acts?
- Describe the key provisions of the Sherman and Clayton antitrust acts.
- Describe the various aggressive business actions that are illegal as violations of antitrust regulations.

Go over the end-of-chapter review and be sure you understand the concepts presented. If not, go back to the chapter and reread the material related to those concepts. You should include any notes you take from this review in your notebook.

**Chapter 39 Interactive Quiz**

Take the [interactive quiz](#) for chapter 39 to test your understanding of the concepts related to antitrust. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 39 to review any points that you missed on the quiz.

**Consumer Protection**

Dealing with government regulation in business is an integral part of a manager’s responsibilities. Recognizing what actions might violate particular consumer protection regulations is crucial to protecting the company and to insuring its profitable operation. Government regulation is found every day in the operation of businesses large and small, and
once understood, it allows managers to make good decisions regarding business practices. When you have completed this topic, you will be able to:

- list the common types of regulations designed to protect consumers,
- identify types of illegal consumer credit practices,
- describe the warranty protection provided to consumers, and
- describe the purpose and role of the Federal Trade Commission (FTC) in consumer protection.

This topic addresses the following competencies:

- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

Read Chapter 40,

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 40 (“Consumer Law”)

Then respond to the following points in your notebook:

- What is the role of the FTC?
- Describe prohibited sales activities under the FTC Act.
- How is consumer credit regulated?
- What is the Magnuson-Moss Warranty Act?
- What government regulations apply to consumer product safety?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 40 and reread the material related to the concepts you did not understand.

**Chapter 40 Interactive Quiz**

Take the interactive quiz for chapter 40 to test your understanding of the concepts related to consumer law. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 40 to review any points that you missed on the quiz.

**Environmental Regulation**

Dealing with environmental regulation in business is an integral part of a manager's responsibilities. Recognizing what actions might violate particular environment regulations is crucial to protecting the company and to insuring its profitable operation. Environmental laws have a pervasive impact on business activity of all types, and violations of these laws carry great potential costs for both individual companies and the country as a whole. Thus, it is incumbent on managers to understand these basic regulations and how to abide by them. When you have completed this topic, you will be able to:
identify the primary function of the Environmental Protection Agency (EPA) in regard to business,
- describe the provisions of the Clean Air Act,
- describe the provisions of the Clean Water Act, and
- identify the primary regulations governing waste disposal.

This topic addresses the following competencies:

- Competency 310.1.3: Government Regulation of Business
  The graduate can analyze business situations or practices to determine whether an organization meets U.S. regulatory requirements.

"Environmental Law"

Read the following chapter in Business Law and the Legal Environment:

- chapter 41 ("Environmental Law")

Respond to the following points in your notebook:

- What is the role of the EPA?
- Describe requirements of the Clean Air Act.
- Describe requirements of the Clean Water Act.
- Identify regulations regarding waste disposal that businesses must follow.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to the chapter 41 and reread the material related to those concepts that you do not understand.

Chapter 41 Interactive Quiz

Take the interactive quiz for chapter 41 to test your understanding of the concepts related to environmental law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 41 to review any points that you missed on the quiz.

Application of Knowledge: Government Regulation of Business

Now that you have completed your study of government regulation of business, it is important to see if you can apply your knowledge by answering the following study questions. Use your review flash cards and notes as well as your textbooks and other resources to help you, if necessary. Record your responses to the following points in your notebook so that you can use them as part of your review and study for the exam:

- What are common types of antitrust violations?
- What is the Sherman Antitrust Act of 1890?
- Describe the Clayton Antitrust Act of 1914.
- What is the role of FTC?
- What requirements were specified by the FTC Act of 1914?
**Dispute Resolution**

This section will help you understand how business disputes may be resolved, either through legal processes using the court system or through what is known as "alternative dispute resolution," an often viable and economical mechanism to resolve disputes. The textbook readings and exercises will help you understand the various ways in which businesses can resolve disputes.

Every business must effectively deal with some form of dispute at some time, such as a formal legal action, a complaint from a neighbor, or a claim made for some employee action. These types of disputes, whether small or large, require managers to be aware of the options available to resolve them and be able to follow a dispute-resolution strategy that will be the most cost effective and effectual.

**Resolving Disputes**

Disputes in business are found every day in the operation of businesses both large and small, and once resolution options are identified, managers are able to make good business decisions regarding how to handle those disputes. When you have completed this topic, you will be able to:

- list the common types of alternative dispute resolution,
- describe the legal process for dispute resolution,
- describe the general functioning of the court system and litigation, and
- identify the positive and negative aspects of various dispute resolution options.

This topic addresses the following competencies:

- Competency 310.1.4: Dispute Resolution
  The graduate can select an appropriate approach to resolve a dispute.

"Dispute Resolution"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 3 ("Dispute Resolution")

Respond to the following points in your notebook:

- Describe alternative dispute resolution techniques.
- List the advantages and disadvantages of the various alternative dispute resolution options.
- How does the court system function in resolving disputes?
- Compare and contrast the legal process for dispute resolution with alternative dispute resolution options.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 3 and reread the material related to the concepts you did not understand.

**Chapter 3 Interactive Quiz**

Take the [interactive quiz](#) for chapter 3 to test your understanding of the concepts related to dispute resolution. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 3 to review any points that you missed on the quiz.

**Labor & Employment Law & Hiring & Employment Practices**

This section will help you identify proper employment practices and the laws and regulations governing labor and employment issues. You will explore concepts related to employment security, safety, and privacy in the workplace; employment discrimination; and federal regulations concerning labor and employment. The textbook readings and exercises will help you to recognize the various ways in which businesses can resolve disputes.

Employers must effectively deal with their employees and maximize the effectiveness of their workforce while also abiding by employment and labor regulations and protecting the rights of their employees. Labor and employment law covers a wide range of issues and practices, including hiring, firing, monitoring, paying, and providing benefits. There is a large and complex set of considerations that managers must understand in order to attract and maintain a strong workforce and avoid costly and time-consuming employment disputes.

**Employment Law**

Identifying the various federal acts relating to employment and recognizing improper management behavior toward employees is an integral part of a manager's responsibilities. Identifying what is required of a business to meet its obligations is crucial to protecting the company and to insuring its profitable operation. Issues related to employment law are found every day in the operation of businesses both large and small and need to be recognized by managers in order to avoid employment disputes and costly claims for improper actions. When you have completed this topic, you will be able to

- list the major federal acts governing employment,
- describe what constitutes wrongful discharge,
- explain workplace safety requirements,
- explain the key provision of the Fair Labor Standards Act and the Worker's Compensation Act, and
- identify actions that constitute employment discrimination.

This topic addresses the following competencies:
Competency 310.1.5: Labor and Employment Law
The graduate can determine whether business activities in a given situation violate specific labor and employment laws.

Competency 310.1.6: Hiring and Employment Practices
The graduate can determine whether hiring and employment practices in a given situation are legal or wrongful.

"Employment Law"

Read the following chapter in Business Law and the Legal Environment:

- chapter 30 ("Employment Law")

Respond to the following points in your notebook:

- Describe the Family and Medical Leave Act (FMLA) and the Consolidated Omnibus Budget Reconciliation Act (COBRA).
- What are actions that would constitute wrongful discharge of an employee?
- What are workplace safety requirements under the Occupational Safety and Health Administration (OSHA)?
- What rights do employees have to privacy in the workplace?
- What actions by an employer constitute employment discrimination?
- What are appropriate and inappropriate hiring practices?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 30 and reread the material related to the concepts you do not understand.

Chapter 30 Interactive Quiz

Take the interactive quiz for chapter 30 to test your understanding of the concepts related to employment law. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 30 to review any points that you missed on the quiz.

Review of Concepts With SkillBriefs

Complete the following SkillBrief in SkillSoft:

- LAW0103_sbLAW0103001003: Provisions of the Family Medical Leave Act

Labor Law

Recognizing the various federal acts related to unions and employers of union workers is an integral part of a manager's responsibilities. Identifying what is required of a business to meet its obligations to union employees and what the rights of a union are is crucial to protecting the company and to insuring its profitable operation. Issues related to unions and federal labor law are found in the news almost every week. These issues need to be recognized by managers in order to avoid costly union disputes or claims for improper actions. When you have completed this topic, you will be able to:
describe the key provisions of the National Labor Relations Act of 1935,
identify regulations governing the formation and operation of unions,
explain the process of collective bargaining, and
identify legal and illegal actions by unions and companies.

This topic addresses the following competencies:

- Competency 310.1.5: Labor and Employment Law
  The graduate can determine whether business activities in a given situation violate
  specific labor and employment laws.
- Competency 310.1.6: Hiring and Employment Practices
  The graduate can determine whether hiring and employment practices in a given
  situation are legal or wrongful.

"Labor Law"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 31 ("Labor Law")

Respond to the following points in your notebook:

- Describe the process of union formation.
- What are the rights of union workers and employers in a labor dispute?
- What are legal and illegal actions during a labor dispute between a union and an
  employer?
- Describe the concept of collective bargaining.

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 31 and reread the material related to the concepts you did not understand.

**Chapter 31 Interactive Quiz**

Take the interactive quiz for chapter 31 to test your understanding of the concepts related to labor law. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 31 to review any points that you missed on the quiz.

**Review of Concepts With SkillSoft Modules and SkillBriefs**

Review the following SkillSoft module:

- **MGMT005B: Dealing with Problem Performance**

Review the following SkillBrief:

- **MGMT0153_sbMGMT0153001001: How to Create a Positive Performance Interview**

Access the SkillSoft Home Page. Search for and complete the SkillSoft modules, Job Aids, or SkillBriefs that you feel will help you understand the following concepts:
Application of Knowledge of Labor Law

Now that you have completed your studies for the labor law concepts, it is important to see if you can apply your knowledge by responding to the following study prompts. Use your review flash cards and notes as well as your textbooks and other resources to help you if necessary. Be sure to utilize your notebook to record additional review notes, as this will be a great resource as your prepare for the assessment.

1. Describe the National Labor Relations Act of 1935, the Family and Medical Leave Act of 1993, the Consolidated Omnibus Budget Reconciliation Act of 1985, and the Fair Labor Standards Act of 1938. List the main components of each of these acts.
2. What constitutes wrongful discharge under the law?
3. Explain the responsibilities of the OSHA.
4. What constitutes an employee's right to privacy?
5. Describe the main points of Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, and the Americans with Disabilities Act of 1990. Who do these acts serve?
6. What challenges can organizations face when hiring non-U.S. residents?
7. What is a contractual employment relationship?
8. Describe how to design an effective performance review.
9. What are progressive discipline programs?
10. Differentiate between appropriate and inappropriate interview questions.

Warranties, Negligence, and Liability

This section will help you to discover the basic concepts related to warranties, negligence, and liability. These concepts directly impact the profitability of a business. If managers are not able to identify potential warranty or liability issues, the resulting cost in lawsuits and customer claims could ruin a business. The textbook readings and exercises will help you identify the various ways in which managers can identify warranty issues and recognize the company's warranty obligations and potential negligence and liability problems.

Every business must effectively deal with one of the following topics: for manufacturers, warranty and strict liability issues are important; for a service organization, negligence becomes a significant risk. Whatever your business issues may be, warranty, negligence, and liability are essential to recognize. Managers must be aware of the possible legal claims and be proactive in avoiding such claims in the most cost-effective manner.

Warranty and Product Liability

Understanding how to resolve warranty and product liability issues is a major part of a manager's responsibilities. Knowing the distinctions between various types of warranties, and recognizing potential product liability issues, are key to protecting the company and insuring its profitable operation. These issues of warranty and product liability are found daily in almost any
business operation, and their recognition by managers is crucial to making good business decisions for the long-term success of the business. When you have completed this topic, you will be able to:

- describe the differences between express and implied warranties,
- identify the obligations of a manufacturer under warranty law,
- recognize the disclaimers and defenses to warranty actions,
- define negligence,
- describe the requirements for a claim of negligence,
- define strict liability,
- describe the requirements for a claim of strict liability, and
- describe the key provision of the Magnuson-Moss Warranty Act.

This topic addresses the following competencies:

- Competency 310.1.7: Warranties, Negligence, and Liability
  The graduate can determine an organization's responsibilities with regard to warranties, negligence, and liability.

"Warranties and Product Liability"

Read the following chapter in Business Law and the Legal Environment:

- chapter 21 ("Warranties and Product Liability")

Answer the following questions in your notebook:

- What is an express warranty?
- What is an implied warranty?
- What is a disclaimer?
- What are the limitations on remedies for breach of warranty and product liability?
- What is negligence, and how does that concept apply to a manufacturer?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 21 and reread the material related to the concepts you did not understand.

Chapter 21 Interactive Quiz

Take the interactive quiz for chapter 21 to test your understanding of the concepts related to warranties and liabilities. After you are done, check your answers to the interactive quiz against those answers provided. Be sure to go back into chapter 21 to review any points that you missed on the quiz.

Negligence and Strict Liability

Negligence and strict liability are legal doctrines that managers must recognize in order to protect their company from the consequences of a long and costly legal action. These concepts affect how a company operates: how it deals with customers and the public, how it manufactures its products, and how it trains its employees. It is essential that managers
recognize and appreciate the legal responsibility connected with negligence and strict liability in order to ensure the well-being of the organization. When you have completed this topic, you will be able to:

- explain the concepts of *duty of care*,
- list the defenses to an action for negligence, and
- Describe the legal doctrine of strict liability.

This topic addresses the following competencies:

- Competency 310.1.7: Warranties, Negligence, and Liability
  The graduate can determine an organization’s responsibilities with regard to warranties, negligence, and liability.

"Negligence and Strict Liability"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 7 ("Negligence and Strict Liability")

Answer the following questions in your notebook:

- What is negligence?
- What is strict liability?
- What are the defenses available to an action for negligence or an action for strict liability?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 7 and reread the material related to the concepts you did not understand.

**Chapter 7 Interactive Quiz**

Take the interactive quiz for chapter 7 to test your understanding of the concepts related to negligence and strict liability. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 7 to review any points that you missed on the quiz.

**The Sarbanes-Oxley Act**

This section will introduce you to the significant legislation that was enacted in response to the corporate scandals of the late 1990s. This legislation, known as the Sarbanes-Oxley Act, has changed the way corporations handle their financial operations, report on financial activity, and monitor proper accounting procedure. For managers of publicly-traded corporations, this legislation changed the way they manage and imposed severe penalties for failure to operate according to its provision. The textbook readings and other exercises will help you to identify the various ways in which managers can identify warranty issues and recognize the company’s warranty obligations as well as potential negligence and liability problems.
Every publicly-traded corporation must effectively respond to and follow the requirements of the Sarbanes-Oxley Act; if violations of its provisions occur, corporate managers, officers, and directors are subject to civil and criminal penalties. Therefore, identifying the requirements of this act is essential to the well-being of the corporation.

The Sarbanes-Oxley Act

Operating within the provisions of the Sarbanes-Oxley Act has now become an integral part of a manager’s responsibilities. Recognizing what procedures must be followed for accounting, corporate governance, and monitoring and reporting financial information is essential to protecting the corporation and acting in an ethically prescribed manner. The penalties, as seen in the Enron case, can be severe, so adherence to the Sarbanes-Oxley Act's standards is, today, a significant management function. When you have completed this topic, you will be able to

- describe the provisions included in the Sarbanes-Oxley Act,
- identify the responsibilities of corporate officers and directors under the Sarbanes-Oxley Act,
- identify the disclosure requirements under the Sarbanes-Oxley Act, and
- describe proper corporate governance under the Sarbanes-Oxley Act.

This topic addresses the following competencies:

- Competency 310.1.8: Sarbanes-Oxley Act
  The graduate can determine if corporate practices comply with the provisions of the Sarbanes-Oxley Act of 2002.

"Shareholders"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 36 ("Shareholders")

Answer the following questions in your notebook:

- What are the basic provisions of the Sarbanes-Oxley Act?
- What are the rights of shareholders?
- What recourse do shareholders have against corporations if shareholder rights are violated?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 36 and reread the material related to the concepts you did not understand.

**Chapter 36 Interactive Quiz**

Take the interactive quiz for chapter 36 to test your understanding of the concepts related to Sarbanes-Oxley Act. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 36 to review any points that you missed on the quiz.
"Securities Regulation"

Read the following chapter in *Business Law and the Legal Environment*:

- chapter 37 ("Securities Regulation")

Answer the following questions in your notebook:

- What are the key provisions of the Securities Act of 1933?
- What are the disclosure requirements of the Securities Act of 1933?
- How did Sarbanes-Oxley change the disclosure requirements of the Securities Act of 1933?

Go over the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 37 and reread the material related to the concepts you did not understand.

**Chapter 37 Interactive Quiz**

Take the interactive quiz for chapter 37 to test your understanding of the concepts related to securities regulations. After you are done, check your answers to the interactive quiz against the answers provided. Be sure to go back into chapter 37 to review any points that you missed on the quiz.

"Accountants: Liability and Professional Responsibility"

Read the following in *Business Law and the Legal Environment*:

- pages 901-907 of chapter 38 ("Accountants: Liability and Professional Responsibility")

Then answer the following questions in your notebook:

- What are the audit requirements for a publicly-traded corporation?
- How did the Sarbanes-Oxley Act change the audit requirements for a publicly-traded corporation?

Go over points 1 a-e in the end-of-chapter review, and be sure you understand the concepts presented. If not, go back to chapter 38 and reread the material related to the concepts you did not understand.

**Review of Concepts With Job Aid and SkillBrief**

Review the following job aid and SkillBrief.

- IND0206_sbIND0206002001: Impact of the Sarbanes-Oxley Act on Banking

**Ethical Issues in Business I**

The activities for this section will introduce you to the concepts associated with ethical issues in
business. Scandal and unethical behavior have become front-page items in the business news. Today, more than ever, ethics is gaining attention not only because of the legal issues, but also because companies are realizing that having high ethical standards is good business and has a positive effect on the organization's ultimate success.

The term *ethics* is a concept that encompasses the actions, activities, and attitudes found in business and in the way in which managers act within the business environment and the larger community. *Corporate ethics* is often described as an obligation to be fair and to do well. To see that business ethics are upheld, managers must be actively involved in establishing an ethical culture within an organization.

**Concepts of Ethics in Business**

This is your opportunity to develop not only your recognition of business ethics issues but also your competence in applying these principles to a variety of business settings, including your own work setting and career.

When you have completed this topic you will be able to

- describe, define, and explain business ethics from an organizational perspective,
- describe the historical foundations and the evolution of business ethics,
- list the ways in which ethical value systems support business performance,
- define and identify ethical issues, and delineate types of behavior that pose business ethics issues, and
- identify improper uses of company resources (e.g., e-mail, phone, and computer).

This topic addresses the following competencies:

- Competency 310.2.1: Ethical Issues in Business
  The graduate can determine ethical and socially responsible courses of action in a given business situation.
- Competency 310.2.4: Use of Company Resources
  The graduate makes appropriate judgments regarding proper use of company resources.

**Read Chapter 1,**

Read the following chapter in *Business Ethics*:

- chapter 1 ("The Importance of Business Ethics")

Answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- How would you define *business ethics*?
- How has business ethics developed over time?
- What is involved in developing an ethical culture in an organization?
- What are three benefits of a clear ethical framework to businesses?
Think about the key terms listed at the end of the chapter 1. Prepare a set of review flash cards, one for each term, and identify the term, its definition, and a short statement of how that term relates to business ethics concepts.

"Stakeholder Relationships, Social Responsibility, and Corporate Governance"

Read the following chapter in Business Ethics:

- chapter 2 ("Stakeholder Relationships, Social Responsibility, and Corporate Governance")

Answer the end-of-chapter questions and exercises. After reading this chapter, respond to the following points in your notebook:

- What are various stakeholder roles in business ethics?
- What is an accepted definition of social responsibility?
- Describe the relationships between stakeholder orientation and social responsibility.
- What should be the role of corporate governance in establishing an ethical climate within an organization?
- List the steps involved in implementing a stakeholder perspective in business ethics.

Think about the key terms listed at the end of the chapter 2. Prepare a set of review flash cards, one for each term, and identify the term, its definition, and a short statement of how that term relates to ethics concepts.

Check Your EQ - Chapter 2

Check your ethics quotient (EQ) by completing the "Check Your EQ" exercise on the following page of Business Ethics:

- page 53 of chapter 2 ("Stakeholder Relationships, Social Responsibility, and Corporate Governance")

Ask a family member or friend to take the "Check Your EQ" test, and then compare your answers. Explain any concepts or terms the family member or friend does not understand to test your own understanding. Check your answers against the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

"Emerging Business Ethics Issues"

Read the following chapter in Business Ethics:

- chapter 3 ("Emerging Business Ethics Issues")

Answer the end-of-chapter questions and exercises. After reading this chapter, respond to the following points in your notebook:

- Describe ethical issues in the context of organizational ethics.
- How do ethical issues relate to the basic values of honesty, fairness, and integrity?
• Delineate and identify unethical behaviors that pose business ethics issues.
• What are three challenges in determining an ethical issue in business?

Review the list of end-of-chapter terms on page 85 of *Business Ethics* and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

**Check Your EQ - Chapter 3**

Complete the "Check Your EQ" exercise on the following page of *Business Ethics*:

• [page 89 of chapter 3 ("Emerging Business Ethics Issues")](#)

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Review of Concepts in SkillSoft and SkillBrief**

Review the following SkillSoft module:

• [pd_02_a04_bs_enus: Social Responsibility in Corporations](#)

View the following YouTube video:

• [Dean Lindsey Cowen Business Law Lecture: Hon. Frank H. Easterbrook](#)

Given at Case Western University School of Law, the lecture presents an analysis of ethical leadership as it relates to corporate activities, and ties that to legal requirements placed on an enterprise.

"The Institutionalization of Business Ethics"

Read the following chapter in *Business Ethics*:

• [chapter 4 ("The Institutionalization of Business Ethics")](#)

Answer the end-of-chapter questions and exercises. After reading the chapter, answer the following questions in your notebook:

• How do you distinguish between voluntary and mandated boundaries of ethical behavior?
• What are the key regulatory efforts to provide incentives for ethical behavior?
• What are the ethical standards and requirements established by the Sarbanes-Oxley Act?

Review the list of end-of-chapter terms on page 116 of *Business Ethics* and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

**Check Your EQ - Ch. 4**
Complete the "Check Your EQ" exercise on the following page of Business Ethics:

- page 123 of chapter 4 ("The Institutionalization of Business Ethics")

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

**Review of Concepts in SkillSoft**

Review the following SkillSoft module:

- pd_02_a02_bs_enus: Business Ethics for Managers

**Ethical Leadership**

The activities for this subject will introduce you to the concepts associated with ethical leadership. With any activity or program an organization undertakes, if there is not clear and strong leadership, the activity or program flounders. Thus, the importance of managers taking a clear leadership role in ethics should not be underestimated. Without ethical leadership, no ethical program can be successful.

**Ethical Leadership**

When you have completed this topic you will be able to

- explain why people justify unethical behavior,
- describe techniques for managers to use to respond to unethical behavior,
- describe how companies can create a more ethical organizational culture,
- explain why companies should have an ethics program, and
- list the essential components of a code of ethics.

This topic addresses the following competencies:

- Competency 310.2.2: Ethical Leadership
  The graduate can identify ethical considerations that shape business practices and leadership.

"Ethical Decision Making and Ethical Leadership"

Read the following chapter in Business Ethics:

- chapter 5 ("Ethical Decision Making and Ethical Leadership")

Answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- What are the components of a comprehensive framework for ethical decision making in business?
- How can knowledge about ethical decision making be used to improve ethical leadership?
• What are leadership styles and habits that promote an ethical culture in a business?

Review the list of end-of-chapter terms on page 143 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of ethics in business.

Check Your EQ: Chapter 5

Complete the "Check Your EQ" exercise on the following page of Business Ethics:

• page 147 of chapter 5 ("Ethical Decision Making and Ethical Leadership")

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

"Individual Factors: Moral Philosophies and Values"

Read the following chapter in Business Ethics:

• chapter 6 ("Individual Factors: Moral Philosophies and Values")

Answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

• How do moral philosophies and values influence group ethical decision making in business?
• What are the stages of cognitive moral development, and how do those relate to ethical development?
• How does white-collar crime relate to moral philosophies, values, and corporate culture?

Review the list of end-of-chapter terms on page 169 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ: Chapter 6

Complete the "Check Your EQ" exercise on the following page of Business Ethics:

• page 177 of chapter 6 ("Individual Factors: Moral Philosophies and Values")

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

"Organizational Factors: The Role of Ethical Culture and Relationships"

Read the following chapter in Business Ethics:

• chapter 7 ("Organizational Factors: The Role of Ethical Culture and Relationships")

Answer the end-of-chapter questions and exercises. After reading this chapter, answer the
following questions in your notebook:

- What is the influence of corporate culture on business ethics?
- How does leadership, power, and motivation relate to ethical decision making in organizations?
- How do work groups influence ethical decision?
- What is the relationship between individual and group ethical decision making?

Review the list of end-of-chapter terms on page 201 of Business Ethics and prepare a set of review flash cards for any terms you have difficulty defining. On each card list the term, its definition, and how it relates to concepts of business ethics.

Check Your EQ: Chapter 7

Complete the "Check Your EQ" exercise on the following page of Business Ethics:

- page 211 of chapter 7 ("Organizational Factors: The Role of Ethical Culture and Relationships")

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

"Developing an Effective Ethics Program"

Read the following chapter in Business Ethics:

- chapter 8 ("Developing an Effective Ethics Program")

Answer the end-of-chapter questions and exercises. After reading this chapter, answer the following questions in your notebook:

- What is the company's responsibility as a moral agent?
- Why do businesses need to develop ethics programs?
- What are the minimum requirements for an ethics program?
- How are ethical standards monitored, audited and enforced? Why is continuous improvement necessary?

Check Your EQ: Chapter 8

Complete the "Check Your EQ" exercises on the following page of Business Ethics:

- page 239 of chapter 8 ("Developing An Effective Ethics Program")

Check your answers with the answers provided at the bottom of the exercise. Go back and review concepts in the chapter as needed.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to
complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.

**The WGU Library**

The [WGU Library](http://lrps.wgu.edu/provision/9472) is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel [http://lrps.wgu.edu/provision/9472](http://lrps.wgu.edu/provision/9472):

- [WGU: Accessing the Library](http://lrps.wgu.edu/provision/9472)
- [WGU Library: Finding Articles, Books, & E-Reserves](http://lrps.wgu.edu/provision/9472)

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- [Course Feedback](http://lrps.wgu.edu/provision/9472)

**ADA Policy**

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at [ADASupport@wgu.edu](mailto:ADASupport@wgu.edu). Further information on WGU's ADA policy and process can be viewed in the student handbook at the following link:

- [Policies and Procedures for Students with Disabilities](http://lrps.wgu.edu/provision/9472)
Your competence will be assessed as you complete the MGC1 objective assessment for this course of study. This course of study may take up to 7 weeks to complete.

Introduction

In this course of study, you will learn about strategic planning, total quality, entrepreneurship, conflict and change, human resource management, diversity, and organizational structure. All of these topics are descriptive of the working environment managers must learn to oversee. Regardless of how the business environment changes, organizations always need effective managers to ensure that strategic objectives are met. Once you complete this course of study, you will have demonstrated a level of competence that you can immediately use to become an effective manager in your work and career experience.

Watch the following introduction video for this course:

Outcomes and Evaluation

There are 7 competencies covered by this course of study; they are listed in the "Competencies for Principles of Management (MGC1)" page.

You will complete the following assessments as you work through the course of study.

Pre-Assessment
You will complete the following pre-assessment:

- PAMG

Objective Assessment
You will complete the following objective assessment:

- MGC1

For specific information about this assessment, click the link under the "Assessment Type" column of your Degree Plan.

Preparing for Success

The information in this section is provided to help you become ready to complete this course of study. As you proceed, you will need to be organized in your studies in order to gain competency in the indicated areas and prepare yourself to pass the final assessments.

Your Learning Resources
Enroll in or order the learning resources for this course as early as possible so as to give them time to arrive and give you enough time to become familiar with them.

Automatically Enrolled Learning Resources
You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

**VitalSource E-Texts**
The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


*Note: These e-texts are available to you free of charge, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

**SkillSoft and Books 24x7**
You will access the following SkillSoft items within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

**Additional Preparation**
There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

**Message Boards, FAQs, Note-Taking Tool**
Message boards, FAQs, and a note-taking tool are available in every course of study. Use the "Additional Learning Tools" page to review these tools.

**The WGU Central Library**
The WGU Central Library is available online to WGU students 24 hours a day. The library offers access to a number of resources, including over 60,000 full-text e-books; articles from journals, magazines, and newspapers; course e-reserves; and tutorials on how to use these resources and the library. The library also includes a reference service for help with research questions or navigating the library.

**Course Mentor Assistance**
Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve, and to guide you to the learning resources that will help you. Request their help as needed when preparing for assessments.

If you fail assessment attempts, go through the provided feedback first, then ask specific questions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.

**Strategic Planning I**

Strategic planning is a management tool used to guide an organization's decisions and actions in response to a constantly changing business environment. Strategic planning is a disciplined
effort that helps managers by focusing on what they should do, why they should do it, and how they can successfully continue to do it.

Competencies covered by this subject
317.2.1 - Strategic Planning
The graduate can explain the strategic planning process.

**Basics of Strategic Planning**
When you have completed this topic, you should be able to:

- Summarize the basic steps in any planning process.
- Describe how strategic planning should be integrated with tactical and operational planning.
- Identify elements of the external environment and internal resources of the firm to analyze before formulating a strategy.
- Define *core competencies* and explain how they provide the foundation for business strategy.
- Summarize the types of choices available for corporate strategy.
- Discuss how companies can achieve competitive advantage through business strategy.
- Describe the keys to effective strategy implementation.

Many tools and processes are used to create a company's direction, such as creating a mission/vision, setting goals and objectives, and analyzing the internal and external environment. This topic will give you an overview of the strategic planning process. Reflect on the following questions as you go through this material:

- How is the strategic plan developed at your organization (or an organization you know well)?
- How well does the strategic plan align to the organization's mission?

**Planning and Strategic Management**

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 4 ("Planning and Strategic Management")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to answer the following questions in your journal:

- What are the steps in the strategic planning process? Why should companies engage in strategic planning?
- What are the components of a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis?
- What is the difference between strategic vision, strategic intent, strategic objectives, and strategic mission?
Think about the key terms listed at the end of chapter 4. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it.

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Basics of Strategic Planning SkillSoft Modules

Further integrate your understanding of strategic planning by completing the following SkillSoft modules:

- STGY0301: Strategic Management: Planning
- SALE0222: Strategic Planning
- STGY0302: Strategic Management: Analysis and Choice
- stgy_01_a02_bs_enus: Sustaining Competitive Advantage

Strategic Planning II

This section will continue your study of strategic planning.

Competencies covered by this subject
317.2.1 - Strategic Planning
The graduate can explain the strategic planning process.

Organizational Structure

When you have completed this topic, you should be able to:

- describe why it is critical for organizations to be responsive, and
- identify strategies and dynamic organizational concepts that can improve organizational responsiveness.

In a business, it is not enough to do the planning. Those plans have to be implemented and continually revised in response to customer needs and the changing environment. Reflect on the following questions as you work through this material:

- How responsive is your organization (or an organization you know well)?
- What external pressures are being exerted on the organization to change its strategic objectives?

Business Strategy

Increase your understanding of organizational structure as it relates to strategic planning by completing the following SkillSoft module:

- stgy_01_a04_bs_enus: Planning and Implementing a Business Strategy

Try to score at least 80% on all lesson posttests.

Organizational Agility
Read the following sections of *chapter 9 (“Organizational Agility”) in Management: Leading & Collaborating in the Competitive World*:

- "The Responsive Organization"
- "Strategy and Organizational Agility"
- "Customer Relationship Management" (found in the "Customer and Responsive Organization" section)

Answer the associated "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading these sections of the chapter, you should be able to answer the following questions in your journal:

- What strategic alliances are present in your organization (or one you know well)?
- What benefits are there to an organization being a learning organization?

Think about the key terms listed at the end of chapter 9. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to their responsiveness and agility?

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

**Managing Cross-Functions**

Further integrate your understanding of organizational responsiveness as it relates to strategic planning by completing the following SkillSoft module:

- mgmt_02_a02_bs_enus: Managing Cross-Functions

Try to score at least 80% on all lesson posttests.

After reviewing this SkillSoft module, you should be able to answer the following questions in your journal:

- What is the value chain concept?
- What is the purpose of the value chain analysis?

**Porter's Five Forces Model**

Review the following website:

- "Porter's Five Forces"
After reviewing this website, you should be able to complete the following in your journal:

- Describe Porter's Five Forces model.
- How does Porter's Five Forces model influence strategic planning?

**Organizational Structure: Mastering Concepts**

Go back to the flash cards you reviewed for chapters 4 and 9 and review them again. Continue to review these flash cards throughout your preparation for the objective assessment.

As a study tool, also go back and review your "Discussion Question" answers.

Look at the "Concluding Cases" found at the ends of chapter 4 ("Planning and Strategic Management") and chapter 9 ("Organizational Agility"). Answer the case questions in your journal. If you have difficulty with any of the questions, go to the message board and post a question to get input from your peers and the facilitator.

After completing your review, check your retention of the material so far. Take the chapters 4 and 9 quizzes on the textbook companion website, accessed with the URL above. (Remember, you have not finished your study of chapter 9, so some of the concepts might still be unfamiliar.) To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

**Organizational Structure Internet Exercise**

Answer the following four questions by selecting and utilizing (with proper citation) a strategic management journal or business magazine from the WGU Library.

1. Has the firm clearly identified what business it is in and how it is different from its competitors? Explain.
2. What are the key assumptions about the future that shaped the firm's new strategy?
3. What key strengths and weaknesses of the firm influenced the selection of the new strategy?
4. What specific objectives has the firm set in conjunction with the new strategy?

**Organizational Structure Short Course**

Complete the following short course in SkillSoft:

- **hr_08_a04_bs_enus: Organizational Structure and Employee Behavior**

This course is one hour long, includes job aids and skill briefs, and offers solid fundamental information about the types and impact of organizational structures.

**Total Quality Management**
Total quality management is a management method to achieve customer satisfaction and high-quality goods and services.

Competencies covered by this subject
317.2.2 - Total Quality Management
The graduate can describe how to establish a total quality management program in a product operation and in a service operation.

**Total Quality Management**

When you have completed this topic, you should be able to:

- Define *total quality management*,
- Discuss Deming's 14 points of quality,
- Summarize how firms organize to meet customer requirements, and
- Identify ways that firms organize around different types of technology

Continuous improvement is a mainstay at any organization. To achieve top efficiencies and productivity, processes must be improved to ensure consistency and reduced variation. Quality does not occur in a vacuum at the top of the organization; it has to be important at every level.

Reflect on the following questions as you move through the material:

- What quality initiatives have you been involved with or are currently in progress at your organization (or an organization you know well)?
- Are those initiatives successful? Why or why not?

**Organizational Agility**

Read the following sections of chapter 9 ("Organizational Agility") in *Management: Leading & Collaborating in the Competitive World*:

- "Customers and the Responsive Organization" (except "Customer Relationship Management," which you have already read)

After your reading, you should be able to complete the following in your journal:

- Summarize how firms organize to meet customer requirements.
- Define reengineering. How is reengineering important to an organization's success?

Think about the key terms listed at the end of chapter 9. Go to the textbook companion website and then click "Flashcards" under "More Resources" in the left-hand menu to review a set of flash cards. Make sure to put the term in its context rather than just memorize it. Think of some organizations you know. How do these terms relate to their agility and quality initiatives?

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

**Total Quality Management**

Review and analyze the concepts of total quality management (TQM) and its historical
relevance with the following additional resources:

- chapter 5 ("Total Quality Management") of Operations Management
- Total Quality Management - Deming Way: Part 1 and Part 2
- "Total Quality Management (TQM)"
- "Improving Financial Services Through TQM: A Case Study"
- "TQM Case Study: Newspaper Focuses on Customer Service"

Further develop your understanding of specific total quality management systems by completing the following SkillSoft modules:

- STGY0303: Strategic Management: Corporate Implementation

Try to score at least 80% on all lesson posttests.

**Total Quality Management: Mastering Concepts**

After reviewing the information you have learned so far, check your retention of the material. Take the chapter 9 quizzes on the textbook companion website, accessed with the URL above. (You still have not quite finished your study of chapter 9, so some of the concepts might still be unfamiliar.) To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

Answer the following study questions for total quality management:

1. What are the benefits of implementing a total quality management system?
2. What is continuous improvement?
3. What are the steps for building a quality management system?
4. What is the difference between quality assurance and quality control?
5. What is a quality audit? When is it used?

**Entrepreneurial Perspective**

Entrepreneurship is about innovation and creating new ideas, concepts, and products that did not exist before.

Competencies covered by this subject
317.2.3 - Entrepreneurial Perspective

The graduate can describe how to establish and promote an entrepreneurial emphasis within an organization.

**Entrepreneurship**

When you have completed this topic, you should be able to:

- describe why people become entrepreneurs and what it personally takes,
summarize how to assess opportunities to start new companies,
identify common causes of success and failure,
discuss common management challenges,
explain how to increase your chances of success, including good business planning, and
describe how managers of large companies can foster intrapreneurship and an entrepreneurial orientation

Where would society be without the enterprising people called entrepreneurs? Society would be missing out on such products and services as computers, eBay, Amazon, cell phones, and sticky notes, to name a few. Organizations need to cultivate an entrepreneurial orientation; otherwise, it is possible that their product/service line will quickly become obsolete. As you work through this material, reflect on the following question:

- How does your organization encourage creativity and innovation?

Entrepreneurship

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 7 ("Entrepreneurship")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to answer the following question in your journal:

- How does an organization cultivate entrepreneurship within the organization (intrapreneurship)?

Think about the key terms listed at the end of chapter 7. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. Think of some organizations you know. How do these terms relate to their entrepreneurship?

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Entrepreneurial Perspective SkillSoft Module

Further develop your understanding of entrepreneurship by completing the following SkillSoft module:

- pd_05_a02_bs_enus: Managing From Within: Self-Empowerment

Try to score at least 80% on all lesson posttests.
Entrepreneurship Message Board

Visit the message board. Look for the discussion thread labeled "Entrepreneurship." Answer the following questions:

- What is your level of interest in becoming an entrepreneur?
- What are your strengths and weaknesses related to entrepreneurship?
- How can you increase your capability of being a successful entrepreneur?

**Entrepreneurial Perspective Study Tip: Mastering Concepts**

Go back to the flash cards you reviewed for chapter 7 and review them again. Continue to review these flash cards throughout your preparation for the objective assessment. As a review tool, go back and review your "Discussion Question" answers.

Also look at the "Concluding Case" found at the end of chapter 7 ("Entrepreneurship") and apply your knowledge by answering the case questions in your journal. If you have difficulty with any of the questions, go to the Management and Behavior Message Board and post a question to get input from your peers.

After completing your review, check your retention of the material so far. Take the chapter 7 quizzes on the textbook companion website. To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

Answer the following study questions in your journal:

- What role does entrepreneurship play within an organization?
- Should organizations encourage an entrepreneurial spirit within their organization? Why or why not?
- What is the relationship between innovation and entrepreneurship?
- What are the common characteristics of an entrepreneur?
- Do the financing issues that new businesses face differ from those faced by a well-established business? How?

**Conflict and Change**

Conflict and change occur naturally in all types of organizations. All institutions experience some form of conflict and change in their daily operations. Sometimes the conflict results in positive, constructive change, and other times the change may have a negative impact on the organization. Organizations must be aware of conflict and change, analyze it, and develop strategies to put their plans into action.
Competencies covered by this subject
317.2.4 - Conflict and Change Management
The graduate can recommend effective techniques for managing conflict and change.

**Conflict Management**
When you have completed this topic, you should be able to:

- identify ways to manage conflict,
- identify different conflict styles, and
- discuss the role of a mediator

Conflict is a natural occurrence in the workplace. If managed well, conflict can be a healthy element of team growth. Conflict dealt with in healthy ways uncovers issues in need of addressing so that the organization can move forward. As you work through this material, reflect on the following questions:

- What conflict management tools and techniques are especially effective in your organization (or an organization you know well)?
- Why are they effective?

**Teamwork: Managing Lateral Relationships**

Read the following sections of [chapter 14 ("Teamwork") in Management: Leading & Collaborating in the Competitive World](#):

- "Managing Lateral Relationships"

Answer "Discussion Questions" 9-11 at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to complete the following in your journal:

- Explain the difference between avoidance, accommodation, compromise, competing, and collaboration as conflict styles.

Define the following key terms from chapter 14:

- accommodation
- avoidance
- collaboration
- competing
- mediator
- gatekeeper
- informing
- probing
- parading
Review the flash cards you have learned by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to their management of conflict?

**Managing Conflict SkillSoft Modules**

Further develop your understanding of conflict management by completing the following SkillSoft modules:

- comm_07_a01_bs_enus: Perspectives on Conflict in the Workplace
- comm_07_a02_bs_enus: Handling Conflict
- comm_07_a03_bs_enus: Managing Organization Conflict

Try to score at least 80% on all lesson posttests.

**Managerial Control**

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 16 ("Managerial Control")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section of the textbook and review.

After reading the chapter, you should be able to complete the following in your journal:

- Describe four types of control systems.
- What types of control systems have you seen in operation in your organization (or one you know well)?

Think about the key terms listed at the end of chapter 16. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to their control systems?

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

**Managing Change**

When you have completed this topic, you should be able to:

- discuss what it takes to be world class,
- describe how to manage and lead change effectively, and
- list tactics for creating a successful future
You often hear that the only thing you can count on is change. This is especially true in organizations as customer requirements, markets, technology, and laws change. Because change can often be a painful process that many resist, a manager's ability to help the team cope with change is especially critical. As you work through this material, reflect on the following question:

- What are some of the most effective methods a manager can use to handle change effectively?

Creating and Managing Change

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 18 ("Creating and Managing Change")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter you should be able to answer the following question in your journal:

- What makes organizational change so difficult?

Think about the key terms listed at the end of chapter 18. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to the types of change they have experienced?

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Managing Change SkillSoft Modules

Further develop your understanding of change management by completing the following SkillSoft modules:

- lead_01_a07_bs_enus: Leading Through Change
- mgmt_06_a01_bs_enus: Starting the Change Process

Try to score at least 80% on all lesson posttests.

Managing Change Case Study Exercise

Read the following document:

- "Johnson and Johnson Credo"

Answer the following questions:
• In what ways are the values the credo expresses illustrated in the actions of employees at Johnson and Johnson?
• Should the credo be changed after all these years?
• Why would Johnson and Johnson's credo translate into financial performance for the company? In other words, why would people respond to these values positively for this company in particular?

Managing Change Study Tip: Mastering Concepts

Go back to the flash cards you reviewed for chapters 14, 16, and 18 and review them again. Continue to review these flash cards throughout your preparation for the objective assessment. As a review tool, go back and review your "Discussion Question" answers.

Also look at the "Concluding Cases" found at the ends of chapter 14 ("Teamwork"), chapter 16 ("Managerial Control"), and chapter 18 ("Creating and Managing Change") and apply your knowledge by answering the case questions. If you have difficulty with any of the questions, go to the Management and Behavior Message Board and post a question to get input from your peers.

After completing your review, check your retention of the material so far. Take the chapter 14, 16, and 18 quizzes on the textbook companion website. To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Answer the following questions:

• What is functional conflict? Describe the conflict process.
• What are some conflict resolution techniques that can be employed in an organization?
• What is the controlling function within an organization?
• What are the steps in the control process?
• What are the stages of change within an organization?
• How can managers solicit support from their employees for their change initiatives?
• What strategies can managers use to overcome resistance to their change initiatives?

Managing Change: Books24x7 Exercise

For additional information on managing change and conflict, access the SkillSoft Home Page. Using a keyword search, look for books in Books24x7. Some suggested keywords to search for include the following:

• conflict management
• change management
• control process

Human Resource Management and Diversity
People perform the work that goes into achieving an organization's strategic objectives. This means the majority of a manager's job focuses directly on managing the individuals and the relationships: hiring, training, motivating, and evaluating. Throughout this process, the manager performs these tasks within the legal scope of labor laws and with the growing diversity of the workforce. It is important to understand these dimensions to be successful as a manager.

Competencies covered by this subject
317.2.5 - Human Resource Management
The graduate can correctly apply principles of human resource management in a given situation.
317.2.6 - Workplace Diversity
The graduate responds appropriately to diversity issues in the workplace.

**Human Resource Management**

When you have completed this topic, you should be able to:

- discuss how companies use human resources management to gain competitive advantage,
- give reasons companies recruit both internally and externally for new hires,
- identify various methods for selecting new employees,
- evaluate the importance of spending money and time on training and development,
- explain alternative selections for those who appraise an employee's performance,
- describe the fundamental aspects of a reward system, and
- summarize how unions and labor laws influence human resources management.

Without a qualified, well trained, motivated staff, it is much more difficult to achieve strategic objectives. A good manager hires the right people, trains them properly (and continually), motivates the staff, and evaluates and rewards performance. Performing these duties well requires skill and thoughtful consideration of the legal environment and the specific individuals on the team. As you work through this material, think about the best managers you have worked with in the past and reflect on the following question:

- In what ways do those managers skillfully train, provide feedback, and motivate and reward good performance?

**Human Resources Management**

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- chapter 10 ("Human Resources Management")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to answer the following question in your journal:

- How do companies use human resource management to gain a competitive advantage?
Think about the key terms listed at the end of chapter 10. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to their human resource functions?

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Human Resource Management SkillSoft Modules

Further develop your understanding of human resource management by completing the following SkillSoft modules:

- **HR0241: EEO and Affirmative Action (HRCI/PHR)**
- **LAW0103: Employment and Labor Law**
- **hr_01_a01_bs_enus: Strategic Role of HR in Organizations**

Try to score at least 80% on all lesson posttests.

Diversity

When you have completed this topic, you should be able to:

- describe how changes in the U.S. workforce make diversity a critical organizational and managerial issue,
- distinguish between affirmative action and managing diversity,
- explain how diversity, if well managed, can give organizations a competitive edge,
- identify challenges associated with managing a diverse workforce,
- define *monolithic, pluralistic, and multicultural* organizations, and
- list steps managers and their organizations can take to cultivate diversity.

Diversity is much broader than ethnicity, gender, and race. Diversity refers to those human qualities that are present in other individuals and groups. It is important to understand how these dimensions affect performance, motivation, success, and interactions with others within an organization. As you work through this material, reflect on the following questions:

- How has the diversity of organizations you know changed over the years?
- How has your view of diversity changed over the years?

Managing the Diverse Workforce

Read the following chapter in *Management: Leading & Collaborating in the Competitive World*:

- **chapter 11 ("Managing the Diverse Workforce")**

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.
After reading the chapter, you should be able to answer the following questions in your journal:

- What distinctions can you make between affirmative action and managing diversity?
- In what ways does your organization (or one you know well) manage diversity well?

Think about the key terms listed at the end of chapter 11. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to the diversity in those organizations?

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Diversity SkillSoft Modules

Further develop your understanding of diversity in the workplace by completing the following SkillSoft modules.

- hr_02_a01_bs_enus: The Reasons Why Diversity Matters
- COMM0021: The Impact of Culture on Communication
- COMM0023: Improving Your Cross-Cultural Communications

Try to score at least 80% on all lesson posttests.

Diversity Study Tip: Mastering Concepts

Go back to the flash cards you reviewed for chapters 10 and 11 and review them again. Continue to review these flash cards throughout your preparation for the objective assessment.

As a review tool, go back and review your "Discussion Question" answers.

Also look at the "Concluding Cases" found at the ends of chapter 10 ("Human Resources Management") and chapter 11 ("Managing the Diverse Workforce") and apply your knowledge by answering the case questions. If you have difficulty with any of the questions, go to the Management and Behavior Message Board and post a question to get input from your peers.

After completing your review, check your retention of the material so far. Take the chapter 10 and 11 quizzes on the textbook companion website, accessed with the URL above. To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

Answer the following study questions in your journal.

1. What is strategic human resource planning, and how does it benefit an organization?
2. What legal considerations must organizations consider when hiring employees?
3. What is the job characteristics model (JCM)?
4. Why are certain types of diversity protected by law? What are they?
5. What are some barriers to cross-cultural communication in an organization?
6. When are organizations required to modify their workplace in order to accommodate the needs of an individual employee?
7. What is an effective diversity training program?

Organizational Structure

Organizational design is the process by which managers select and manage various dimensions and components of organizational structure and culture so that an organization can achieve its goals.

Competencies covered by this subject
317.2.7 - Organizational Structure
The graduate can recommend an organizational structure to match a given organization's situation.

Organizational Structure
When you have completed this topic, you should be able to:

- explain how differentiation and integration influence an organization's structure,
- summarize how authority operates,
- define the roles of the board of directors and the chief executive officer,
- discuss how span of control affects structure and managerial effectiveness,
- explain how to delegate effectively,
- distinguish between centralized and decentralized organizations,
- summarize ways organizations can be structured,
- identify the unique challenges of the matrix organization,
- describe important integrative mechanisms,
- discuss why it is critical for organizations to be responsive, and
- explain how a firm can be both big and small.

In order to achieve an organization's strategic initiatives, it is not enough to have the qualified people in place to do the work; the right structure has to surround them. Organization structure is about division of labor (who does what, hierarchical structures, who reports to whom) and setting those up so that information and work flows efficiently throughout the organization. It is much more complex than you might initially think. As you work through this material, reflect on the following question:

- In what ways does the organizational structure of your organization (or one you know well) help or hinder work and communication processes?

Organization Structure

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 8 ("Organization Structure")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your
answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to answer the following questions in your journal:

- What is the difference between forward vertical integration and backward vertical integration?
- What are the benefits and challenges of a matrix organization structure?

**Organization Size and Agility**

Read the following sections of chapter 9 ("Organizational Agility") in *Management: Leading & Collaborating in the Competitive World*:

- "Organization Size and Agility"
- "Technology and the Responsive Organization"
- "Final Thoughts on Organizational Agility"

Answer the "Discussion Questions" at the end of the chapter that you have not answered earlier in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

**Organizing for Innovation**

Read the following sections of chapter 17 ("Managing Technology and Innovation") in *Management: Leading & Collaborating in the Competitive World*:

- "Organizing for Innovation"

Answer the "Discussion Questions" at the end of the chapter. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

Think about the key terms listed at the end of chapters 8, 9, and 17. You can review sets of flash cards by visiting the textbook companion website, selecting the appropriate chapter, and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to their responsiveness and agility?

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

**Organizational Structure SkillSoft Modules**

Further develop your understanding of organizational structure by completing the following SkillSoft modules:

- STGY0405: Redesigning Your Organization: Part I
- en_US_41103_ng: Organizational Behavior: The Organizational System
Try to score at least 80% on all lesson posttests.
Communication
When you have completed this topic, you should be able to:

- identify ways that firms organize around different types of technology,
- discuss important advantages of two-way communication,
- identify communication problems to avoid,
- describe when and how to use the various communication channels,
- summarize ways to become a better sender and receiver of information,
- explain how to improve downward, upward, and horizontal communication, and
- describe the boundaryless organization and its advantages.

Communication is a cornerstone to any successful relationship, including relationships within the organization: relationships among individuals on the team, between the team members and the team leader, and between teams and departments. As you work through the material, reflect on the following question:

- Think about a time when communication has flowed freely within an organization you know well. What were the positive outcomes of that communication?

Communicating

Read the following chapter in Management: Leading & Collaborating in the Competitive World:

- chapter 15 ("Communicating")

Answer the "Discussion Questions" at the end of the chapter in your journal. Check your answers in the textbook. If you do not know an answer, go back to that section in the textbook and review.

After reading the chapter, you should be able to answer the following questions in your journal:

- What are the benefits of effective communication?
- How can organizational leaders improve communication?

Think about the key terms listed at the end of chapter 15. You can review a set of flash cards by visiting the textbook companion website and clicking on "Flashcards" under "More Resources" in the left-hand menu. Make sure to put the term in its context rather than just memorize it. For example, think of some organizations you know. How do these terms relate to the diversity in those organizations?

Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.

Communication Study Tip: Mastering Concepts

Go back to the flash cards you reviewed for chapters 8, 9, and 15 and review them again. Continue to review these flash cards throughout your preparation for the objective assessment.
Answer the "Questions-Exercises" for the cases found at the ends of chapter 8 ("Organization Structure"), chapter 9 ("Organizational Agility"), and chapter 15 ("Communicating"). If you have difficulty with any of the questions, go to the Management and Behavior Message Board and post a question to get input from your peers.

After completing your review, check your retention of the material so far. Take the chapters 8, 9, and 15 quizzes on the textbook companion website. To access the quizzes, find the "Choose a Chapter" drop-down menu at the left-hand side. Select the appropriate chapter and take each quiz for that chapter.

*Note: The textbook companion website corresponds with the 8th edition of this textbook. The e-text available to you is the 9th edition.*

Answer the following study questions in your journal:

- What components make up an organization's structure?
- What is the difference between a bureaucracy and a matrix organizational structure?
- What is a boundaryless organization? What is the purpose of creating one?
- What characteristics compose a virtual organization?
- What is the difference between organic structural models and mechanistic structural models?

**Final Steps**

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

**Assessment Information**

The activities in this course of study have prepared you to complete the MGC1 objective assessment. If you have not already completed the assessment, you will do so now.

**Accessing Pre-Assessments**

Complete the following pre-assessment:

- PAMG

For directions on how to receive access to pre-assessments, see the "Accessing Pre-Assessments" page.

**Pre-Assessment Review**

You can access your pre-assessment score within two to three hours of taking the pre-assessment (or you can wait for your mentor to share the score with you). If your overall score on the pre-assessment is 52% or higher, you should schedule the objective assessment. In the two weeks that it takes to receive your objective assessment, you should review the subsections where your score was lowest. The score evaluation tool offers study guidelines for your assessment preparations.
Use the coaching report from the pre-assessment to plan your review strategy. The competencies on the coaching report are aligned with the course of study, making it easy to review each competency's study topics. Repeat the activities and review your notes in your journal to refresh your memory. Sometimes you might have to reread the textbook chapters in order to fully understand the information. Once you feel comfortable with the material, it is time to take the objective assessment.

**Accessing Objective Assessments**

Complete the following objective assessment:

- MGC1

For directions on how to receive access to objective assessments, see the "Accessing Objective Assessments" page.

**Next Steps: Take the Objective Assessment**

Now that you have completed the Principles of Management Course of Study, you are ready to take the pre-assessment and then the assessment.

**Pre-Assessment**

Now that you have completed your study of the principles of management, it is time to see if you can successfully complete the pre-assessment. To access the pre-assessment, do the following:

1. Log in to your MyWGU Student Portal.
2. Go to the "My Degree Plan" tab.
3. In the list below "Course Details," find the assessment you are working on.
4. In the "Assessment Preparation" column, click "Pre-assessment."
5. In the window that pops up, click "Click here to refer for this pre-assessment." A request will be sent to your mentor for approval.
6. Once your mentor has approved your request, return to the "My Degree Plan" tab and click "Pre-assessment" in the "Assessment Preparation" column.
7. In the window that pops up, click "Click here to take this pre-assessment." You will then begin the pre-assessment.

Take the pre-assessment in a quiet place without your notes or books. This will help you determine if you are ready to take the objective assessment.

**Review**

**URL:** [https://web5.wgu.edu/aap/content/mgc1%20score%20evaluation%20tool.doc](https://web5.wgu.edu/aap/content/mgc1%20score%20evaluation%20tool.doc)

You can access your pre-assessment score within two to three hours of taking the pre-assessment (or you can wait for your mentor to share the score with you). If your overall score on the pre-assessment is 52% or higher, you should schedule the objective assessment. In the two weeks that it takes to receive your objective assessment, you should review the subsections where your score was lowest. The score evaluation tool (located on your Degree
Plan under the "Learning Resources" tab for the Principles of Management objective assessment, and available at the URL above) offers study guidelines for your assessment preparations.

Use the coaching report from the pre-assessment to plan your review strategy. The competencies on the coaching report are aligned with the course of study, making it easy to review each competency's study topics. Repeat the activities and review your notes in your journal to refresh your memory. Sometimes you might have to reread the textbook chapters in order to fully understand the information. Once you feel comfortable with the material, it is time to take the objective assessment.

**Principles of Management Objective Assessment**

You are now ready to take the objective assessment. Schedule the assessment by following these steps:

1. Log in to your MyWGU Student Portal.
2. Go to the "My Degree Plan" tab.
3. In the list below "Course Details," find the assessment you are working on.
4. In the "Assessment Scheduled Date" column, click "Schedule Now."
5. In the window that pops up, click "Search."
6. A new window will come up. In this window, you can either select a previously-used site or search for a different site approved by WGU. Select the site(s) by clicking on the box beside the name. This will move your selection(s) to the "Selected Sites" box.
7. Once you have selected at least one site, click "Update."
8. You will be returned to the previous window, and the site information will now be filled in. Click "Continue."
9. Enter three different potential dates with the times you can take the assessment. Note: The dates must be at least two weeks from the day you request the assessment.
10. Click "Continue" once your potential dates and times are filled in.
11. If there are other considerations you would like to inform the Assessment Delivery Team about, discuss them in the "Other Considerations" box that appears, and then click "Continue." If not, simply click "Continue."
12. A request will be sent to your mentor for approval.
13. Once your mentor has approved your request, our Assessment Delivery Team will begin scheduling your assessment at the proctor site that you submitted. Once your assessment has been scheduled, you will receive a confirmation e-mail with the date, time, and proctor site. The status on your Degree Plan will then change to "Scheduled."

Here are some tips for taking the objective assessment:

- The assessment tests you on your knowledge of the material as presented in the text. Your personal experience in management principles may be different from that presented in the textbooks. Rely on the textbook's material to correctly answer the questions.
- The assessment will ask you to relate information you have read in your textbook and course of study materials to business scenarios. It is important to understand that you
are being asked to understand the material, not memorize it.

Good luck!

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- [Course Feedback](#)

**ADA Requirements**

Please review the [University ADA Policy](#).
This course supports the assessments for MKC1. The course covers 7 competencies and represents 6 competency units.

**Introduction**

**Overview**
In today's business world, every act is a marketing act because each person’s activities affect the overall customer experience at some level. For that reason, it is critical for employees on every level to understand how marketing fits into their organizations.

While you may or may not be on the marketing career ladder, the understanding you will gain from this course will help you communicate more effectively wherever you work. It will also help you understand, if you do not already, how almost every act in business is a marketing act.

**Competencies**
This course provides guidance to help you demonstrate the following 7 competencies:

- Competency 318.1.1: Environmental Variables
  The graduate makes marketing decisions within the constraints imposed by variables within the marketing environment.

- Competency 318.1.2: Consumer Behavior and Marketing
  The graduate can identify how consumer behavior affects marketing.

- Competency 318.1.3: Market Opportunities
  The graduate analyzes market information and marketing techniques in terms of how they impact market opportunities.

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.

- Competency 318.1.5: Marketing Plans
  The graduate can create a marketing plan.

- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

- Competency 318.2.3: Organizational Communication
  The graduate determines appropriate uses for specified types of organizational communication.

**Course Mentor Assistance**
As you prepare to successfully demonstrate competency in this subject, remember that course mentors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course mentors are excited to hear from you and eager to work with you.

Successful students report that working with a course mentor is the key to their success. Course mentors are able to share tips on approaches, tools, and skills that can help you apply the
content you’re studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don’t work out on your first try, course mentors act as a support system to guide you through the revision process. You should expect to work with course mentors for the duration of your coursework, so you are welcome to contact them as soon as you begin. Course mentors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Your Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to manually enroll in or independently acquire other resources. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

Flat World Knowledge E-Texts

The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow. Customized additional learning resources are integrated with the e-text. For more detail about how to use the e-text, please see the "Secrets of Your E-text: Principles of Marketing and Business Communication" document.


*Note: If you prefer to print sections of the e-text yourself, please use the links below to download PDF files for each chapter individually. You can then print each one individually.*

- **Intro: Principles of Marketing and Business Communication**
- **Chapter 1: What is Marketing**
- **Chapter 2: Strategic Planning**
- **Chapter 3: Consumer Behavior**
- **Chapter 4: Business Buying Behavior**
- **Chapter 5: Market Segmenting, Targeting, and Positioning**
- **Chapter 6: Creating Offerings**
- **Chapter 7: Developing and Managing Offerings**
- **Chapter 8: Using Distribution Channels to Create Value for Customers**
- **Chapter 9: Using Supply Chains to Create Value for Customers**
- **Chapter 10: Gathering and Using Information**
- **Chapter 11: Advertising, Integrated Marketing Communications, and the Changing Media Landscape**
- Chapter 12: Public Relations and Sales Promotions
- Chapter 13: Professional Selling
- Chapter 14: Customer Satisfaction, Loyalty, and Empowerment
- Chapter 15: Price, the Only Revenue Generator
- Chapter 16: The Marketing Plan
- Chapter 17: Effective Business Communication
- Chapter 18: Understanding Your Audience
- Chapter 19: Writing Preparation
- Chapter 20: Developing Business Presentations
- Chapter 21: Nonverbal Delivery
- Chapter 22: Organizational and Outlines
- Chapter 23: Intercultural and International Business Communication
- Chapter 24: Group Communication, Teamwork, and Leadership
- Index

Note: This custom e-text is available to you in multiple online and mobile formats as part of your program tuition and fees, but you may purchase hard copies at your own expense through the publisher.

SkillSoft and Books 24x7
You will access SkillSoft items at the within the activities built into the FlatWorld Knowledge e-text readings, and be directly linked to the required modules. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

VitalSource E-Texts
The following textbooks are available to you as an e-texts within this course. You will be directly linked to the specific readings required within the activities that follow.


Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

Other Learning Resources
You will use the following learning resources for this course.

WGU Library E-Reserves
This course utilizes resources located in the WGU Library E-Reserves, with articles available for you to download. For instructions on how to access WGU Library E-Reserves, see the “Accessing WGU Library E-Reserves” page.
Pacing Guide
The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested timeframe.

- **Pacing Guide: Fundamentals of Marketing and Business Communication**

*Note: This pacing guide does not replace the course. Please continue to refer to the course for a comprehensive list of the resources and activities.*

Additional Preparation
There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

**Message Boards, Learning Communities, Study Notes, FAQs**

Message boards, learning communities, study notes, and FAQs are available in every course of study.

Use the "**Additional Learning Tools**" page to review these tools.

**The WGU Central Library**

The [WGU Central Library](#) is available online to WGU students 24 hours a day. The library offers access to a number of resources, including over 60,000 full-text e-books; articles from journals, magazines, and newspapers; course e-reserves; and tutorials on how to use these resources and the library. The library also includes a reference service for help with research questions or navigating the library.

For more information about using the WGU Library, view the “WGU Library: Finding Articles, Books & E-Reserves” video in the Student Resources section of [The WGU Channel](#).

**Center for Writing Excellence: The WGU Writing Center**

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail [writingcenter@wgu.edu](mailto:writingcenter@wgu.edu).

**Course Mentor Assistance**

Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve and to guide you to learning resources. Request their help as needed when preparing for assessments.

Course mentors cannot provide reviews of entire assessments. If you fail assessment attempts, review the provided feedback first, then ask the course mentor specific questions about what you can do to meet the competency standard. Request course mentor assistance as necessary.
in preparing for second attempts at objective assessments or performance task revisions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.

**Strategic Marketing**

The activities for this section will help you understand the role of marketing in an organization and overall marketing strategies that can help to steer a firm to success.

**Strategic Planning**

Your study of strategic planning explores the foundational role of marketing within an organization. You will learn about how marketing helps drive the strategic direction of a firm and the difference between strategic and tactical planning.

This topic addresses the following competencies:

- **Competency 318.1.4: Marketing Strategies**
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- **Competency 426.1.5: Marketing Plans**
  The graduate can create a marketing plan.

**Strategic Planning**

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- [chapter 2 ("Strategic Planning")](#)

**Market Orientation**

Your study of market orientation begins with a brief journey through the history of the marketing discipline and then explores some of the key components to contemporary marketing, which include strong relationships with customers and business partners.

This topic addresses the following competencies:

- **Competency 318.1.4: Marketing Strategies**
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- **Competency 426.1.5: Marketing Plans**
  The graduate can create a marketing plan.

**What Is Marketing?**

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- [chapter 1 ("What is Marketing")](#)

**Analyzing the Environment**
The activities for this section will help you understand the complex aspects of the marketing environment, which include five different categories: economic, competitive, political-legal, social-cultural, and technological environments. You will also learn about some important tools that can be used to analyze the market.

**Marketing Environment**

Your study of marketing environments begins with an introduction to five categories: economic, competitive, political-legal, social-cultural, and technological environments. Then you will explore these environments in more depth to understand how different factors affect marketing decisions.

This topic addresses the following competencies:

- **Competency 318.1.1: Environmental Variables**
  The graduate makes marketing decisions within the constraints imposed by variables within the marketing environment.

- **Competency 318.1.4: Marketing Strategies**
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.

**Marketing Environments**

Read the following sections in *chapter 2 (“Strategic Planning”)* and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- section 2 (“The Role of Strategic Planning and Marketing Environments”)
- section 3 (“Components of the Strategic Planning Process”)

**Market Analysis**

With your understanding of the five marketing environments and how they can impact marketing strategies, you are ready to learn about some important concepts and tools that professional marketers use to help them determine the most advantageous strategies. Two specific tools you will use include Porter’s Five Forces Model and SWOT Analysis.

This topic addresses the following competencies:

- **Competency 318.1.1: Environmental Variables**
  The graduate makes marketing decisions within the constraints imposed by variables within the marketing environment.

- **Competency 318.1.4: Marketing Strategies**
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.

**Analyzing Internal and External Factors**

Read the following sections in *chapter 2 (“Strategic Planning”)* and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:
section 3 ("Components of the Strategic Planning Process")

Market Opportunity

Once an organization has a clear understanding of the marketing environment, it can begin considering its market opportunities in terms of its target market and brand position. Before a target market can be selected however, it must examine its different market segments based on selected criteria. Then an organization decides how to present itself in the mind of its chosen customer group, or establish its position.

Market Segmentation and Target Markets

Your study of market segmentation begins with the foundations of segmentation, including the reasoning and the criteria for viable segments. From there you will learn about various methods for categorizing customer groups and selecting the most promising segments for targeting marketing efforts.

This topic addresses the following competencies:

- Competency 318.1.3: Market Opportunities
  The graduate analyzes market information and marketing techniques in terms of how they impact market opportunities.

Positioning

Your study of positioning emphasizes the strategies that organizations can use to identify itself among competitors in the mind of its customers. If you think of any type of product, you are likely to know which ones are considered the luxury item, the cheap version, and the best value for the money. Your study will focus on some specific approaches to positioning that marketers can use.

This topic addresses the following competencies:

- Competency 318.1.3: Market Opportunities
  The graduate analyzes market information and marketing techniques in terms of how they impact market opportunities.

Positioning

Read the following sections in chapter 5 ("Market Segmenting, Targeting, and Positioning") and complete the associated activities in Principles of Marketing and Business Communication, the Flat World Knowledge custom e-text:

- section 4 ("Positioning and Repositioning Offerings")
- section 6 ("Key Study Aids")
Consumer Behavior

Your study of customer behavior, for both consumers and business customers, begins with an introduction to various research methods that enable a firm to understand the needs and motivations of key market segments. You will learn about the factors that influence consumer choices. Then you will explore the consumer decision-making process and look at particular problem-solving processes that consumers often use.

Market Research

Your study of market research will examine the purposes of both primary and secondary research. In addition, you will learn more about primary research methods, which are a key component for understanding the desires of your customers and developing effective marketing strategies.

This topic addresses the following competencies:

- Competency 318.1.2: Consumer Behavior and Marketing
  The graduate can identify how consumer behavior affects marketing.

Gathering and Using Information

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 10 (“Gathering and Using Information: Marketing Research and Market Intelligence”)

Consumer and Business Customers

Your study of customer types begins with an in-depth look at consumers. You are a consumer, and much of what you experience everyday is consumer-oriented marketing. Advertisements, junk mail, even reviews on social media sites are all part of the consumer marketing efforts geared toward you. Businesses, which consume goods as well, are a different kind of buyer and have a distinctly different buying process. Understanding both is simply good business.

This topic addresses the following competencies:

- Competency 318.1.2: Consumer Behavior and Marketing
  The graduate can identify how consumer behavior affects marketing.

Behavior of Consumer and Business Customers

Read the following chapters and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 3 (“Consumer Behavior: How People Make Buying Decisions”)
- chapter 4 (“Business Buying Behavior”)

Marketing Mix
The marketing mix consists of four elements: product, place (also known as distribution), promotion, and price. These are also known as the 4 Ps of Marketing. The study activities in this section will provide a strong foundation to these key components of marketing strategy. While there are many aspects to marketing fundamentals, the marketing mix is a major subject holding significant weight in your education as well as in the marketing profession.

**Product Strategy**
The marketing mix consists of four elements: product, place, promotion, and price. This section covers product, which focuses on the goods or services a company offers. Product strategies include aspects such as product variety, quality, design, features, brand name, and warranties.

This topic addresses the following competencies:

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

**Product and Service Offerings**

Read the following chapters and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 6 (“Creating Offerings”)
- chapter 7 (“Developing and Managing Offerings”)

**Place (Distribution) Strategy**
The marketing mix consists of four elements: product, place, promotion, and price. This section covers place, which focuses on the distribution or location of products and services and the means of connecting customers with the products and services. Place includes aspects such as distribution channels, coverage, locations, inventory, and transportation.

This topic addresses the following competencies:

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

**Distribution Channels and Supply Chains**

Read the following chapters and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 8 (“Using Distribution Channels to Create Value for Customers”).
Price Strategy
The marketing mix consists of four elements: product, place, promotion, and price. This section covers price, which includes components such as discounts, allowances, payment period, and credit terms.

This topic addresses the following competencies:

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

Price: The Only Revenue Generator

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 15 (“Price: The Only Revenue Generator”)

Promotion Strategy
The marketing mix consists of four elements: product, place, promotion, and price. This section covers promotion, which primarily concerns itself with communicating value to customers. Promotion includes aspects such as sales promotions, advertising, direct selling, public relations, and direct marketing.

This topic addresses the following competencies:

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

Integrated Communication Mix

Read the following chapters and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 11 (“Advertising, Integrated Marketing Communication and the Changing Media Landscape”)
- chapter 12 (“Public Relations and Sales Promotion”)
- chapter 13 (“Professional Selling”)

Ethical Considerations
Most of us have heard of deceptive advertising or “bait-and-switch.” These are two unethical
(and illegal) practices relate to promotion. When it comes to ethics and marketing, however, marketers must be careful with all aspects of the marketing mix to ensure both lawful and ethical standards are met. Ethical business practices make for better customer value and better business.

This topic addresses the following competencies:

- Competency 318.1.4: Marketing Strategies
  The graduate utilizes different components of each element of the marketing mix to develop marketing strategies.
- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

Creating Value through Ethics

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 14 ("Customer Satisfaction, Loyalty, and Empowerment")

Communication Processes

Most everything people do communicates something. Even silence can convey more than words. Communication is not limited to the words that are spoken. It encompasses everything from tone and posture to the communication medium chosen. While there are many methods and messages that can be communicated, there are some basic foundational rules upon which communication functions. This section will cover those foundations plus a number of variables that affect and influence the effectiveness of communication.

Communication Processes

Your study of the communication process will begin with the basic foundation of communication, how it works, and its role in business.

This topic addresses the following competencies:

- Competency 318.2.1: Communication Process
  The graduate correctly applies principles of effective communication in given business situations.

Effective Business Communication

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 17 ("Effective Business Communication")

Communication Techniques
Especially in the current age where there information is power, effective communication skills are more critical than ever before. In this section you will examine a variety of techniques that are needed for making oral presentations and working in cultural diverse situations.

**Oral Communication Skills**

Your study will focus on learning basic principles of oral communication, primarily with regard to business presentations. It will also teach you how effective listening and attention to nonverbal cues can enhance communication skills and team leadership. Then you will study how diversity of culture, language, and gender affect communication. You will also learn strategies to avoid misunderstandings when communicating with diverse cultures.

This topic addresses the following competencies:

- **Competency 318.2.1: Communication Process**
  The graduate correctly applies principles of effective communication in given business situations.

**Oral Presentations**

Read the following chapters and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- [chapter 18 (“Understanding Your Audience”)]
- [chapter 20 (“Developing Business Presentations”)]
- [chapter 21 (“Nonverbal Delivery”)]
- [chapter 22 (“Organization and Outlines”)]

**Cross-Cultural Communication**

Your study in this section will focus on communicating in situations where there are cultural differences present. Cultural differences can include differing heritages, languages, nationalities, gender, and religion. You will also learn strategies to avoid misunderstandings when communicating with diverse cultures.

This topic addresses the following competencies:

- **Competency 318.2.1: Communication Process**
  The graduate correctly applies principles of effective communication in given business situations.

**Intercultural and International Business Communication**

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- [chapter 23 (“Intercultural and International Business Communication”)]

**Organizational Communication**

The art of crafting effective business messages can make all the difference in how efficiently and accurately work can be accomplished. While most people are adept at conversational
communication, organizational communication has a set of standards that guide professionals in their efforts to convey important messages to coworkers, business partners, and customers. From a simple e-mail to complex multimedia presentations, whether conveying good news or bad news, these writing guidelines and processes will enable professionals to use structure, language tools, and media choices to plan and execute messages to get the job done well.

**Business Messages**

Your study of organizational communication will start with a foundation of business messages. This topic includes uses for business communication, preparation of written messages and different communication media. When the different components are combined appropriately, business messages can be wonderfully effective and achieve remarkable results.

This topic addresses the following competencies:

- Competency 318.2.3: Organizational Communication
  The graduate determines appropriate uses for specified types of organizational communication.

**Writing Preparation**

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 19 (“Writing Preparation”)

**Organizational Communication**

Your study will develop your understanding of how communication in groups and teams is critical to effective leadership and organizational success. Your journey begins by examining groups and roles within teams. Then you will explore how communication supports problem solving and enhances business practices.

This topic addresses the following competencies:

- Competency 318.2.3: Organizational Communication
  The graduate determines appropriate uses for specified types of organizational communication.

**Group Communication, Teamwork, and Leadership**

Read the following chapter and complete the associated activities in *Principles of Marketing and Business Communication*, the Flat World Knowledge custom e-text:

- chapter 24 (“Group Communication, Teamwork, and Leadership”)

**Final Steps**

Congratulations on completing the activities in this course! This course has prepared you to complete the assessments associated with this course. If you have not already been directed to complete the assessments, schedule and complete your assessments now.
The WGU Library

The WGU Library is available online to WGU students 24 hours a day.

For more information about using the WGU Library, view the following videos on The WGU Channel:

- WGU: Accessing the Library
- WGU Library: Finding Articles, Books, & E-Reserves

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu.

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU?s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities
Your competence will be assessed as you complete the QAT1 performance assessment for this course of study. This course of study may take up to 11 weeks to complete.

Introduction

Overview
This course of study is designed to prepare you for a performance assessment consisting of five separate tasks to be completed. The first three tasks are associated with decision-making models, including simulation models, linear programming models, and inventory models. The fourth task requires the development of project schedules using the PERT/CPM (Program Evaluation and Review Technique/Critical Path Method). The last task involves decision making analysis. Once you have successfully completed this course of study, you should be able to use the models above to assist in making more informed decisions, and you should be able to correctly apply PERT/CPM techniques to project management tasks. In addition, you should be able to use expected value concepts as decision making tools.

You have made many decisions in your lifetime and used information to help guide your choices. Hence, you have a wealth of experience that you can draw on to help you in your study of quantitative analysis. You will be able to compare your "casual" methods of decision analysis with the best practice "formal" methods you will learn about in this course of study. However, quantitative analysis involves a considerable amount of technical knowledge of statistics. Learning statistics requires a lot of practice to master. You should be prepared to work through example exercises, self-tests, flashcards, and so forth in detail as you progress. Once you complete this course of study, you will have demonstrated a level of competence that you can immediately use in your work and career. Moreover, your knowledge of the quantitative side of management will give you an advantage over many of your colleagues who have not mastered these sophisticated methods.

Watch the following video introduction for this course:

Outcomes and Evaluation
There are 3 competencies covered by this course of study; they are listed in the "Competencies for Quantitative Analysis (QAT1)" page.

Performance Assessment
You will complete the following performance assessment in TaskStream:

- QAT1

NOTE: Previews of task instructions and evaluation rubrics for most courses are available via the "Assessment Preparation" box in the online course of study. However, due to concerns about assessment versions for existing students, the link has been deliberately disabled in this course. If you have questions about your assessment...
Preparing for Success

The information in this section is provided to help you become ready to complete this course of study. As you proceed, you will need to be organized in your studies in order to gain competency in the indicated areas and prepare yourself to pass the final assessments.

Before you begin reviewing this section, we strongly urge you to watch the Getting Started video. This video provides specific information that will help you to successfully complete this course.

Welcome to QAT1

Your Learning Resources

The learning resources listed in this section will be required to complete the activities in this course of study. Follow the instructions provided to access these resources as early as possible in order to give yourself time to become familiar with them.

Automatically Enrolled Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

VitalSource E-Texts

The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


*Note: The companion website for Quantitative Analysis for Management is available at [http://wps.prenhall.com/bp_render_qam_11/](http://wps.prenhall.com/bp_render_qam_11/)*

*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

SkillSoft

You will access SkillSoft items at the activity level within this course of study. For more information on accessing SkillSoft items, please see the "Accessing SkillSoft Learning Resources" page.

Additional Preparation

There are many different learning tools available to you within your course of study in addition to the learning resources already discussed. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.
Message Boards, FAQs, Note-Taking Tool

Message boards, FAQs, and a note-taking tool are available in every course of study.

Use the "Additional Learning Tools" page to review these tools.

Business Undergraduate Quantitative Learning Community

In the Business Undergraduate Quantitative Learning Community, find the thread titled "Welcome to QAT1." In this thread, you will find links to "Mechanics" videos and "Boot Camp" videos, sample submissions, relevant tools, practice problems with answers, and PowerPoint presentations, all of which help explain the way to address tasks included as part of QAT1.

You are also invited to attend QAT1 webinars. For date and time, topic, URL, and telephone information go to the Undergraduate Business Calendar.

The WGU Central Library

The WGU Central Library is available online to WGU students 24 hours a day. The library offers access to a number of resources, including over 60,000 full-text e-books; articles from journals, magazines, and newspapers; course e-reserves; and tutorials on how to use these resources and the library. The library also includes a reference service for help with research questions or navigating the library.

For more information about using the WGU Library, view the "WGU Library: Finding Articles, Books & E-Reserves" video in the Student Resources section of The WGU Channel.

Center for Writing Excellence: The WGU Writing Center

If you need help with any part of the writing or revision process, contact the Center for Writing Excellence (CWE). Whatever your needs—writing anxiety, grammar, general college writing concerns, or even ESL language-related writing issues—the CWE is available to help you. The CWE offers personalized individual sessions and weekly group webinars. For an appointment, please e-mail writingcenter@wgu.edu

Course Mentor Assistance

Sending an email to UndergradQuant@wgu.edu is the fastest way to contact the course mentors.

Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve and to guide you to learning resources. Request their help as needed when preparing for assessments.

Course mentors cannot provide reviews of entire assessments. If you fail assessment attempts, review the provided feedback first, then ask the course mentor specific questions about what you can do to meet the competency standard. Request course mentor assistance as necessary in preparing for second attempts at objective assessments or performance task revisions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.
Supplemental Math Review

If it has been a while since you took a math class or you simply find that you need additional study material, please use the Supplemental Review document to access various short videos on math concepts. These videos are not required but are an excellent source of review information.

Decision-Making Models I

These activities will introduce you to the concepts associated with decision-making models. The first topic you will study is simulation. Simulation allows managers to take complex systems and model them so that they can experiment with different strategies and outcomes. Simulations produce results that are both insightful and easily communicated, providing other managers confidence in the results. Understanding simulation can help you progress in your career by allowing you to analyze a wide range of decisions in a rigorous and accurate manner.

The term decision-making models refers to quantitative concepts which include simulation, linear programming, integer linear programming, inventory models, waiting line models, and transportation, assignment, and transshipment problems.

Competencies covered by this subject
309.3.1 - Decision-Making Models
The graduate uses optimizing models and other models as aids for making more informed decisions.

Concepts of Simulation
This section addresses the following learning objectives:

- Explain what a simulation is and how it aids in the analysis of a problem.
- Recognize why simulation is a significant problem-solving tool.
- Identify the important role probability distributions and random numbers play in implementing simulation models.
- Apply the concepts of a discrete random variable and a probability distribution to simulation.
- Develop a discrete probability distribution based on a given simulation.

Simulation models are used to analyze a variety of complex and dynamic processes. Simulations are often used when managers face a variety of possible outcomes with different probabilities. Simulations can be used in areas such as inventory modeling, production planning, budgeting, and many other areas to improve business decision making.

Understanding Simulation

Read the following chapter of Quantitative Analysis for Management:

- chapter 14 (“Simulation Modeling”)

After reading the chapter you should be able to answer the following questions:
What is a simulation and how does it aid in the analysis of a problem?
Why is simulation a significant problem-solving tool?
What roles do probability distributions and random numbers play in implementing simulation models?

Connecting Terms I

Think about the glossary listed at the end of chapter 14 ("Simulation Modeling") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to simulation concepts.

Check Your Understanding of Simulation

Review the solved problems starting on page 561.

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 14 ("Simulation Modeling") of Quantitative Analysis for Management:

- problems 14, 18, 19 (pg 565)

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Understanding Discrete Random Variables

Read the following sections in chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management:

- section 2.8 ("Random Variables")
- section 2.9 ("Probability Distributions") (starting on pg 33)

After reading the chapter you should be able to answer the following questions:

- What are discrete random variables and probability distributions?
- How do you develop a discrete probability distribution?

Connecting Terms II

Think about the key terms listed in sections 2.8 and 2.9 of chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how the term relates to the concept of a discrete random variable.

Determining Properties and Applications of Probability Distributions

Complete the following SkillSoft Module:

- OPER0194: Properties and Applications of Probability Distributions

Review Concepts and Terms
Review the resources for the following chapters at the textbook companion website:

- chapter 14 ("Simulation")
- chapter 2 ("Probability Concepts and Applications")

**Message Board**

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as average material costs, average labor costs, utility costs, average total costs, and selling price.

**QAT Task 309.3.1-01**

Now that you have completed your study of the simulation concept it is time for you to apply your knowledge by completing the following task in TaskStream:

- QAT1: Task 309.3.1-01

Carefully read the instructions given for the task. Ensure that the following items are satisfied and filled out in the simulation template provided:

- Average material costs are calculated.
- Average labor costs are calculated.
- Average utility costs are calculated.
- Average total costs are calculated.
- Selling price is calculated.

Complete the following steps to finalize your submission:

1. Organize your calculations and think about how you can present them in the clearest way possible.
2. Be sure to show the steps used in your calculations as thoroughly as possible. If the task uses formulas, be sure to show the formulas that you used.
3. Double-check your answers to make sure that they are accurate and are clear in the context of the task.

**Decision-Making Models II**

These activities will continue to introduce you to concepts associated with decision-making models. In this section, you will study linear programming. Linear programming is one of the most heavily used methods in quantitative analysis. The goal of linear programming is to maximize profit or minimize cost subject to a number of constraints. For example, a large retail chain (e.g., Wal-Mart) must distribute products to each of its stores as efficiently as possible subject to constraints on the number of trucks it has available, how much they can carry, and how fast they can travel. Linear programming will help you analyze a wide variety of managerial decisions in your career, particularly in operations management, supply chain management, and logistics.
Competencies covered by this subject
309.3.1 - Decision-Making Models
The graduate uses optimizing models and other models as aids for making more informed decisions.

**Concepts of Linear Programming and Integer Linear Programming**
This topic addresses the following learning objectives:

- Describe the kinds of problems linear programming can be used to solve.
- Develop linear programming models for simple problems.
- Identify the special features of a model that make it a linear programming model.
- Solve two variable linear programming models by the graphical solution procedure.
- Explain the importance of constraints in obtaining the optimal solution.
- Solve small integer linear programs with a graphical solution procedure.

Decision-making models are widely used to help managers make optimal decisions. Integer linear programming is one of the most important tools for analyzing problems such as transportation, assignment and transshipment problems. Linear programming allows the manager to solve for a constrained maximum, which is the optimal action given the constraints which exist in the situation.

**Introduction to Linear Programming**

Read the following sections of chapter 7 ("Linear Programming Models: Graphical and Computer Methods") in Quantitative Analysis for Management:

- section 7.1 ("Introduction")
- section 7.2 ("Requirements of a Linear Programming Problem")
- section 7.3 ("Formulating LP Problems")
- section 7.4 ("Graphical Solution to an LP problem")
- section 7.7 ("Four Special Cases in LP")

After reading the chapter you should be able to answer the following questions:

- How do you develop linear programming models for simple problems?
- What are the special features of a model that make it a linear programming model?
- How do you use constraints to solve two variable linear programming models by the graphical solution procedure?

**Connecting Terms I**

Think about the glossary listed at the end of chapter 7 ("Linear Programming Models: Graphical and Computer Methods") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to linear programming concepts.

**Check Your Understanding of Linear Programming**

Review solved problems on pages 286-290 and complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 7 ("Linear Programming Models: Graphical and Computer Methods").
Models: Graphical and Computer Methods”) of Quantitative Analysis for Management:

- problems 14, 16, 18, 26, and 28

Check your answers in appendix G (“Solutions to Selected Problems”) at the end of the text. Go back and review concepts in the chapter as needed.

Integer Linear Programming

Read the following chapter of Quantitative Analysis for Management and answer the assigned problems at the end of the chapter.

- chapter 10 (“Integer Programming, Goal Programming, and Nonlinear Programming”)

After reading section 10.2 ("Integer Programming") you should be able to answer the following questions:

- How do you determine the types of situations where integer linear programming problem formulations are desirable?
- How can you solve small integer linear programs with a graphical solution procedure?

Connecting Terms II

Think about the key terms listed in chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to integer linear programming concepts.

Check Your Understanding of Integer Linear Programming

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming") of Quantitative Analysis for Management:

- problems 10 and 12

Check your answers in appendix G (“Solutions to Selected Problems”) at the end of the text. Go back and review concepts in the chapter as needed.

Review Concepts and Terms

Review the resources for the following chapters at the textbook companion website:

- chapter 7 ("Linear Programming Models: Graphical and Computer Methods")
- chapter 10 ("Integer Programming, Goal Programming, and Nonlinear Programming")

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.
You can also start your own thread and ask any questions you have about topics such as linear programming, linear functions, constraint functions, objective functions, solutions, optimal solutions, and feasible solutions.

**QAT1 Task 309.3.1-03, 11, 12**

Now that you have completed your study of the linear programming and integer linear programming concepts it is time to for you to apply your knowledge by completing the following task in TaskStream:

- QAT1: Task 309.3.1-03, 11, 12

Carefully read the instructions given for the task. Ensure that the following items are satisfied:

- Equations for three constraints are plotted on the graph and defined.
- The three constraints are identified as minimum or maximum constraints.
- The total contribution to profit on the given profit line is determined.
- The number of cases to be produced during each production period for the greatest profit potential is determined.
- The total contribution to profit generated by the recommended production is shown.

Complete the following steps to finalize your document:

1. Organize your calculations and think about how you can present them in the clearest way possible.
2. Be sure to show the steps used in your calculations as thoroughly as possible. If the task uses formulas, be sure to show the formulas that you used.
3. Double-check your answers to make sure that they are accurate and make sense in the context of the task.

**Decision-Making Models III**

These activities will continue to introduce you to the concepts associated with decision-making models. In this subject you will study inventory models. Managing inventory efficiently is one of the most important determinants of profitability in many firms. Modern companies try to minimize the amount of inventory they carry in order to keep costs low, but must be careful to avoid stock-outs. Understanding these models will help you develop the skills to manage any business in which inventory costs are important to profitability.

Competencies covered by this subject

309.3.1 - Decision-Making Models

The graduate uses optimizing models and other models as aids for making more informed decisions.

**Concepts of Inventory Models**

This topic addresses the following learning objectives:

- Describe where inventory costs occur.
- Demonstrate the economic order quantity (EOQ) model.
- Develop total cost models for specific inventory systems.
• Demonstrate the total cost model to make how-much-to-order and when-to-order decisions.
• Extend the basic approach of the EOQ model to inventory systems involving production lot sizes, planned shortages, and quantity discounts.
• Make inventory decisions for single-period inventory models.
• Make order quantity and reorder point decisions when demand is described by a probability distribution.
• Apply lead time demand distributions to determine acceptable service levels.

This section provides an introduction to inventory models. The economic order quantity (EOQ) model calculates the order quantity that minimizes the company's annual holding cost plus annual ordering cost. Cycle time and demand are also considered.

**Inventory Models**

Read the following sections of chapter 6 "Inventory Control Models" in *Quantitative Analysis for Management* and answer the problems at the end of the chapter:

- section 6.1 ("Introduction")
- section 6.2 ("Importance of Inventory Control")
- section 6.3 ("Inventory Decisions")
- section 6.4 ("Economic Order Quantity: Determining How Much to Order")
- section 6.5 ("Reorder Point: Determining When to Reorder")
- section 6.6 ("EOQ Without the Instantaneous Receipt Assumption")
- section 6.7 ("Quantity Discount Models")

After reading the chapter you should be able to answer the following questions:

- Why are inventory costs an important consideration for managers in making good inventory policy decisions?
- What is the economic order quantity (EOQ) model?
- How do you develop total cost models for specific inventory systems?
- How does the total cost model influence decisions on how-much-to-order and when-to-order?
- When do you apply the basic approach of the EOQ model to inventory systems?
- How do you make inventory decisions for single-period inventory models?
- How do you make order quantity and reorder point decisions when demand is described by a probability distribution?
- How are lead time demand distributions and acceptable service levels associated?

**Connecting Terms**

Think about the glossary listed at the end of the chapter 6 "Inventory Control Models" of *Quantitative Analysis for Management*. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to inventory model concepts.

**Check Your Understanding of Inventory Models**
Check Your Understanding of Inventory Models
Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 6 "Inventory Control Models" of Quantitative Analysis for Management.

- problems 18, 20, 24, and 26

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Managing for Asset Control

Complete the following SkillSoft Module:

- FIN0243: Managing for Asset Control

Review Concepts and Terms

Review the resources for the following chapter at the textbook companion website:

- chapter 6 ("Inventory Control Models")

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as inventory holding costs, ordering costs, economic order quantity (EOQ), service level, order size, and lot size.

QAT1: Task 309.3.1-06, 07
Now that you have completed your study of inventory models, it is time to for you to apply your knowledge by completing the following task in TaskStream:

- QAT1: Task 309.3.1-06, 07

Carefully read the instructions given for the task. Ensure that the following items are satisfied:

- Order size for Company A is identified.
- Lot size for Company B is determined.

Finalize your document by completing the following steps:

1. Organize your calculations and think about how you can present them in the clearest way possible.
2. Be sure to show the steps used in your calculations as thoroughly as possible. If the task uses formulas, be sure to show the formulas that you used.
3. Double-check your answers to make sure that they are accurate and make sense in the context of the task.
PERT/CPM Techniques

The activities for this subject will introduce you to the concepts associated with PERT/CPM techniques. These techniques are critical to planning, scheduling and controlling complex projects that consist of multiple tasks. Business organizations rely on efficient project management to produce outcomes on time and under budget. Understanding PERT/CPM techniques will help you manage projects effectively throughout your career.

The term PERT/CPM refers to the program evaluation and review technique and the critical path model, respectively. In many situations, mangers are responsible for planning, scheduling and controlling projects that consist of numerous separate tasks performed by a variety of departments and individuals. These mangers must schedule and coordinate the various activities so that the entire project is completed on time.

Competencies covered by this subject
309.3.2 - PERT/CPM Techniques
The graduate correctly applies PERT/CPM techniques to project management tasks.

Concepts of PERT/CPM Techniques
This topic addresses the following learning objectives:

- Demonstrate PERT/CPM for project scheduling.
- Define a project in terms of a network of activities.
- Compute the critical path and the project completion time.
- Convert optimistic, most probable and pessimistic time estimates into expected activity time estimates.
- Compute the probability of the project being completed by a specific time with uncertain activity times.
- Explain the concept of crashing.
- Formulate the crashing problem as a linear programming model.
- Schedule and control project costs with PERT/Cost.

In this section, you will study the program evaluation and review technique (PERT) and the critical path method (CPM) of project scheduling. At the end, you will be able to calculate the expected completion time for project activities, identify the critical path, determine the amount of slack in the system, and calculate scheduled start times and maximum reduction time.

Understanding Project Scheduling PERT/CPM

Read the following chapter of Quantitative Analysis for Management:

- chapter 12 ("Project Management")

After reading the chapter you should be able to answer the following questions:

- What is the role of PERT/CPM for project scheduling?
- How can you define a project in terms of a network of activities?
- How do you compute the critical path and the project completion time and convert
optimistic, most probable, and pessimistic time estimates into expected activity time estimates?
• How do you compute the probability of the project being completed by a specific time given uncertain activity times?
• What is the concept of crashing and when is it needed?
• How do you formulate the crashing problem as a linear programming model?
• How does a manager schedule and control project cost with PERT/CPM?

Connecting Terms I

Think about the glossary listed at the end of chapter 12 ("Project Management") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to project scheduling PERT/CPM.

Check Your Understanding of Project Scheduling PERT/CPM

Complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 12 ("Project Management") of Quantitative Analysis for Management:

• problems 14, 18, 20, 28, and 31

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Normal Probability Distribution

Read the following section in chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management:

• section 2.11 ("The Normal Distribution")

After reading the chapter you should be able to answer the following questions:

• What are concepts of a normal distribution and a probability distribution?
• How do you apply the concept of a normal distribution to Z-score calculation?

Connecting Terms II

Think about the key terms listed in section 2.11 of chapter 2 ("Probability Concepts and Applications") of Quantitative Analysis for Management. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to the normal probability distribution concept.

Project Scheduling: PERT/CPM

Complete the following SkillSoft Module:
Review the resources for the following chapter located at the textbook companion website:

- chapter 12 (“Project Management”)

**Message Board**

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as expected completion time and expected duration of projects, critical path, variances, slack for projects, scheduled start week and finish week for projects, maximum reduction time, crash cost per week, and so on.

**QAT1 Task 309.3.2-01-06**

Now that you have completed your study of the project scheduling PERT/CPM, it is time to for you to apply your knowledge by completing the following task in TaskStream:

- QAT1: Task 309.3.2-01-06

Carefully read the instructions given for the task. Ensure that the following items are satisfied:

- Expected completion time for ten project activities is determined with values entered in Table 1.1 and all calculations or reasoning shown.
- Project activity variances are determined with values entered in Table 1.1 and all calculations or reasoning shown.
- PERT chart identifying the critical path are included.
- Expected duration of the project is determined showing the calculation of the critical path length.
- Slack for parts A and H is determined showing all calculations or reasoning.
- Part F’s scheduled start week is determined, with an explanation of how this value was found.

Finalize your submission by completing the following steps:

1. Organize your calculations and think about how you can present them in the clearest way possible.
2. Be sure to show the steps used in your calculations as thoroughly as possible. If the task uses formulas, be sure to show the formulas that you used.
3. Double-check your answers to make sure that they are accurate and make sense in the context of the task.

**Expected Value Decision Analysis**

These activities will introduce you to the concepts associated with expected value decision analysis. Every manager faces decisions involving uncertainty and risk. Expected value decision analysis allows the manager to make optimal choices given the uncertainty and risk associated with different alternatives.
Decision analysis is used to determine a recommended decision alternative or an optimal decision strategy when a decision maker is faced with an uncertain and risk-filled pattern of future events. The goal of decision analysis is to identify the best decision alternative or the optimal decision strategy given information about the uncertain events and the possible payoffs.

Competencies covered by this subject
309.3.3 - Expected Value Decision Analysis
The graduate uses expected value concepts as decision-making tools.

Concepts of Expected Value Decision Analysis
The topic addresses the following learning objectives:

- Describe a problem situation in terms of decisions to be made, chance events and consequences.
- Analyze a simple decision analysis problem from both a payoff table and decision tree point of view.
- Determine the potential value of additional information.
- Use new information and revised probability values in the decision analysis approach to problem solving.
- Explain what a decision strategy is.
- Evaluate the contribution and efficiency of additional decision making information.

In this section you will learn how to calculate the expected value of different decision alternatives, calculate the expected value of perfect information, and determine the decision alternative with the most favorable total expected value.

Understanding Decision Analysis, Utility and Decision Making, and Other Considerations

Read the following chapter of *Quantitative Analysis for Management* and answer the problems at the end of the chapter assigned below:

- chapter 3 ("Decision Analysis")

After reading the chapter you should be able to answer the following questions:

- How is a simple decision analysis problem related to payoffs and a payoff table? How do we use it in a decision tree point of view?
- What is additional information? What is its potential value?
- What is a decision strategy?
- How does additional information affect efficiency?
- How does a lottery play a role in helping a decision maker assign utility values?
- Why would risk-avoiding and risk-taking decision makers assign different utility values in the same decision making situation?

Connecting Terms I

Think about the glossary listed at the end of chapter 3 ("Decision Analysis") of *Quantitative Analysis for Management*. Prepare a set of review/flash cards, one for each term, and on each card identify the term, its definition, and a short statement of how that term relates to decision making.
Check Your Understanding of Decision Analysis

Review the solved problems 3-1 through 3-4 and complete the following problems in the "Discussion Questions and Problems" area at the end of chapter 3 ("Decision Analysis") of Quantitative Analysis for Management:

- problems 18, 24, 34 and 40

Check your answers in appendix G ("Solutions to Selected Problems") at the end of the text. Go back and review concepts in the chapter as needed.

Understanding Discrete Random Variables

Review the following sections in chapter 2 ("Probability Concepts and Applications" of Quantitative Analysis for Management:

- section 2.8 ("Random Variables")
- section 2.9 ("Probability Distributions")

After rereading these sections you should be able to answer the following questions:

- What are the concepts of a discrete random variable and a probability distribution?
- How do you develop a discrete probability distribution?

Message Board

Visit the message board. Post your initial thoughts, and read and respond to the ideas presented by other students.

You can also start your own thread and ask any questions you have about topics such as decision making with probabilities, expected value, expected value of perfect information (EVPI), expected value with perfect information (EVwPI), expected value without perfect information (EVwoPI), risk analysis, sensitivity analysis, decision tree, decision strategy, utility and decision making, game theory, and so on.

QAT1: Task 309.3.3-04

Now that you have completed your study of decision analysis and the application of utility to decision making it is time to for you to apply your knowledge by completing the following task in TaskStream:

- QAT1: Task 309.3.3-04

Carefully read the instructions given for the task. Ensure that the following items are satisfied:

- Four expected values for the four decision branches are calculated.
- The decision alternative that has the most favorable total expected value is determined.
- How the determination of the most favorable total expected value was reached is
Finalize your submission by completing the following steps:

1. Organize your calculations and think about how you can present them in the clearest way possible.
2. Be sure to show the steps used in your calculations as thoroughly as possible. If the task uses formulas, be sure to show the formulas that you used.
3. Double-check your answers to make sure that they are accurate and make sense in the context of the task.

**Final Steps**

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

**Assessment Information**

The activities in this course of study have prepared you to complete the QAT1 performance assessment. If you have not already completed the assessment, you will do so now.

**Accessing Performance Assessments**

You should have completed the following tasks as you worked through this course of study. If you have not completed the tasks in **TaskStream**, do so now.

- QAT1: Task 309.3.1-01
- QAT1: Task 309.3.1-03, 11, 12
- QAT1: Task 309.3.1-06, 07
- QAT1: Task 309.3.2-01-06
- QAT1: Task 309.3.3-04

For directions on how to receive access to performance assessments, see the "**Accessing Performance Assessments**" page.

**Feedback**

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- **Course Feedback**

**ADA Requirements**

Please review the **University ADA Policy**.
Your competence will be assessed through the performance assessments of an annotated bibliography, a business report, and a presentation.

**Introduction**

In today's highly competitive business world, the ability to clearly communicate recommendations for future corporate decision making is critical. Research results must be analyzed, summarized, and communicated efficiently and effectively to a variety of target audiences within the organization. The ability to analyze the needs and communications styles of various decision makers within an organization and then meet or exceed those needs is a proven key to both corporate and personal success. Businesses which suffer from poor internal and external communication are seldom successful. You will also find this course valuable in improving your own skills in effectively communicating about a product or service most important to you, namely, yourself! As you master the competencies in this course related to business research and writing, you will also develop your own ability to effectively present qualifications, and desired career goals to both current and future employers.

This course of study is designed to prepare you to demonstrate your competence in researching, evaluating, interpreting, and presenting information on an important question in the degree field. You will locate relevant reference material to understand the topic. You will create an annotated bibliography with citations that reflect observations about the sources you will use. You will then present information and justified conclusions in two different formats: the business report and the business presentation. Although the RWT1 is a performance task consisting of several separate sections, the corresponding sections will be completed and submitted as one task into TaskStream for final grading.

**Competencies**

The following are the driving academic competencies associated with this course of study:

**Competency: Business Research and Presentation**
The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

**Competency: Organizational Communication**
The graduate can determine appropriate uses for specified types of organizational communication.

**Preparing for Success**

The information in this section is provided to help you become ready to complete this course of study. As you proceed, you will need to be organized in your studies, competent in the indicated areas, and ready to pass the final assessments.

**Your Learning Resources**
Enroll in or order the learning resources for this course as early as possible so as to give them
time to arrive and give you enough time to become familiar with them.

**Automatically Enrolled Learning Resources**

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

E-texts are available to you free of charge, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.

**VitalSource E-Texts**

The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


**SkillSoft**

You will access the following SkillSoft items within this course of study. For more information on accessing SkillSoft items, please see the "[Accessing SkillSoft Learning Resources](#)" page.

- COMM0016: Getting the Most From Business Documents
- comm._05_a03_bs_enus: Available Presentation Resources

**Additional Preparation**

There are many different learning tools available to you within your course of study in addition to the learning resources discussed above. Some or all of them may be very useful to you as your progress through this course of study. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

The following activities and information will help you as you work through this course of study.

**Access the APA Formatting and Style Guide**

**URL:** [http://owl.english.purdue.edu/owl/resource/560/01/](http://owl.english.purdue.edu/owl/resource/560/01/)

Access the APA Formatting and Style Guide at the link above. If you quote or paraphrase information, you should use in-text citations and add a References pages that includes each citation. While the format of your report should be single spaced and follow traditional business style, the in-text references and Reference Page in your report must adhere to APA formatting style. Most of your report needs to be in your own words.

**Access Business Report Document**

Download and review the following document:

- [RWT1 Business Research Report Template](#)

RWT1 Course of Study Message Board
Participate in the course of study message board. The message boards are an important part of the WGU experience. In the right hand navigation portion of the course of study screen, there is a message board area. Throughout your studies, you will want to follow the questions, observations, and responses of your peers and the expert advice of your course mentor. If you have questions of your own do not hesitate to use this resource to get those answered as you develop your competencies.

**Take Study Notes**

As you engage with the activities throughout this course of study, you will be answering questions, completing exercises, sketching out concepts, and so forth. You have the ability to take these notes online through the web-enabled course of study. A notebook or study journal (either paper or electronically) makes your learning more active. It also provides an excellent source of important materials to review prior to demonstrating your competencies through the assessment.

**Access Required Tasks in TaskStream**

At the end of this course of study, you will need to complete the performance assessment specified in TaskStream to demonstrate your competence.

For directions on how to receive access to performance assessments, see the "Accessing Performance Assessments" instructions.

**Business Research**

Historically, the most successful businesses have made their decisions based on sound research and analysis. While external business activities might include costly primary research, most of the operational activities that affect the majority of the employees require strong secondary research skills. From selecting a new office supply vendor to assessing the impact of external regulations, knowing how to locate and evaluate information is a key skill that helps most people progress in their careers. The activities in this section will help you learn how to do secondary business research on a selected business topic about which you will write a business report.

When you have completed this section you will be able to

- Describe an effective process for conducting business research.
- Explain criteria for evaluation the credibility of an information source.
- Provide guidelines for conducting an effective online search.
- Identify tools that can make your research more effective and more efficient.
- Define the scope of your business research project.
- Locate and evaluate relevant and meaningful information from research sources.

To begin the process of mastering the competencies of business research and writing, you will first learn about research resources and strategies. Then you will choose a business scenario to research and locate relevant information sources to support the project.

Competencies covered by this subject
318.2.2 - Business Research and Presentation
The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

318.2.3 - Organizational Communication
The graduate determines appropriate uses for specified types of organizational communication.

**Effective Business Research Techniques**

Are you familiar with the adage, "Garbage in, garbage out"? It is as true with making business decisions based on research as it is for managing computer databases. That is why knowing how to do secondary research is critical to gathering reliable information that important decisions will be made on. This topic will help you see the importance of effective business research for your business report and presentation as well as enable you to learn efficient ways to gather and evaluate information.

**Finding, Evaluating, and Processing Information**

Read chapter 11 ("Finding, Evaluating, and Processing Information") in the *Business Communication Today* textbook. Pay special attention to the following concepts:

- Planning your research
- Locating data and information
- Finding information online
- Processing data and information
- Applying your findings

**Getting the Most From Business Documents**

Complete the following in SkillSoft:

- **COMM0016: Getting the Most From Business Documents**

**Researching, Evaluating, and Selecting a Business Topic**

One of the first things you need to do as a researcher in order to find relevant and reliable information is to have a sound understanding of what you are looking for. Otherwise, you may spend a lot of time finding trivial information that even the best *Jeopardy!* contestant would not use. Fully comprehending the scope of the research needed enables you to ask the right questions that will lead him to the reliable information he needs. This topic offers topic selection for this assessment and helps you get started with your own research.

**Select a Business Research Topic From the Topic List**

Select a topic for your business research from the following topic list. Please review the seven scenarios presented below and choose one to begin your business research.

1. As a partner in a new business, one of your roles is to review information technology tools available to assist you in a certain aspect of your business (i.e., marketing, accounting, sales, quality assurance, etc.). Select a technology that emerged within the last five years and consider its impact on your business and make a decision on whether you adopt this technology.

2. As a member of the human resources department in a manufacturing organization with 120 employees, you have been asked to evaluate different compensation strategies that...
are available for adoption within your organization. Compare and contrast several compensation strategies and determine the appropriateness of each compensation strategy to your organization.

3. As a CPA of a newly formed publicly-held accounting firm, you have been asked to research the accounting and reporting standards of Financial Accounting Standards Board (FASB) and provide a report to your manager on the impact FASB may have on your company. In your report, you should discuss the history of FASB, the requirements imposed by FASB on public corporations, the impact FASB has on the investment community and the satisfaction of the investment community of the imposed standards.

4. Your company wants to enter into a major new venture (e.g., develop a new product line, establish a new market, create a presence in a new geographical area, etc.). What are the various means of financing such a venture? Select a new venture, and make realistic assumptions about the assets, liabilities, revenues, operational expenses, and credit history of your company. You should discuss the choices that are available and how best to go about selecting one for your organization.

5. You are employed by a firm that produces tangible products and is consistently beaten in the competitive marketplace by foreign firms that are able to produce higher quality products at a lower cost. Your manager has asked you to evaluate several quality improvement processes including Six Sigma and ISO9000 in order to determine if the company should consider a quality improvement process in an effort to produce higher profit margins. Prepare a report for your manager which compares and contrasts several quality control initiatives and make a recommendation, based on your research, as to which process, if any, the company should adopt.

6. Your company has recently decided to expand into online sales. The company wishes to continue to sell its products in the retail stores located throughout the United States but they also wish to establish a presence on the Internet. Research the online marketing opportunities available for retail sales and provide a report to your manager which includes the advantages and disadvantages if marketing online, the potential impact of online sales to the company, and the requirements for a successful online marketing campaign.

7. The CEO of your company has asked you to research the claim that being more ethical and socially responsible in business increases efficiency in the workplace. The CEO has asked you to prepare a report that describes how business ethics and social responsibility can be used to increase efficiency, the effect that it can have on the reputation of the company, and the effect it can have on the company's relationships with employees, investors, and customers.

Message Board Activity: Selecting Business Topic

In the message board, locate the thread, "RWT1: Selecting Business Topic." Respond to that thread by posting the topic you have chosen and discuss where you are going to look for information regarding your project as well as any questions you may have. Read and respond to ideas expressed by other students. Interacting with other students is an excellent way to clarify your own understanding of concepts and develop your competence.

Critically Analyze Your Research

URL: http://www.library.cornell.edu/olinuris/ref/research/skill26.htm
Review the Cornell University Library website above for to learn how to critically analyze your research.

**Locate and Evaluate Business Research Sources**

Using any variety of resources available to you, research your selected business topic. In addition to traditional web searches, also consider researching professional associations, vendor information, and the WGU library.

To access the WGU library, log in to the student portal and click on "Resources" and then "Library." Enter the library and search for articles, books, and other documents that support your topic.

**Writing Business Reports**

The ability to write business documents with accurate, accessible information including an appropriate amount of detail is a highly valued skill. Even from just reviewing your resume, employers are looking to see how well a candidate can articulate and present information tailored to a specific audience. These same literary skills are used in writing business reports that follow a standardized format, present information clearly enabling the reader to quickly view and comprehend the key points.

Competencies covered by this subject

318.2.2 - Business Research and Presentation
The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

318.2.3 - Organizational Communication
The graduate determines appropriate uses for specified types of organizational communication.

**Writing Business Reports**

When you have completed this section, you will be able to

- Identify the key sections of a standard business report document.
- Explain how to adapt a business document to a specific audience.
- Identify characteristics of effective writing in business reports and proposals.

**Writing Reports and Proposals**

Read chapter 14 ("Writing Reports and Proposals") in the *Business Communication Today* textbook. Pay special attention to the following concepts:

- Adapting to your audience,
- Drafting report content,
- Helping readers find their way,
- Headings and links, and
- Transitions.

**Completing Reports and Proposals**

Read chapter 15 ("Completing Reports and Proposals") in *Business Communication Today*. Pay special attention to the following concepts:
- Revising your reports and proposals,
- Components of a formal report,
- Synopsis or executive summary, and
- Proofreading your reports and proposals.

**APA Citation Basics: Appendix B**

Read appendix B ("Documentation of Report Resources") in the *Business Communication Today* textbook.

**Visit the Message Board**

Locate and read the message board post labeled, "BUSCOMM: Intro vs. Conclusion vs. Executive Summary." Take notes on the differences between these three segments of the business research report.

**Organize the Body and Write Your Report Using the Business Research Report Template**

[https://web5.wgu.edu/aap/content/RWT1-Business%20Research%20Report%20Template.doc](https://web5.wgu.edu/aap/content/RWT1-Business%20Research%20Report%20Template.doc)

Download the business research report template at the link above. Examine the template and notice how it is organized. It is recommended that students first complete the organized reference document before starting to write the report. Using the information in your completed organized reference document, plan how you will organize the body of your report so that it includes mention of the ten sources required for the task. Then write your paper by completing the template.

*Note: The Executive Summary should be the very last component that you complete. This completed document will be one of three files you will submit for grading in TaskStream.*

**Multimedia Business Presentation**

While written business reports lend themselves to full explanations and compelling details, organizational leaders often prefer the format of a multimedia presentation to communicate information. Not only does the multimedia format provide visual impact, but also the verbal or audio component clarifies and reinforces the message. Additionally, educational studies indicate that using multiple forms of communication modes (visual and verbal in this case) enables people to comprehend the information more completely. Like a written business report, preparing a multimedia presentation requires information organization, tailoring the information to the audience, and clarity. In addition, multimedia presentations require technology skills, basic graphic design knowledge, and a keen ability to prioritize and appropriately modify your text.

When you have completed this section you will be able to
Explain how visual elements enhance oral presentations.
Describe how to write readable content for slides.
Explain the importance of design consistency in electronic slides.
Understand rudimentary slide design principles.
Describe the effective use of transitions in electronic presentations.

To begin your mastery of creating multimedia presentations for business situations, you will learn how enhancing presentations with visual elements can increase the effectiveness and impact of information. Then you will study the principles behind visual communication, appropriate use of electronic slides, and basic slide design. You will be able to demonstrate your mastery by completing a multimedia slide presentation to complement your business report.

Competencies covered by this subject
318.2.2 - Business Research and Presentation
The graduate conducts business research and develops business-related presentations appropriate to specific tasks.

Creating Effective Multimedia Presentations
There is a noticeable difference between a compelling, persuasive, effective business multimedia presentation and one that simply goes through the motions without having any impact. As you complete the activities associated with this topic, you will learn how to develop effective presentations that meet the needs of your audience while conveying the message that you need to get across.

Enhancing Presentations With Slides and Other Visuals

Read chapter 17 ("Enhancing Presentations with Slides and Other Visuals") in the Business Communication Today textbook. Pay special attention to the following concepts:

- selecting the type of visuals to use
- creating effective slides
- writing readable content
- selecting design elements
- achieving design consistency
- adding animation and special effects

Search the SkillSoft/SkillPort Library

For information and tutorials on using your particular presentation software, log in to the SkillSoft Home Page. Using a key word search, search for books and courses. In addition to searching for your software version, you could also search the following suggested keywords:

- PowerPoint presentations
- using Microsoft Office
- business presentations

SkillSoft Job Aid: Proper Use of Slides

Review the Job Aid document "Proper Use of Slides" associated with the following SkillSoft
Visit the Message Board Activity

Look for the message post labeled, "RWT1: Multimedia Presentation." Respond to the post by explaining how utilizing an electronic slide presentation will help you effectively convey your research to a group. Post your initial thoughts, and read and respond to the ideas presented by your peers. Interacting with others is an excellent way to help clarify your own understanding of these concepts.

Multimedia Business Presentation

Your multimedia presentation (suggested length of 10 slides) should clearly and concisely cover the main points of your business report. Prepare the multimedia presentation in PowerPoint or a similar multimedia format to accompany your business report. The presentation should be appropriate for the audience, free of spelling and grammatical errors, and well organized. When further clarification is needed, notes should be included in the notes section of PowerPoint. Save your final multimedia business presentation.

Although the performance task consists of several separate sections, the corresponding sections will be submitted as one task (with multiple attachments) for final grading in TaskStream once all sections are complete.

Submit Your Work to TaskStream

URL: http://www.taskstream.com

With the preceding activities completed, you should be ready to submit your work to TaskStream for grading. Be sure that you double check your work against the provided rubric before uploading. When you upload your work you should submit three separate files:

- RWT1 Organized Reference Document
- RWT1 Business Research Report
- RWT1 Multimedia Presentation

Remember to submit your work for grading after you have uploaded the files.

Conclusion

Congratulations! You have now successfully completed the course of study. You have mastered the business communication concepts and principles required to create an effective business research report. You also have demonstrated how these principles can be applied to develop a business research report and supporting annotated bibliography and multimedia presentation for a specific scenario. Good luck as you pursue your academic studies and prepare for excellence in your professional career.

Review of Major Points

As you prepare to complete your work, you should have developed competency in the following
business communication topics:

- understanding the principles for effective business research,
- conducting business research on a given topic,
- utilizing a variety of research tools,
- evaluating information sources for relevance and credibility,
- creating an annotated bibliography in APA style,
- understanding the anatomy of a business report,
- planning, writing, and completing a business research report,
- adapting a business report or presentation to a particular audience,
- understanding how visual elements enhance oral presentations, and
- understanding effective electronic slide design and transition principles.

As you await the evaluation of your assessment we wish you all the very best. You can continue to hone your business communication skills as you complete other performance assessments in your degree program. In addition, your employer may also have opportunities for you to demonstrate these skills. Be sure to learn from the evaluation to improve your business research and writing in the future!

Good luck!

For your convenience, screenshots showing the instructions for each performance task related to this course of study are available at the links below. Please note that the instructions may change slightly from time to time. For the most up-to-date instructions, evaluation rubrics, and other related material, please log in to TaskStream. You will not have access to these tasks in TaskStream until you requests them through your Degree Plan and your mentor approves your request.

RWT1 - 318.2.2-01-05, 2.3-06

Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Requirements

Please review the University ADA Policy.
This course of study outlines the sequence of learning activities designed to help you develop competence in the subject area of Project Management. Your competence will be assessed as you complete the TPV1 assessment (CompTIA’s Project+ exam). This course of study may take up to seven weeks to complete, depending on your educational background, work experience, and the time you are able to dedicate to your studies. Consult with your mentor if you wish to accelerate your progress through this course of study. It is important that you follow the activities sequentially as you prepare for your assessment. This course of study is also designed to help you become an independent learner by providing multiple learning methods.

Introduction

This course of study is designed to prepare you for the TPV1 Project Management assessment. You will learn how to plan, manage, and close IT projects. You will learn how to apply reference tools to define specific project activities by using a work breakdown structure; how to sequence those activities in the form of a network diagram; how to create a schedule and cost estimate; and how to create detailed project budgets. You will also learn to build a budget and a spending plan, create a formal project communications plan, get organized to acquire staff, and identify potential risks to the project plan, along with learning ways of minimizing these risks. You will use prior IT knowledge to explore the intricacies of project management concepts. Videos, simulations, interactive exams, and flash cards will be used to gain knowledge of proven and successful project management techniques.

Today, organizations are becoming leaner as they trim layers of middle managers and require specialists from marketing, engineering, accounting, and other departments to work together in ad hoc project teams. Having no full-time, dedicated managers, these teams are often led by one of these specialists, who may excel at another specialty but who does not necessarily have management experience. In many instances, such team leaders must simultaneously make project contributions in their specialty while they try to manage the project. Gaining the knowledge and skills for Project+ will help both the inexperienced and experienced project manager define the project; initiate, plan, execute, and control project events; and determine how to bring project events to a timely conclusion.

Project management skills continue to be in demand in the workplace. This course of study will help you to supplement your current IT knowledge as well as to take full advantage of your previously gained IT skills and abilities. Project management composes a large majority of development, application, and analysis work in IT organizations. This knowledge and the TPV1 assessment can prepare you for a large number of roles within an IT organization.

Project management knowledge and skills coupled with certain other technical skills will enhance your marketability. This course of study breaks the chaos of an overwhelming workload into manageable elements. To be a contender in the race for success, it is very important to have skills in web technology, project management, networking, and databases. These skills, acquired at WGU, will combine with other skills to increase your skill set and give you the advantage in the workplace.
Through this course of study, you will gain the knowledge and skills necessary to complete projects on time and within budget, and you will learn the common project management terminology used throughout the industry. This course delves into the unique challenges of managing IT projects. It is designed for those who want to improve their business, interpersonal, and technical project management skills in order to use a technology component to better manage projects and business initiatives. The final assessment covers project management knowledge and the verification of fundamental project management skills. It covers the entire project life cycle, from initiation and planning through execution, acceptance, support, and closure.

There are several academic competencies associated with this course of study. These will be addressed in the coming weeks.

Competency: Project Scope The graduate describes and explains key components of project plans.

Competency: Project Planning The graduate creates a project plan.

Competency: Project Execution, Control and Coordination The graduate implements, controls, and coordinates projects according to project plans.

Competency: Project Closure and Delivery The graduate explains the strategies and processes of project closure, acceptance, and delivery.

Learning Resources


Accompanying CD from textbook (Project+ study guide: Exam PK0-002):

Flash cards

Interactive end-of-chapter tests

Two bonus exams

SkillSoft online modules:

"An Introduction to Project Management"

"Project Life Cycles and Stakeholders"

"Project Management Essentials"

"Managing the Execution and Control of IT Projects"
"Project Management for Non-project Managers"
"Cost Management and IT Project Trade-offs"
"Initiating a Project and Preparing the Project Plan"
"Project Management for IT Professionals"
"Project Integration: Executing and Completing a Project"
"Project IT Management: The Early Stages"
"Project IT Management: Design to Rollout"
"Elements of Project Time Management"
"Estimating Activity Costs"
"Planning Project Scope"
Preparing for Success

To successfully complete the TPV1 assessment, you need the appropriate resources to help with your learning. You should also prepare a calendar of scheduled time for your studies. Share your calendar with family and friends so they are aware of your obligations.

Topics

Acquire Learning Resources

Arrange to obtain the learning resources listed below so there will be no delays in your studies. These items are essential for you, as this course of study will guide you in the use of these materials. Some of these items may be purchased or accessed online through e-books.

Resources

Obtain Project+ Study Guide: Exam PK0-002 Textbook
URL: http://wgu.skillport.com


This textbook is the primary learning resource for this assessment. There is also a full digital version of this textbook available through SkillSoft's Books24x7 (see the URL above). However, you are encouraged to purchase a copy of the book so that you can mark it up and add notes during your study.

If you wish to purchase a hard copy, the WGU Bookstore has these books available for immediate purchase and delivery. You may also shop at other online bookstores, but be sure to order early and use the correct ISBN to get the right edition.

Verify That CD Accompanies Textbook
The accompanying CD contains many useful resources: an e-book of the textbook, flash cards, an interactive practice assessment exam, interactive questions at the end of each chapter, and two bonus exams. The e-book is in searchable and printable PDF format. The flash cards will reinforce your understanding and can be used on your PC, Pocket PC, or Palm handheld device. The interactive practice exam, end-of-chapter questions, and bonus exams will test your knowledge with advanced testing software with drag-and-drop capabilities.

Verify Access to SkillSoft Online Account
URL: http://wgu.skillport.com
As an incoming IT student, you are automatically enrolled in SkillSoft. SkillSoft has four very useful features:

TestPrep allows you to take practice exams in two modes ("study" and "certification").

Mentoring allows you to enter into a live chat with a SkillSoft expert on the certification of interest.

KnowledgeCenter provides varying study strategies, challenge exercises, simulations, certification advice, and labs.

Books24x7 is an online library.

You will need to do the following in order to access this library:

Access the SkillSoft site at the link above.

Enter your WGU (portal) username and original WGU password.

If you cannot remember your original WGU password, you can go to the "Forgot your Password?" portion of the page (near the bottom) and enter your WGU portal user ID. The password will be sent to your my.wgu.edu e-mail address.

Click "Catalog." Then select "Add to My Plan" next to TPV1.

If you have any trouble, contact the Learning Resources Department (learning@wgu.edu). Keep in mind that batch-load enrollments are done at the end of each week. Also note that the SkillSoft "My Plan" area of the TPV1 assessment also has various learning resources available to you. There are simulations, practice exams, and SkillSoft Books24x7 mentors.

**Access the Message Board**

Your participation on the message board will allow you to learn and share knowledge with your course mentor and other students in discussion threads, blogs, and chats. Students often have the same questions and issues, and these are collaboratively answered on the message board. Your participation on the message board will enrich your learning experience and provide the quickest answers to your questions.

**Create a Notebook**

You should create a paper or digital notebook for your studies in project management. This will help you review concepts and terms that require memorization before you take the assessment.
Use organizers or dividers to separate your work. Divisions should include:

Glossary
Study Notes
Competency Review Notes
Helpful Websites
MeasureUp Pre-assessment

The MeasureUp pre-assessment is supplied by MeasureUp and is provided to you by your mentor. Take the pre-assessment and use the results as a diagnostic tool. The questions are a cross section of possible questions, not questions from a comprehensive question bank.

Topics

MeasureUp Pre-assessment

Take the pre-assessment and use the results as a diagnostic tool.

Resources

Request the MeasureUp Pre-assessment Exam
Request a MeasureUp pre-assessment exam for TPV1 from your mentor. The registration key and instructions will arrive by e-mail.

Take the MeasureUp Pre-assessment
Take the MeasureUp pre-assessment exam and watch for your results to arrive by e-mail immediately after the exam completion.

Review the Pre-assessment Results With Mentor
The results of the pre-assessment exam determine which competencies you should focus on, though you should study all topics. You should discuss your exam results, using the score report, with your mentor. Together you will decide on your plan of action.
Project Initiation and Scope Definition

This will help you understand project definition, project management theory, project processes, and project life cycles. Also covered is receipt of a project request, project selection, project stakeholders, and project charters. You will also learn about project scope and how it is evaluated. Understanding why a well-defined project scope is important will help you to prevent scope creep in the projects you may manage in the future.

Topics

IT Project Management Overview

Do you know what activities are involved in project management? Did you know that project managers have different roles than other types of managers? This topic focuses on a high-level overview of project management and how it fits into the bigger scheme of an IT project. As you begin the readings and tasks for this topic, consider these questions:

What are the common job roles of an IT project manager?

What happens within IT project life cycles?

If there is not complete written documentation of the project, what is likely to happen?

Resources

IT Project Management Overview
Read lesson 1 (“IT Project Management Overview”) from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 1 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity (“Answer the Interactive Review Questions on the CD”).

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 1 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 01" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("An Introduction to Project Management"). If you did not do well, review the lesson 1 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("An Introduction to Project Management").

SkillSoft Video: "An Introduction to Project Management"
This video, "An Introduction to Project Management," will be viewed with your SkillSoft account.

Imagine trying to control the unexpected and unpredictable through processes in such a way that you meet the cost, quality, and time expectations of all invested parties in accomplishing a temporary endeavor. This is the mission of project management. Challenging? Yes. Impossible? No.

All industries employ project managers to implement processes as a way to control business. You will be introduced to the characteristics of a project, learn to distinguish between projects and operations, and define progressive elaboration. You will also identify key project management concepts and terms, and be given information about the variables that can influence project outcomes.

Note: The expected duration is 2.5 hours. Please follow this video with the next activity ("Practice With Flash Cards").

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 1 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 1-20." Try to answer the questions before clicking the "Answer" button. These cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Note: Follow this activity with the next topic ("Project Initiation").

Project Initiation

Did you know that projects that start with measurable goals and that set a well-defined direction tend to be more successful? Did you know that the project charter is one of the most important steps of any project? This topic covers the start of an ongoing IT case study that will be used to demonstrate the application of the project initiation process, the selection process, and the stakeholders. As you complete the readings and tasks for this topic, ask yourself these questions:

What is the role of the project stakeholders?

What are the tasks involved in project initiation?

When would the project sponsor get involved in the project?

What is the function of the project charter?
Resources

Project Initiation
Read lesson 2 ("Project Initiation") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 2 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

You should also write the key terms with brief definitions in your notebook. You may additionally want to list the activities involved with project initiation.

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 2 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 02" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Project Life Cycles and Stakeholders"). If you did not do well, review the lesson 2 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("Project Life Cycles and Stakeholders").

SkillSoft Video: "Project Life Cycles and Stakeholders"
URL: http://wgu.skillport.com

This video, "Project Life Cycles and Stakeholders," will be viewed with your SkillSoft account.

Every project has a beginning and an end, but what happens in between is less predictable. The project life cycle will most likely involve uncertainties, and it is how these uncertainties are handled that determines the outcomes of the project. The more familiar you are with project phases and stakeholders, the more easily you can keep the project on track and on budget. The choice of how to handle the project life cycle will depend on the type of project, particular industry, and specific deliverables. To make these project management choices, you must understand what a project life cycle is and what factors can influence it.

In this video, you will be introduced to concepts and information about project life cycles. You will have the opportunity to define project phases and to recognize the differences between project and product life cycles. Additionally, you will begin to identify and factor in how project stakeholders can affect projects. Whether you are an experienced or first-time project manager, this video will have relevant and up-to-date best practices for you to follow.

Note: The expected duration is 2.0 hours. Please follow this video with the next activity ("Practice With Flash Cards").

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 2 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 21-40." Try to answer the questions before clicking the "Answer"
Project Initiation and Scope Definition: Scope Planning

Did you know that time and costs are outputs of scope? This topic focuses on defining and documenting the following three scope components that complete scope planning: the scope statement, scope management, and work breakdown structure. As you complete the readings and tasks for this topic, ask yourself these questions:

What are the constraints that are common in most projects?

What are the components of scope planning?

Resources

Scope Planning
Read lesson 3 ("Scope Planning") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 3 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

You should write the components of scope planning in your notebook so that you can review them later.

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 3 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 03" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Planning Project Scope"). If you did not do well, review the lesson 3 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("Planning Project Scope").

SkillSoft Video: "Planning Project Scope"
URL: http://wgu.skillport.com

This video, "Planning Project Scope," will be viewed with your SkillSoft account.

Project scope management is concerned with ensuring that projects include and account for all the work needed for the successful completion of a project. Successful project managers use
project scope management throughout the project life cycle to identify and control all of the aspects involved in a project.

This video will highlight the importance of project scope management in projecting performance. Through interactive learning strategies and real-life scenarios, you will explore these concepts and gain a better understanding of the inputs to, the tools and techniques for, and the outputs of the project scope management processes.

Note: The expected duration is 1.5 hours. Follow this video with the next activity ("Practice With Flash Cards").

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 3 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 41-60." Try to answer the questions before clicking the "Answer" button. These cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Message Board: Work Breakdown Structure
Many students find the concept of the work breakdown structure difficult to understand. If you would like to study this concept with others, post your questions to the message board or request the assistance of your course mentor.
Project Planning

This will help you to understand the concepts of activity definition, activity sequence, activity duration estimates, and schedule development. You will also study how to juggle project time in the real world. Resource planning, cost estimating, and cost budgeting are also covered. A well-planned project is critical to a project's success. Great project managers are capable of developing thorough and realistic project plans.

Topics

Schedule Planning

Do you know how to create a project schedule and how to project the critical path? This topic focuses on each of the components of schedule planning. As you complete the readings and tasks for this topic, ask yourself these questions:

How would I use fast-track techniques?

What are the tools used to determine a project's critical path?

Why is the critical path of a project important?

What is the definition of "duration compression"?

What is the definition of "precedence diagramming"?

Resources

Schedule Planning
Read lesson 4 ("Schedule Planning") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 4 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 4 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 04" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Elements of Project Time Management"). If you did not do well, review the lesson 4 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("Elements of Project Time Management").
SkillSoft Video: "Elements of Project Time Management"
URL: http://wgu.skillport.com

This video, "Elements of Project Time Management," will be viewed with your SkillSoft account.

Project time management is a critical aspect of any project; if project success is to be achieved, a
time management system must be used.

This video will cover the inputs, tools, techniques, and outputs of the project time management
processes that deal with defining project activities, sequencing project activities, and estimating
the resources needed to complete these activities. Through interactive learning strategies and
real-life scenarios, you will explore these concepts and gain a better understanding of project
time management processes.

Note: The expected duration is 2.5 hours. Please follow this video with the next activity ("Practice
With Flash Cards").

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 4 with flash cards. The flash cards are
on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click
"Options" and select "Cards 61-80." Try to answer the questions before clicking the "Answer"
button. These cards can also be downloaded to your handheld device, so you can quiz yourself
anywhere. Practice with the cards until you can answer most of the questions without looking at
the answers.

Note: Follow this activity with the next topic ("Cost Planning").

Message Board: Critical Path
Many students find the concept of the critical path difficult to understand. If you would like to
study this concept with others, post your questions to themessage boardor request the
assistance of your course mentor.

Cost Planning

Did you know that part of a project's success will be measured by how well the cost constraints
were met? This topic focuses on how to identify the expenses associated with a project and how
to develop a plan for identifying and managing costs in order to complete the project within the
approved budget. As you complete the readings and tasks for this topic, ask yourself these
questions:

What are the activities involved in the cost planning process?

What information is required for each section of a resource requirements document?
Resources

Cost Planning
Read lesson 5 ("Cost Planning") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 5 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

You should record the activities involved in the cost planning process in your notebook for future review.

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 5 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 05" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Cost Management and IT Project Trade-Offs"). If you did not do well, review the lesson 5 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("Cost Management and IT Project Trade-Offs").

SkillSoft Video: "Cost Management and IT Project Trade-Offs"
URL: http://wgu.skillport.com

This video, "Cost Management and IT Project Trade-offs," will be viewed with your SkillSoft account.

Many IT projects have lost money because of inaccurate budgeting, client changes, project scope, and so on. This video will help you eliminate budgeting problems by providing you with techniques for managing project costs. It will also provide you with a new approach for managing client changes in order to reduce the negative impacts on project plan and scope changes.

Note: The expected duration is 4.5 hours. Please follow this video with the next SkillSoft activity ("Estimating Activity Costs").

SkillSoft Video: "Estimating Activity Costs"
URL: http://wgu.skillport.com

This video, "Estimating Activity Costs," will be viewed with your SkillSoft account.

Most project managers are familiar with the sinking feeling that occurs when project costs exceed expectations. Project cost management is concerned with estimating and controlling the cost resources that are used to complete different project activities.

This video will highlight the importance of project cost management for project performance. It
will cover the project inputs, tools, techniques, and outputs involved in the project cost management processes. Through interactive learning strategies and real-life scenarios, you will explore these concepts and gain a better understanding of the project cost management processes.

Note: The expected duration is 1.6 hours. Please follow this video with the next activity ("Practice With Flash Cards").

**Practice With Flash Cards**

Reinforce your understanding of the key topics of lesson 5 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 81-100." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Note: Follow this activity with the next topic.

**Other Planning Processes**

Did you know you can plan for risk before it happens? This topic focuses on the other components and planning methods of project management: human resource planning, quality planning, risk planning, communications planning, and procurement planning. As you complete the readings and tasks for this topic, ask yourself these questions:

What are the techniques of benchmarking?

What is the process of risk identification?

What are the activities involved in a risk response plan?

**Resources**

**Other Planning Processes**

Read lesson 6 ("Other Planning Processes") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 6 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

**Answer the Interactive Review Questions on the CD**

Respond to the interactive review questions for lesson 6 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 06" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."
If you did reasonably well, move on to the following activity ("Practice With Flash Cards"). If you did not do well, review the Lesson 6 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this with the following activity.

**Practice With Flash Cards**
Reinforce your understanding of the key topics of lesson 6 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 101-120." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.
Project Execution, Control, and Coordination

This will help you to understand a project plan, its components, and how to put it all together. You will also learn about team development, stakeholder relationships, plan performance, and information distribution. This week also covers integrated change control, quality control, IT quality control, risk monitoring and control, and performance reporting. A great project manager must be able to control and coordinate many activities at once.

Topics

Comprehensive Project Plan

Did you know that a comprehensive project plan includes more than just the schedule? This topic covers the integration of the planning data into one comprehensive planning document that contains output from all of the applicable planning processes. As you complete the readings and tasks for this topic, ask yourself these questions:

Why is a comprehensive project plan important?

Why is it beneficial to use a project performance indicator?

What is the best method for organizing the project plan?

Resources

Comprehensive Project Plan
Read lesson 7 ("Comprehensive Project Plan") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 7 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 7 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 07" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Initiating a Project and Preparing the Project Plan"). If you did not do well, review the lesson 7 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity.

SkillSoft Video: "Initiating a Project and Preparing the Project Plan"
This video, "Initiating a Project and Preparing the Project Plan," will be viewed with your SkillSoft account.

Project integration management is concerned with ensuring the proper coordination of project processes so project objectives are achieved. Successful project managers use project integration management to integrate project processes, maximize performance, and meet project goals throughout the life cycle of a project.

This video will highlight the importance of project integration management in projecting performance. It will cover the project inputs, tools, techniques, and outputs of the processes in the project integration management knowledge area. Through interactive learning strategies and real-life scenarios, you will explore this concept and gain a better understanding of the project integrative processes in action.

Note: The expected duration is 2.5 hours. Please follow this video with the next activity ("Practice With Flash Cards").

**Practice With Flash Cards**
Reinforce your understanding of the key topics of lesson 7 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 121-140." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Note: Follow this activity with the next topic.

**Project Execution**

Do you know the key causes of project cost overruns and failure? Do you know how your people management skills can impact the success of a project? This topic covers the use of people management skills to develop and manage a successful project team. As you complete the readings and tasks for this topic, ask yourself these questions:

What are the activities involved with vendor contract administration?

What can cause a delay in project tasks?

**Resources**

**Project Execution**
Read lesson 8 ("Project Execution") from the Project+ Study Guide: Exam PK0-002 textbook.
After reading the lesson 8 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

You should record the activities involved with vendor contract administration in your notebook for future review.

**Answer the Interactive Review Questions on the CD**
Respond to the interactive review questions for lesson 8 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 08" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Managing the Execution and Control of IT Projects"). If you did not do well, review the lesson 8 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity ("Managing the Execution and Control of IT Projects").

**SkillSoft Video: "Managing the Execution and Control of IT Projects"
URL: http://wgu.skillport.com**

This video, "Managing the Execution and Control of IT Projects," will be viewed with your SkillSoft account.

Did you know that the average IT project has cost overruns of nearly 200%, and that almost 30% of all IT projects fail? Why do you think IT projects are so vulnerable to cost overruns and failure? How can you ensure that your project does not end up as one of these statistics?

You can avoid being a statistic by managing project scope, cost, and scheduling. As you go through this video, you will learn valuable strategies for managing your project. You will learn about tools for managing scope, time, and cost that will aid in the successful control and execution of your project.

Note: The expected duration is 5.5 hours. Please follow this video with the next activity ("Practice With Flash Cards").

**Practice With Flash Cards**
Reinforce your understanding of the key topics of lesson 8 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 141-160." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Note: Follow this activity with the next topic.

**Message Board: Who Was My Best Manager?**
You just learned about the people management skills needed to develop and manage a
successful project team. Think about the best manager for whom you have ever worked. What characteristics and skills did this manager possess? Which skills, covered in this topic, were demonstrated by this manager? Feel free to start a discussion in the message board about what makes a manager effective. Perhaps describe the traits demonstrated by your favorite manager.

Project Control

Did you know that you should not add requirements without going through a change control process, even if you think it is a good idea? This topic focuses on the implementation of change control processes like integrated change control, quality control, performance reporting, and risk control. As you complete the readings and tasks for this topic, ask yourself these questions:

What activities are involved with quality control?

What circumstances may lead to scope change?

How do you calculate the ratio of remaining work compared to remaining budget?

Resources

Project Control
Read lesson 9 ("Project Control") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 9 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

You should write the activities involved with quality control in your notebook. You should also write the formulas covered in lesson 9, such as estimate at completion, in your notebook. Many students find memorizing these formulas challenging, so frequent review is recommended.

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 9 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 09" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following SkillSoft activity ("Project Integration: Executing and Completing a Project"). If you did not do well, review the lesson 9 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following SkillSoft activity.

SkillSoft Video: "Project Integration: Executing and Completing a Project"
URL: http://wgu.skillport.com
This video, "Project Integration: Executing and Completing a Project," will be viewed with your SkillSoft account.

Project managers regularly face tough decisions about where to concentrate their project resources when met with competing priorities and demands. Project integration management helps with these decisions by ensuring the proper coordination of project processes during project plan development and execution.

Successful project managers use project integration management throughout the project life cycle to integrate project processes, maximize performance, and meet project goals. This video highlights the importance of project integration management to project performance. It covers the inputs, tools, technologies, and outputs of the following integrative processes in project management: directing and managing project execution, monitoring and controlling project work, initiating integrated change control, and closing the project or project phase.

Note: The expected duration is 2.0 hours. Please follow this video with the next activity ("Practice With Flash Cards").

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 9 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click "Options" and select "Cards 161-180." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.

Message Board: Formulas
Many students find the formulas covered in lesson 9 difficult to understand. If you would like to study these formulas with others, post your questions to themessage boardor request the assistance of your course mentor.
Project Closure, Acceptance, and Support

This will help you understand the different types of closure, contract closeout, and administrative closure. A great project manager takes the time to bring a project to proper completion. Great project managers also know there is much to learn from the achievements and challenges experienced during the process. They will make note of what worked and what did not so the lessons can be applied to future projects.

Topics

Project Closure, Acceptance, and Support

Do you know how proper project closure can affect future projects? This topic covers the two major processes in project closure: contract closeout and administrative closure. As you complete the readings and tasks for this topic, ask yourself these questions:

Why is a comprehensive project review session necessary?

What are the indicators that a project is ready to be closed?

What is the purpose of a formal sign-off at the conclusion of the project work?

Resources

Project Closure
Read lesson 10 ("Project Closure") from the Project+ Study Guide: Exam PK0-002 textbook. After reading the lesson 10 text material, pay particular attention to the end-of-chapter summary, exam essentials, and key terms before moving on to the following activity ("Answer the Interactive Review Questions on the CD").

Answer the Interactive Review Questions on the CD
Respond to the interactive review questions for lesson 10 by using the CD that accompanied the textbook. Launch the test engine and choose "Chapter 10" to answer the questions. Complete all of the questions before clicking "Finish" to see the answers. Do not click "Show Answer."

If you did reasonably well, move on to the following activity ("Practice With Flash Cards"). If you did not do well, review the lesson 10 items that were not correct. When you are able to answer more of the end-of-chapter questions correctly, follow this activity with the following activity.

Practice With Flash Cards
Reinforce your understanding of the key topics of lesson 10 with flash cards. The flash cards are on the CD that accompanied the textbook. Launch the flash cards and choose "PC." Click
"Options" and select "Cards 181-192." Try to answer the questions before clicking the "Answer" button. The cards can also be downloaded to your handheld device, so you can quiz yourself anywhere. Practice with the cards until you can answer most of the questions without looking at the answers.
SkillSoft IT Project Management Simulations

The simulations for project management are designed to provide you with the opportunity to practice project management skills in a secure, virtual environment before facing the challenge of an actual, real-world project.

Topics

SkillSoft Simulations

Experience is everything to a successful project manager. Although you may not have an immediate project that needs to be managed, you have been provided with simulations that are designed to give you the opportunity to practice project management skills in a secure, virtual environment before facing the challenge of an actual, real-world project.

Resources

SkillSoft Simulation: "Project IT Management: The Early Stages"
URL: http://wgu.skillport.com

Watch the following simulation by logging in to your SkillSoft account:

Part 1: American Auto is a large automobile company that designs, manufactures, and markets cars and trucks worldwide. With its one-price and no-haggle-sales approach, the company has been very successful and continues to increase its customer base. To further simplify the buying process, American Auto has recently embraced the idea of upgrading its website's virtual showroom to allow for online purchasing of vehicles for national delivery.

Note: The expected duration is 0.5 hours. Please follow this activity with Part 2 of this SkillSoft activity ("Project IT Management Simulation-Design to Rollout").

SkillSoft Simulation: "Project IT Management: Design to Rollout"
URL: http://wgu.skillport.com

Watch the following simulation by logging in to your SkillSoft account:

Part 2: This simulation continues the project from design to rollout. With the new website, a customer will be able to choose the year, model, and options of their new vehicle and then purchase their vehicle without ever having to set foot in a dealer showroom. After payment and financing options have been arranged online, American Auto will complete the transaction and
deliver the customer's new vehicle to their home or work. In order to make web purchasing a reality, the company's IT department has been tasked with upgrading the company's website to include these features, and you are responsible for overseeing this project.

Note: The expected duration is 0.5 hours. Please follow this activity with the next subject.
Practice Test Review

Your next step is to take the interactive practice exams that are supplied on the CD with the textbook. The two bonus practice exams will serve as another review for the TPV1 assessment. Each exam contains 60 questions, with a time limit of 1 hour and 19 minutes.

Topics

Interactive Practice Exams

Use the CD that came with your textbook to take the practice exams.

Resources

Take Bonus Practice Exam #1
Take the exam by inserting the CD into your PC. To start the exam, select "Test Engine" and then "Launch." Choose "Bonus Exam 1." After completion, the test engine will show you your exam grade. You will have 1 hour and 19 minutes to complete the exam.

Take Bonus Practice Exam #2
Take the exam by inserting the CD into your PC. To start the exam, select "Test Engine" and then "Launch." Choose "Bonus Exam 2." After completion, the test engine will show you your exam grade. You will have 1 hour and 19 minutes to complete the exam.

Review your exam results and any notes that you have added to your notebook. Use these to review any necessary items or topics to prepare for the assessment. The bonus exams will serve as one of your final reviews to gauge your knowledge of the content of the topics of the assessment.

ExamForce

ExamForce has two parts: a testing engine and a database. It is a powerful tool because it is adaptive; i.e., it chooses questions from its database based on user weaknesses, while still providing enough questions from strong areas to maintain strength. It divides what is presented into Passes. Once you have completed three Passes, you are ready to sit for the actual exam.

Resources

Enroll in ExamForce
Go to the TPV1 Learning Resources tab to enroll on your AAP. You may not enroll until you have completed this COS. Shortly after enrolling, usually within 1-2 business days, you will receive an email from ExamForce with your license key and instructions. Follow them carefully to download both the test engine and the database. NOTE: ExamForce databases are quite large, possibly
over 100 MB. After installation, you will occasionally receive the opportunity to download and install updates. Download and install major updates with caution because they erase your History! Minor updates do not do this. Check with your mentor before accepting a major update.

**Take the Pretest**
This is not the same as the pre-assessment that you took at the beginning of your studies. The Pretest Mode sets up initial conditions for the next Activity, Adaptive Drill Mode. Before moving on, though, take a look at the report produced from your Pretest. It will show you which exam objectives represent weaknesses for you. Additionally, it refers you to sections of its built-in review text for additional explanation.

**Adaptive Drill Mode**
Once you have reached the Adaptive Drill Mode, do not install major updates from ExamForce as this will erase your history. This warning will mention the fact that you have chosen to download a major database update. Please do not select the option to update.

You will be given a series of questions to respond to. Passes are units of progress through the ExamForce database that systematically work on your weak areas while maintaining your strengths. The ExamForce learning resource allows you to take notes as you work through the questions. If you get a question incorrect, you will be referenced to the appropriate section and chapter in the included textbook. There is a built in historical analysis system to track and monitor your activities. In order for your assessment referral to be approved, you MUST successfully complete all three phases of assessment readiness within the historical analysis system. Your results must be emailed to your mentor for confirmation.

**Email the Historical Analysis to Your Mentor**
When all three Passes are complete, email the report to your mentor. It is required as part of your record prior to approving a referral for the certification exam. The Historical Analysis report is always available either from the History button at the top of the ExamForce application, or from the Historical Analysis button in the Adaptive Drill tab. You may choose to email it using several formats, but WGU requires a pdf version, so select that option.
Conclusion

Congratulations on successfully completing the activities in this course of study! Upon completion of the two bonus exams, you should review any items that may need more study. You should also review all of the topics that you have listed in your notebook. For more studying, you can go to the item in the course of study and its learning resources, your mentor, or the Project Management Learning Community. After more study, retake the MeasureUp practice exam and the two bonus exams. When you have achieved successful results on the exams, you are then ready to refer for the TPV1 assessment.

Topics

Review of Major Points: Competencies for TPV1

As demonstrated in the Introduction, this course of study covers four competencies for the TPV1. The four competencies and their associated portions of the learning resources are listed below. The learning resources are the Project+ Study Guide: Exam PK0-002, its CD, and the SkillSoft online learning materials.

If you need to review any of the topics, please refer to the list below for the appropriate part of the course of study. Also, indicated below are the areas of the course of study that have proven to be somewhat more difficult and may require more intense study than others. These are marked with an asterisk (*).

Competency 419.1.1: Project Scope
Scope planning defines boundaries and deliverables, which are established to ensure that your expectations are understood and achievable. 'What' and 'how much' will be done are specified in this activity. Defining and managing the project scope influences the project's overall success. Each project requires a careful balance of tools, data sources, methodologies, processes, procedures, and other factors to ensure that the effort expended on scoping activities is commensurate with the project's size, complexity, and importance.

Review chapter 1 ("It Project Management Overview") from the Project+ Study Guide: Exam PK0-002 textbook.
Interactive Review Questions on the CD: Chapter 1
SkillSoft Video: "An Introduction to Project Management"
Practice With Flash Cards
Review chapter 2 ("Project Initiation") from the Project+ Study Guide: Exam PK0-002 textbook.
Interactive Review Questions on the CD: Chapter 2
SkillSoft Video: "Project Life Cycles and Stakeholders"
Competency 419.1.2: Project Planning
The factors in successful cost planning are to establishing and documenting a solid base of prioritized needs; studying as many feasible cost alternatives as possible; establishing well-defined, manageable project schedules; and ensuring that the budget has the confidence and acceptance of all project team members.
Competency 419.1.3: Project Execution, Control, and Coordination

Review chapter 7 ("Comprehensive Project Plan") from the Project+ Study Guide: Exam PK0-002 textbook.

Interactive Review Questions on the CD: Chapter 7

SkillSoft Video: "Initiating a Project and Preparing the Project Plan"

Practice With Flash Cards

Review chapter 8 ("Project Execution") from the Project+ Study Guide: Exam PK0-002 textbook.

Interactive Review Questions on the CD: Chapter 8

SkillSoft Video: "Managing the Execution and Control of IT Projects.

Practice With Flash Cards

Learning Community: Who Was My Best Manager?

Review chapter 9 ("Project Control") from the Project+ Study Guide: Exam PK0-002 textbook.

Interactive Review Questions on the CD: Chapter 9

SkillSoft Video: "Project Integration: Executing and Completing a Project"

Practice With Flash Cards

Learning Community: Formulas

Competency 419.1.4: Project Closure and Delivery


Interactive Review Questions on the CD: Chapter 10

Practice With Flash Cards

SkillSoft Simulation: "Project IT Management: The Early Stages"

SkillSoft Simulation: "Project IT Management: Design to Rollout"
Transfer / Application to Work: How Will You Apply This Knowledge?

The passing of the TPV1 assessment provides validation of fundamental project management skills. It covers the entire project life cycle, from initiation and planning through execution, acceptance, support, and closure. The skills include a basic knowledge of the theories of project management and how that knowledge applies to successful projects in a competitive business marketplace. You will find that the knowledge and skill base you have acquired to pass this assessment are valuable for individuals working in fields such as IT, project management, systems analysis, design, and other areas that depend on practical project management experience.

The receipt of a "Pass" on the Project+ exam confirms that you have mastered the basic knowledge and concepts, such as the requirements definition; the concept, charter, and scope of documents; the project planning process, risk assessment and management; and the process for closing out the project. You have the knowledge to assist in solving the problems of poorly managed projects. This certification focuses on the necessary competencies for all project managers, particularly in the IT industry. You have the knowledge and skills necessary to complete projects on time and within budget, and to know the common project management terminology used throughout the industry.

Next Steps: Schedule the TPV1 Assessment

The following are the steps necessary for making arrangements for the actual assessment:

Request a referral for your TPV1 assessment by logging into you AAP, clicking on the TPV1 link, and then the Assessment Referral tab.

Follow the step-by-step procedures necessary for referring for your assessment, and submit the referral as needed. Note: If you wish to take a test at a Pearson Vue center, you need to indicate "Pearson Vue" in the "NOTES" section at the end of the referral process. If you do not indicate this, you will be issued a nonreturnable Prometric Voucher.

Once your mentor has approved the referral, you will receive a voucher number by e-mail from the Vendor Assessment Department. Hold onto this e-mail; you will need it for step 5.

With the voucher number, you will need to contact either a Prometric Testing Center (http://www.prometric.com/TestTakers/default.htm) or a Pearson Vue Testing Center (http://www.vue.com/) to arrange the actual date for the assessment.

After the exam, submit your test results according to the instructions received in the voucher e-mail received in step 3, above.

Please contact your mentor if your AAP does not reflect the status of your assessment results after 5 business days.
Our best wishes to you as you take the TPV1 assessment.

Feedback

If you wish to provide feedback on this course of study, please contact Cheryl Bagshaw at cbagshaw@wgu.edu.

Click here to review University ADA policy.
November 26, 2014

Education Committee
Gainesville, Florida 32607

Dear Sirs:

Keiser University respectfully requests permission of the Florida Board of Accountancy to advise students that the applicable accounting and business courses in the Bachelor of Accounting and Master’s of Accountancy programs have been reviewed and found sufficient for use towards the student’s examination and/or CPA licensing requirements in the State of Florida pursuant to Florida Administrative Code 61H1-27. If you have any questions please feel free to call or email me.

Thank you for your time.

Sincerely,

Jeanne Bedell, CPA, CFE, CGMA, DBA in Accounting
University Department Chair for Accounting
(954) 351-4040 ext 218
jeanneb@keiseruniversity.edu
June 19, 2014

TO: Veloria A. Kelly, Director Division of Certified Public Accounting
FROM: Dr. Gary A. McGill, Associate Dean & Director
RE: New University of Florida Graduate Accounting Courses

We recently revised our Master of Accounting Program. As part of the revision, we changed the titles of several existing courses and developed many new courses. All courses are delivered in an eight week modular format (each course is two credits). I have attached a summary of our new MAcc program and a sample syllabus for each new course. We seek the Board’s approval to add these to the list of University of Florida courses that satisfy the 36 accounting credit requirement for licensure as a Certified Public Accountant in Florida.

Informational Only: Previously Approved Courses with Title Changes (No Syllabi Provided)
ACG 5226 Advanced Accounting—Formerly Mergers, Acquisitions & Consolidations
ACG 5505 Governmental Accounting—Formerly Fin. Reporting for Gov. and Not-for-Profit Organizations
ACG 5815 Accounting Regulation—Formerly Accounting Institutions and Professional Literature
ACG 6136 Accounting Theory—Formerly Accounting Concepts and Financial Reporting
ACG 6207 Accounting for Risk—Formerly Accounting Issues in Financial Risk Management
ACG 6697 Information Systems Assurance—Formerly Computer Assurance and Control
TAX 6526 International Taxation—Formerly Advanced International Taxation
TAX 6877 State and Local Taxation—Formerly Multijurisdictional Taxation

New Graduate Courses for Consideration (Syllabi Attached)
ACG 5637 Auditing 1 (Note: Existing three credit semester long course converted to a two credit module)
ACG 5647 Auditing 2
ACG 6175 Financial Reporting and Analysis
ACG 6685 Forensic Accounting
ACG 6691 International Auditing
TAX 5025 Federal Income Tax 1
TAX 5027 Federal Income Tax 2
TAX 6105 Corporate Taxation
TAX 6115 Advanced Corporate Taxation
TAX 6205 Partnership Taxation

1 These are preparatory courses typically completed during undergraduate studies and must be completed in addition to the 34 hour MAcc curriculum.
# 2014 Master of Accounting Program—Audit Track

## 1. Required Accounting Coursework—6 credits:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACG 5226</td>
<td>Advanced Accounting (ACG 4111 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 5815</td>
<td>Accounting Regulation (ACG 5647 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 5065</td>
<td>Tax Professional Research (TAX 5027 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
</tbody>
</table>

## 2. Additional Accounting Coursework—14 credits:

### A. Must include all of the following auditing courses—4 credits:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACG 6635</td>
<td>Issues in Audit Practice (ACG 5226 &quot;C&quot; &amp; ACG 5815 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 6697</td>
<td>Info Sys Assurance (ACG 5226 &quot;C&quot; &amp; ACG 5647 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
</tbody>
</table>

### B. Must include at least 6 credits from:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACG 6207</td>
<td>Accounting for Risk (ACG 5226 &quot;C&quot; &amp; ACG 5815 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 6685</td>
<td>Forensic Accounting (ACG 5226 &quot;C&quot; &amp; ACG 5647 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 6175</td>
<td>Financial Reporting &amp; Analysis (ACG 5226 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 6691</td>
<td>International Audit (ACG 5226 &quot;C&quot; &amp; ACG 5647 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
</tbody>
</table>

### C. Other Courses to earn the minimum 14 credits required of part 2:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACG 5505</td>
<td>Governmental Accounting (ACG 4111 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>ACG 6136</td>
<td>Accounting Theory (ACG 5815 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6105</td>
<td>Corporate Taxation (TAX 5065 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6115</td>
<td>Advanced Corporate Tax (TAX 6105 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6205</td>
<td>Partnership Taxation (TAX 5065 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6526</td>
<td>International Taxation (TAX 6105 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6726</td>
<td>Executive Tax Planning (TAX 5065 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
</tr>
<tr>
<td>TAX 6877</td>
<td>State &amp; Local Taxation (TAX 6105 &quot;C&quot; &amp; 7AC)</td>
<td>2</td>
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</table>

## 3. Required Business Core Coursework—8 credits:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAN 5246</td>
<td>Organizational Behavior</td>
<td>2</td>
</tr>
<tr>
<td>MAN 6724</td>
<td>Strategic Management</td>
<td>2</td>
</tr>
<tr>
<td>BUL 5832</td>
<td>Commercial Law for Accountants</td>
<td>2</td>
</tr>
<tr>
<td>GEB 6229</td>
<td>Professional Communication for Accountants</td>
<td>2</td>
</tr>
</tbody>
</table>

## 4. Required Information Systems Course—2 credits:

**Must include 2 credits from the following courses:**

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISM 6129</td>
<td>Advanced Systems Design &amp; Development II</td>
<td>2</td>
</tr>
<tr>
<td>ISM 6405</td>
<td>Business Intelligence</td>
<td>2</td>
</tr>
<tr>
<td>ISM 6485</td>
<td>Electronic Commerce &amp; Logistics</td>
<td>2</td>
</tr>
</tbody>
</table>

## 5. Required Approved Business Electives—4 credits:

Enhance the student’s plan of study by allowing him/her to explore a business area relating to his/her career goals. Graduate business courses satisfying the approved elective requirement are listed under [Course Availability](#).

Note: A maximum of 2 credits of accounting MAcc coursework may be used towards the approved business elective requirement (providing the accounting course was not used to complete the minimum accounting hours required of parts 1 or 2 listed above).

<table>
<thead>
<tr>
<th>Credits</th>
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<tbody>
<tr>
<td>4</td>
</tr>
</tbody>
</table>

**Total hours required to complete the MAcc—Audit track**: 34

Note: Total hours increase by the student’s unmet [preparatory coursework](#).
2014 Master of Accounting Program – Generalist Track

1. Required Accounting Coursework—6 credits:
   - ACG 5226 Advanced Accounting (ACG 4111 “C” & 7AC) 2
   - ACG 5815 Accounting Regulation (ACG 5647 “C” & 7AC) 2
   - TAX 5065 Tax Professional Research (TAX 5025 “C” & 7AC) 2

2. Additional Accounting Coursework—14 credits:
   A. Must include at least 2 credits of Financial Accounting from:
      - ACG 5505 Governmental Accounting (ACG 4111 “C” & 7AC) 2
      - ACG 6136 Accounting Theory (ACG 5815 “C” & 7AC) 2
      - ACG 6207 Accounting for Risk (ACG 5226 “C” & ACG 5815 “C” & 7AC) 2
      - ACG 6175 Financial Reporting and Analysis (ACG 5226 “C” & 7AC) 2
   B. Must include at least 2 credits of Auditing from:
      - ACG 6635 Issues in Audit Practice (ACG 5226 “C” & ACG 5815 “C” & 7AC) 2
      - ACG 6697 Info Systems Assurance (ACG 5226 “C” & ACG 5647 “C” & 7AC) 2
      - ACG 6685 Forensic Accounting (ACG 5226 “C” & ACG 5647 “C” & 7AC) 2
   C. Must include at least 2 credits of Taxation from:
      - TAX 6105 Corporate Taxation (TAX 5065 “C” & 7AC) 2
      - TAX 6205 Partnership Taxation (TAX 5065 “C” & 7AC) 2
      - TAX 6726 Executive Tax Planning (TAX 5065 “C” & 7AC) 2
   D. Other Courses to earn the minimum 14 credits required of part 2:
      - ACG 6691 International Auditing (ACG 5226 “C” & ACG 5647 “C” & 7AC) 2
      - TAX 6115 Advanced Corporate Taxation (TAX 6105 “C” & 7AC) 2
      - TAX 6526 International Taxation (TAX 6105 “C” & 7AC) 2
      - TAX 6877 State & Local Taxation (TAX 6105 “C” & 7AC) 2

3. Required Business Core Coursework—8 credits:
   - MAN 5246 Organizational Behavior 2
   - MAN 6724 Strategic Management 2
   - BUL 5832 Commercial Law for Accountants 2
   - GEB 6229 Professional Communication for Accountants 2

4. Required Approved Business Electives—6 credits:
   Enhance the student’s plan of study by allowing him/her to explore a business area relating to his/her career goals. Graduate business courses satisfying the approved elective requirement are listed under Course Availability.

   Note: A maximum of 2 credits of accounting MAcc coursework may be used towards the approved business elective requirement (providing the accounting course was not used to complete the minimum accounting hours required of parts 1 or 2 listed above).

   Total hours required to complete the MAcc—Generalist track 34
   Note: Total hours increase by the student’s unmet preparatory coursework.
2014 Master of Accounting Program – Tax Track

1. Required Accounting Coursework—6 credits:
   ACG 5226  Advanced Accounting (ACG 4111 “C” & 7AC)  2
   ACG 5815  Accounting Regulation (ACG 5647 “C” & 7AC)  2
   TAX 5065  Tax Professional Research (TAX 5027 “C” & 7AC)  2

2. Additional Accounting Coursework—14 credits:
   A. Must include all of the following tax courses—6 credits:
      TAX 6105  Corporate Taxation (TAX 5065 “C” & 7AC)  2
      TAX 6115  Advanced Corporate Taxation (TAX 6105 “C” & 7AC)  2
      TAX 6205  Partnership Taxation (TAX 5065 “C” & 7AC)  2
   B. Must include at least 4 credits from the following tax courses:
      TAX 6526  International Taxation (TAX 6105 “C” & 7AC)  2
      TAX 6726  Executive Tax Planning (TAX 5065 “C” & 7AC)  2
      TAX 6877  State & Local Taxation (TAX 6105 “C” & 7AC)  2
   C. Other Courses to earn the minimum 14 credits required of part 2:
      ACG 5505  Governmental Accounting (ACG 4111 “C” & 7AC)  2
      ACG 6136  Accounting Theory (ACG 5815 “C” & 7AC)  2
      ACG 6207  Accounting for Risk (ACG 5226 “C” & ACG 5815 “C” & 7AC)  2
      ACG 6635  Issues in Audit Practice (ACG 5226 “C” & ACG 5647 “C” & 7AC)  2
      ACG 6697  Info Sys Assurance (ACG 5226 “C” & ACG 5647 “C” & 7AC)  2
      ACG 6685  Forensic Accounting (ACG 5226 “C” & ACG 5647 “C” & 7AC)  2
      ACG 6175  Financial Reporting & Analysis (ACG 5226 “C” & 7AC)  2
      ACG 6691  International Audit (ACG 5226 “C” & ACG 5647 “C” & 7AC)  2

3. Required Business Core Coursework—8 credits:
   MAN 5246  Organizational Behavior  2
   MAN 6724  Strategic Management  2
   BUL 5832  Commercial Law for Accountants  2
   GEB 6229  Professional Communication for Accountants  2

4. Required Approved Business Electives—6 credits:
   Enhance the student’s plan of study by allowing him/her to explore a business area relating to his/her career goals. Graduate business courses satisfying the approved elective requirement are listed under Course Availability.  

Note: A maximum of 2 credits of accounting MAcc coursework may be used towards the approved business elective requirement (providing the accounting course was not used to complete the minimum accounting hours required of parts 1 or 2 listed above).

Total hours required to complete the MAcc—Tax track  34
Note: Total hours increase by the student’s unmet preparatory coursework.
2014 Preparatory Check List for Master of Accounting

1. Students who have earned a Bachelor’s degree, or academic credit, from institutions other than the Fisher School of Accounting must complete the following preparatory courses, or their equivalent, prior to starting MAcc coursework.

2. Students must meet with the graduate advisor to establish that courses taken at other institutions meet the requirements of the Fisher School. Courses deemed not to be equivalent must be satisfactorily completed at the Fisher School. With limited exceptions, these courses do not count towards the 34-semester-hour requirement for the MAcc degree.

3. Note that courses taken as part of professional certificate programs, continuing professional education, or on a noncredit basis do not fulfill preparatory course requirements.

Foundation Requirements:
- ACG 2021 – Introduction to Financial Accounting
- ACG 2071 – Introduction to Managerial Accounting
- MAC 2233 – Survey of Calculus 1
- MAC 2234 – Survey of Calculus 2
- ECO 2013 – Principles of Macroeconomics
- ECO 2023 – Principles of Microeconomics
- CGS 2531 – Problem Solving Using Computer Software

Accounting Requirements:
- ACG 3101 – Financial Accounting and Reporting 1
- ACG 3401 – Business Processes & Accounting Information Systems
- ACG 4111 – Financial Accounting and Reporting 2
- ACG 4341 – Cost and Managerial Accounting
- TAX 5025 – Federal Income Tax 1
- TAX 5027 – Federal Income Tax 2
- ACG 5637 – Auditing 1
- ACG 5647 – Auditing 2

Business Requirements:
- MAR 3023 – Principles of Marketing
- QMB 3250 – Statistics for Business Decisions
- FIN 3403 – Business Finance
- MAN 4504 – Operations/Supply Chain Management
- BUL 4310 – Legal Environment of Business

Communications Requirements:
- GEB 3213 – Professional Business Writing
- GEB 3218 – Professional Speaking
International Auditing

Course: ACG 6691
Credits: Two (offered either the first or the second half of the semester in an eight week modular format)
Prerequisites: ACG 5647(C) & ACG 5226(C) & MAcc STUDENT

Description: Global perspective of auditing issues including international auditing standards and corporate governance practices providing an in depth analysis of the audit of multinational companies, cross border transactions and transfer pricing within affiliated groups of companies.

Objectives: Prepare students to effectively address audit issues arising from a multinational and international perspective. SACS SLOs: Conduct effective professional accounting research. Solve complex accounting and business problems.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Materials: Textbooks:
1. Principles of Auditing: An Introduction to International Standards on Auditing, Hayes, Dassan, Schilder and Wallage (Prentice Hall)

Supplemental Reading: Listed in Schedule of Weekly Topics

Evaluation: Case—written 30%
Case—presentation 10%
Participation 10%
Final exam 50%
100%

Course Grade: The grading scale used will be as follows:
93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77-79% = C+;
73-76% = C; 70-72% = C-; 60-69% = D; 0-59% = E.

Grade Values: The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar:
A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ 1.33, D = 1.0, D- = .67, E = 0.0
For more information visit:
https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx

Make-Ups: A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time. Barring a documented emergency, the request must be made a minimum of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

Honesty: Academic dishonesty will not be tolerated. Students are required to know and comply with the university’s policy on academic honesty. This policy is detailed in the Undergraduate Catalog and by reference is included in this course syllabus. For more information visit: https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/

Civility: This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

Attendance: While roll may not necessarily be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

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In addition, the instructor adheres to all UF attendance polices documented at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

Evaluation: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at https://evaluations.ufl.edu Evaluations are typically open during the last two

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or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at https://evaluations.ufl.edu/results/.”

Disabilities: Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the Disability Resource Center in the Dean of Students Office. All support services provided for University of Florida students are individualized to meet the needs of students with disabilities.

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The Dean of Students Office will provide documentation to the student who must then provide this documentation a minimum of ten days prior to the requested accommodation.
**Weekly Schedule of Topics:**

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Continued</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Reading Days</td>
<td>None</td>
</tr>
<tr>
<td>8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>
Financial Reporting and Analysis

Course: ACG 6175

Credits: Two (offered either the first or the second half of the semester in an eight week modular format)

Prerequisites: ACG 5226(C) & MAcc STUDENT

Description: Analysis of a firm’s financial and accounting information from a user’s perspective on financial reporting. Topics include: integration of firm strategy with accounting information content, effects of alternative accounting principles, and how accounting measures can be used as anchors for valuation.

Objectives: Understand the financial reporting process by analyzing how financial statements are used by external investors to estimate the “intrinsic” value of a company. SACS SLOs: Conduct effective professional accounting research. Solve complex accounting and business problems.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Materials: Textbooks: Financial Reporting, Financial Statement Analysis, and Valuation (7th Edition). Wahlen, J., Baginski, S., Bradshaw, M. Computer Software: A Financial Statement Analysis Package (FSAP) will be provided by the instructor. Supplemental: Readings and cases as provided by the instructor.

Evaluation:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm exam</td>
<td>25%</td>
</tr>
<tr>
<td>Final exam</td>
<td>40%</td>
</tr>
<tr>
<td>Participation</td>
<td>10%</td>
</tr>
<tr>
<td>Group Projects</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>
Course Grade: The grading scale used will be as follows:
93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77 -79% = C+;
73-76% = C; 70-72% = C-; 60-69% = D; 0-59% = E.

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D = 1.0, D- = .67, E = 0.0
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Civility: This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

Attendance: While roll may not necessarily be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

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In addition, the instructor adheres to all UF attendance polices documented at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx
**Evaluation:** Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at [https://evaluations.ufl.edu](https://evaluations.ufl.edu). Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at [https://evaluations.ufl.edu/results/](https://evaluations.ufl.edu/results/).”

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<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Introduction: Review of Financial Accounting and Reporting</td>
<td>Chapters 1 &amp; 2</td>
</tr>
<tr>
<td>Week 1</td>
<td>Income Flows versus Cash Flows</td>
<td>Chapter 3</td>
</tr>
<tr>
<td>Week 2</td>
<td>Profitability and Risk Analysis</td>
<td>Chapter 4 &amp; 5</td>
</tr>
<tr>
<td>Week 2</td>
<td>Forecasting Pro Forma Financial Statements</td>
<td>Chapter 10</td>
</tr>
<tr>
<td>Week 3</td>
<td>Valuation: Dividends and Cash Flow Based Approaches</td>
<td>Chapters 11 &amp; 12</td>
</tr>
<tr>
<td>Week 3</td>
<td>Valuation: Cash Flow and Earnings Based Approaches</td>
<td>Chapter 13</td>
</tr>
<tr>
<td>Week 4</td>
<td>Midterm Examination</td>
<td>None</td>
</tr>
<tr>
<td>Week 4</td>
<td>Valuation: Earnings and Market-Multiples Based Approaches</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Week 5</td>
<td>Integrated Case Study to be Used as Preparation for Group Project</td>
<td>Walmart Case Study</td>
</tr>
<tr>
<td>Week 5</td>
<td>Financing Activities</td>
<td>Chapter 6</td>
</tr>
<tr>
<td>Week 6</td>
<td>Investing Activities</td>
<td>Chapter 7</td>
</tr>
<tr>
<td>Week 6</td>
<td>Operating Activities</td>
<td>Chapter 8</td>
</tr>
<tr>
<td>Week 7</td>
<td>Accounting Quality</td>
<td>Chapter 9</td>
</tr>
<tr>
<td>Week 7</td>
<td>Group Presentations</td>
<td>Group Projects Posted on Sakai</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>

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Forensic Accounting

Course: ACG 6685

Credits: Two (offered either the first or the second half of the semester in an eight week modular format)

Prerequisites: ACG 5647(C) & ACG 5226(C) & MAcc STUDENT

Description: Analysis of contemporary forensic and investigative accounting. Topics include: fraud auditing, litigation support, valuation, cybercrime, and other key forensic topics.

Objectives: Define the forensic accountant’s role in the private / public sector. Identify the forensic accountant’s role in the litigation support environment and to acquaint students with the basic elements of the typical forensic engagement. SACS SLOs: Conduct effective professional accounting research. Solve complex accounting and business problems.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Materials: Textbooks: Forensic and Investigative Accounting, 5th edition, Commerce Clearing House

Supplemental Reading: Characteristics and Skills of the Forensic Accountant, AICPA

Conducting Effective Interviews, AICPA

Managing the Business Risk of Fraud: A Practical Guide, AICPA

Computer Forensic Services and the CPA Practitioner, AICPA

Evaluation: Midterm exam 40%
Final exam 50%
Participation 10%
100%
**Course Grade:** The grading scale used will be as follows:

- 93-100% = A
- 90-92% = A-
- 87-89% = B+
- 83-86% = B
- 80-82% = B-
- 77-79% = C+
- 73-76% = C
- 70-72% = C-
- 60-69% = D
- 0-59% = E

**Grade Values:** The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar:

- A = 4.0
- A- = 3.67
- B+ = 3.33
- B = 3.0
- B- = 2.67
- C+ = 2.33
- C = 2.0
- C- = 1.67
- D+ = 1.33
- D = 1.0
- D- = .67
- E = 0.0

For more information visit: [https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx](https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx)

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**Civility:** This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

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In addition, the instructor adheres to all UF attendance polices documented at: [https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx](https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx)
Evaluation: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at [https://evaluations.ufl.edu](https://evaluations.ufl.edu). Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at [https://evaluations.ufl.edu/results/](https://evaluations.ufl.edu/results/).

Disabilities: Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the [Disability Resource Center](https://www.ufl.edu/student-affairs/disability-resource-center) in the [Dean of Students Office](https://www.ufl.edu/student-affairs/dean-of-students-office). All support services provided for University of Florida students are individualized to meet the needs of students with disabilities.

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<th>Date</th>
<th>Topics</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Introduction to Forensic and Investigative Accounting</td>
<td>Chapter 1</td>
</tr>
<tr>
<td>Week 1</td>
<td>Fraudulent Financial Reporting; detecting fraud in financial reporting</td>
<td>Chapters 3 &amp; 4</td>
</tr>
<tr>
<td>Week 2</td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 2</td>
<td>Employee Fraud: the misappropriation of assets</td>
<td>Chapter 5</td>
</tr>
<tr>
<td>Week 3</td>
<td>Indirect Methods of Reconstructing Income</td>
<td>Chapter 6</td>
</tr>
<tr>
<td>Week 3</td>
<td>Litigation Services Provided by Accountants</td>
<td>Chapter 8</td>
</tr>
<tr>
<td>Week 4</td>
<td>Midterm Exam</td>
<td>None</td>
</tr>
<tr>
<td>Week 4</td>
<td>Proper Evidence Management</td>
<td>Chapter 9</td>
</tr>
<tr>
<td>Week 5</td>
<td>DeterminingCommercial Damages</td>
<td>Chapter 10</td>
</tr>
<tr>
<td>Week 5</td>
<td>Determining Economic damages</td>
<td>Chapter 12</td>
</tr>
<tr>
<td>Week 6</td>
<td>Investigation of Electronic data</td>
<td>Chapter 13</td>
</tr>
<tr>
<td>Week 6</td>
<td>Digital Forensic Analysis</td>
<td>Chapter 14</td>
</tr>
<tr>
<td>Week 7</td>
<td>Cybercrime Management: legal issues and loss valuation</td>
<td>Chapters 15 &amp; 16</td>
</tr>
<tr>
<td>Week 7</td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>
Auditing 2

Course: ACG 5647
Credits: Two (offered the second half of the semester in an eight week modular format)

Prerequisites: ACG 5637(C) & ACCOUNTING MAJOR

Description: Second of a two-course sequence. Applies the concepts and theory of auditing to gain assurance about key business processes and financial statement assertions. Coverage includes: audit sampling, revenue process, acquisition process, human resource management process, inventory management, resource management processes; completion activities, audit reports and subsequent events.

Objectives: SACS SLOs: Explain the attestation function and describe generally accepted auditing standards. Attest to the fairness of financial representations and the adequacy of internal controls.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined


Evaluation: Midterm exam 30%
Final exam 30%
Quizzes 10%
Participation 10%
Group Project 20%
100%
**Course Grade:** The grading scale used will be as follows:
- 93-100% = A;
- 90-92% = A-;
- 87-89% = B+;
- 80-82% = B-;
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Group Project: The group project will select, investigate, and present a recent accounting fraud scandal. Most, or all, of the information required for this project should be available from internet sources, including: Factiva and LexisNexis Academic. Each group will prepare a presentation focusing on lessons from the scandal that could improve auditing.

Presentations should address the nature of the scandal, who was responsible, what were the accounting issues, and what auditing issues were involved. In addition, groups should educate the audience about the consequences of the fraud and what the auditors could have done differently in order to prevent or detect the scandal earlier.

Each group will submit to the instructor:

1. A copy of the PowerPoint or similar slides used in the presentation.
2. A typed bibliography of sources.

The size of each group will depend upon course enrollment. Group members will submit an evaluation of their own effort and of the effort of each member in their group.
## Weekly Schedule of Topics:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Business Measurement and Analytical Evidence</td>
<td>PCAOB Staff Alert Practices</td>
</tr>
<tr>
<td></td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 2</td>
<td>Planning the Audit of Financial Statement Assertion</td>
<td>Chapter 7</td>
</tr>
<tr>
<td></td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 3</td>
<td>Auditing Marketing, Sales and Distribution</td>
<td>Chapter 10</td>
</tr>
<tr>
<td></td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 4</td>
<td>Audit Sampling</td>
<td>Chapters 8 &amp; 9</td>
</tr>
<tr>
<td></td>
<td>Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 5</td>
<td><strong>Midterm Examination</strong></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>Auditing Supply Chain and Production</td>
<td>Chapter 11</td>
</tr>
<tr>
<td></td>
<td><strong>Group Project Assigned</strong></td>
<td></td>
</tr>
<tr>
<td>Week 6</td>
<td>Auditing Resource Management Processes</td>
<td>Chapter 12 &amp; 13</td>
</tr>
<tr>
<td></td>
<td>Completing the Audit</td>
<td>Chapter 17</td>
</tr>
<tr>
<td>Week 7</td>
<td>Audit Reporting Model</td>
<td>Chapter 18</td>
</tr>
<tr>
<td></td>
<td>Legal Environment of Auditing</td>
<td>Chapter 20</td>
</tr>
<tr>
<td></td>
<td><strong>Group Project Presentations—all week</strong></td>
<td></td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading days—no class</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td><strong>Final Examination</strong></td>
<td>None</td>
</tr>
</tbody>
</table>

*Updated: 6/19/2014 1:47 PM*
June 19, 2014

TO: Veloria A. Kelly, Director Division of Certified Public Accounting
FROM: Dr. Gary A. McGill, Associate Dean & Director
RE: New University of Florida Graduate Accounting Courses

We recently revised our Master of Accounting Program. As part of the revision, we changed the titles of several existing courses and developed many new courses. All courses are delivered in an eight week modular format (each course is two credits). I have attached a summary of our new MAcc program and a sample syllabus for each new course. We seek the Board’s approval to add these to the list of University of Florida courses that satisfy the 36 accounting credit requirement for licensure as a Certified Public Accountant in Florida.

Informational Only: Previously Approved Courses with Title Changes (No Syllabi Provided)
ACG 5226 Advanced Accounting—Formerly Mergers, Acquisitions & Consolidations
ACG 5505 Governmental Accounting—Formerly Fin. Reporting for Gov. and Not-for-Profit Organizations
ACG 5815 Accounting Regulation—Formerly Accounting Institutions and Professional Literature
ACG 6136 Accounting Theory—Formerly Accounting Concepts and Financial Reporting
ACG 6207 Accounting for Risk—Formerly Accounting Issues in Financial Risk Management
ACG 6697 Information Systems Assurance—Formerly Computer Assurance and Control
TAX 6526 International Taxation—Formerly Advanced International Taxation
TAX 6877 State and Local Taxation—Formerly Multijurisdictional Taxation

New Graduate Courses for Consideration (Syllabi Attached)
ACG 5637 Auditing 1 (Note: Existing three credit semester long course converted to a two credit module)
ACG 5647 Auditing 2
ACG 6175 Financial Reporting and Analysis
ACG 6685 Forensic Accounting
ACG 6691 International Auditing
TAX 5025 Federal Income Tax 1
TAX 5027 Federal Income Tax 2
TAX 6105 Corporate Taxation
TAX 6115 Advanced Corporate Taxation
TAX 6205 Partnership Taxation

1 These are preparatory courses typically completed during undergraduate studies and must be completed in addition to the 34 hour MAcc curriculum.
Federal Income Tax 1

Course: TAX 5025

Credits: Two (offered first half of the semester in an eight week modular format)

Prerequisites: ACG 4111(C) & ACG 4341(C) & ACCOUNTING MAJOR

Description: First of a two-course sequence studying the concepts found in the Federal Internal Revenue Code. Primary emphasis will be using the Internal Revenue Code to understand gross income, income exclusions, as well as deductions for businesses.


First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Materials: Internal Revenue Code of 1986 and related regulations

Evaluation:  
Midterm exam 30%  
Group Project 20%  
Participation 10%  
Final Exam 40%  
100%
**Course Grade:** The grading scale used will be as follows:

93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77-79% = C+;
73-76% = C; 70-72% = C-; 60-69% = D; 0-59% = E.

**Grade Values:** The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar:

A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ 1.33,
D = 1.0, D- = .67, E = 0.0

For more information visit: https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx

**Make-Ups:** A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time. Barring a documented emergency, the request must be made a minimum of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

**Honesty:** Academic dishonesty will not be tolerated. Students are required to know and comply with the university’s policy on academic honesty. This policy is detailed in the Undergraduate Catalog and by reference is included in this course syllabus. For more information visit: https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/

**Civility:** This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

**Attendance:** While roll may not necessarily be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

Students who do not attend at least one of the first two class meetings of a course or laboratory in which they are registered, and who have not contacted the department to indicate their intent, may be dropped from the course. However, students should not assume they have been dropped from a course if they fail to attend the first few days of class.

In addition, the instructor adheres to all UF attendance polices documented at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx
Evaluation: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at https://evaluations.ufl.edu. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at https://evaluations.ufl.edu/results/.

Disabilities: Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the Disability Resource Center in the Dean of Students Office. All support services provided for University of Florida students are individualized to meet the needs of students with disabilities.

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The Dean of Students Office will provide documentation to the student who must then provide this documentation a minimum of ten days prior to the requested accommodation.

Group Project: There will be a tax return project which will be a collaborative effort involving small groups of students. The project will include information regarding a hypothetical family’s gross income, deductions, self-employment tax, and tax credits. The group must determine which items have tax consequences as well as correctly reporting all transactions on an individual tax return, Form 1040.

The size of each group will depend upon course enrollment. The tax return must be manually prepared. Groups may not use software to complete any portion of this assignment. Group members will submit an evaluation of their own effort and of the effort of each member in their group.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>IRS Code Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Introduction and Overview</td>
<td>None</td>
</tr>
<tr>
<td>Week 1</td>
<td>Gross Income</td>
<td>61(a)</td>
</tr>
<tr>
<td>Week 2</td>
<td>Gross Income—Continued</td>
<td>None</td>
</tr>
<tr>
<td>Week 2</td>
<td>Specific Inclusions in Gross Income</td>
<td>71(a), (b)(1), (c)(1); 215(a), (b); 72(a), (b), (c)(1), (c)(3); 73; 74(a), (b); 79(a), (b); 85 Scan: 7872; 86</td>
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<tr>
<td>Week 3</td>
<td>Specific Exclusions from Gross Income</td>
<td>101(a), (c), (d)(1); 102(a), (c); 103(a); 104(a); 105(a), (b), (c), (e); 106; 115; 108(a)(1), (b)(1), (b)(2), (d)(1); 1017(a); 109; 1019; 111(a); 117(a), (b), (c), 118(a); 107; 119(a); Scan: 120(a); 125(a); 127(a); 129(a); 132(a); 135(a)</td>
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<tr>
<td>Week 3</td>
<td>Specific Exclusions—Continued</td>
<td>101(a), (c), (d)(1); 102(a), (c); 103(a); 104(a); 105(a), (b), (c), (e); 106; 115; 108(a)(1), (b)(1), (b)(2), (d)(1); 1017(a); 109; 1019; 111(a); 117(a), (b), (c), 118(a); 107; 119(a); Scan: 120(a); 125(a); 127(a); 129(a); 132(a); 135(a)</td>
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<tr>
<td>Week 4</td>
<td><strong>Midterm Exam</strong></td>
<td>None</td>
</tr>
<tr>
<td>Week 4</td>
<td>Gain-seeking Deductions</td>
<td>63(a); 161; 162(a); 212; 162(c), (f), (g), (e), (m)(1); 280E; 195(a), (b), (c); 84; 271(a); 276(a); 262; 263(a); 263A(a); 1016(a)(1); 264(a)(1); 265(a)(1); 267(a)(2); (b); 274(a), (b)(1), (d), (e)(1), (e)(2); 280A(a), (b), (c)(1), (c)(2), (c)(3), (d)(1), (d)(2), (d)(3)(A); 183 Scan: 174(b), 266; 268; 280B; 173(a); 174(a); 175(a); 179(a); 180(a); 190(a)(1); 193</td>
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<tr>
<td>Week 5</td>
<td>Bad Debts, NOLs, Passive Losses, and Research and Development</td>
<td>166; 172(a), (c); 469(a); 174(a), (b)(1)</td>
</tr>
<tr>
<td>Week 5</td>
<td>Depreciation and Amortization</td>
<td>167(a), (b), (c); 168(a), (b), (c), (d), (e), (f), (g), (l); 179(a), (b), (c)(1), (d)(1) Scan: 169(a), (d); 178; 194; 195; 197</td>
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<tr>
<td>Week 6</td>
<td>Employee Deductions</td>
<td>Reg. 1.162-5(a), (b); 217(a); 82</td>
</tr>
<tr>
<td>Week 6</td>
<td>Deductions Available Only to Organizations</td>
<td>241; 243(a)(1); 246(b); 246A(a); 248</td>
</tr>
<tr>
<td>Week 7</td>
<td>Basic Tax Computation: Individuals and Corporations</td>
<td>62; 63; 151; 152; 67; 68; 1; 11</td>
</tr>
<tr>
<td>Week 7</td>
<td>Special Methods for Computing Taxes; Tax Credits</td>
<td>Scan: 55-59; 21; 22; 24; 25A; 29; 30; 31; 32; 38; 40; 41; 42; 48(a)</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td><strong>Final Exam</strong></td>
<td>None</td>
</tr>
</tbody>
</table>
Federal Income Tax 2

Course: TAX 5027

Credits: Two (offered second half of the semester in an eight week modular format)

Prerequisites: TAX 5025(C) & ACCOUNTING MAJOR

Description: Second of a two-course sequence studying the concepts found in the Federal Internal Revenue Code. Primary emphasis will be using the Internal Revenue Code to understand property transactions in a business and investment context.


First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Materials: Internal Revenue Code of 1986 and related regulations

Evaluation: Midterm exam 30%
Group Project 20%
Participation 10%
Final Exam 40%
100%

Updated: 6/19/2014 1:48 PM
Course Grade: The grading scale used will be as follows:

- 93-100% = A;
- 90-92% = A-;
- 87-89% = B+;
- 83-86% = B;
- 80-82% = B-;
- 77-79% = C+;
- 73-76% = C;
- 70-72% = C-;
- 60-69% = D;
- 0-59% = E.

Grade Values: The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar:

- A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ = 1.33,
- D = 1.0, D- = .67, E = 0.0

For more information visit: https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx

Make-Ups: A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time. Barring a documented emergency, the request must be made a minimum of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

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Civility: This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

Attendance: While roll may not necessarily be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

Students who do not attend at least one of the first two class meetings of a course or laboratory in which they are registered, and who have not contacted the department to indicate their intent, may be dropped from the course. However, students should not assume they have been dropped from a course if they fail to attend the first few days of class.

In addition, the instructor adheres to all UF attendance polices documented at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx
**Evaluation:** Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at [https://evaluations.ufl.edu](https://evaluations.ufl.edu) Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at [https://evaluations.ufl.edu/results/](https://evaluations.ufl.edu/results/)."

**Disabilities:** Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the [Disability Resource Center](https://www.ufl.edu/careers-and-employment/disability-resource-center) in the [Dean of Students Office](https://www.ufl.edu/student-affairs/). All support services provided for University of Florida students are individualized to meet the needs of students with disabilities.

To obtain individual support services, each student must meet with one of the support coordinators in the Disability Resources Program and collaboratively develop appropriate support strategies. Appropriate documentation regarding the student’s disability is necessary to obtain any reasonable accommodation or support service.

The Dean of Students Office will provide documentation to the student who must then provide this documentation a minimum of ten days prior to the requested accommodation.

**Group Project:** There will be a tax return project which will be a collaborative effort involving small groups of students. The project will include information regarding a hypothetical family’s cost recovery deductions, gains and losses on personal and profit-seeking assets, and potential tax-free transactions. Students must determine which items have tax consequences, including magnitude and characterization, as well as correctly reporting all transactions on an individual tax return, Form 1040 and supporting schedules.

The size of each group will depend upon course enrollment. The tax return must be manually prepared. Groups may not use software to complete any portion of this assignment. Group members will submit an evaluation of their own effort and of the effort of each member in their group.
### Weekly Schedule of Topics:

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<tr>
<th>Date</th>
<th>Topics</th>
<th>IRS Code Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Introduction to Property Transactions</td>
<td>1001(a), (b), (c)</td>
</tr>
<tr>
<td>Week 1</td>
<td>Determination of Gain or Loss</td>
<td>1011; 1012; 1014(a); 1015(a), (d)(1)(A), (d)(6); 1016(a)(1), (a)(2); 1017(a); 1019(a)</td>
</tr>
<tr>
<td>Week 2</td>
<td>Losses</td>
<td>165(a), (b), (c), (d), (e), (f), (g)(1), (g)(2), (h)(1), (i); 267(a)(1), (d); 1091; 280B</td>
</tr>
<tr>
<td>Week 2</td>
<td>Losses—Continued</td>
<td>None</td>
</tr>
<tr>
<td>Week 3</td>
<td>Nonrecognition and Characterization; Nontaxable Transactions</td>
<td>1031(a), (b), (c), (d)</td>
</tr>
<tr>
<td>Week 4</td>
<td>Nontaxable Transactions—Continued</td>
<td>1033(a)(2), (b), (g)(1), (g)(2); 121(a), (b)</td>
</tr>
<tr>
<td>Week 4</td>
<td>Midterm Exam</td>
<td>None</td>
</tr>
<tr>
<td>Week 5</td>
<td>Nontaxable Transactions—Mechanics of Capital Gains and Losses</td>
<td>1221(a); 1222; 1223(1),(2); 1201; 1(h); 1211; 1212(a)(1)(A), (b); 165(f)</td>
</tr>
<tr>
<td>Week 5</td>
<td>Nontaxable Transactions—Continued</td>
<td>None</td>
</tr>
<tr>
<td>Week 6</td>
<td>Special Characterization Rules</td>
<td>1231; 1245; 1250; 291(a); 165(h)(2), (h)(3)</td>
</tr>
<tr>
<td>Week 6</td>
<td>Special Characterization Rules—Continued</td>
<td>Scan: 1235(a); 1253(a); 1239(a); 1256(a), (b); 1236(a); 1237(a); 402(a)(2); 166(d); 165(g); 1233(a); 1234(a)</td>
</tr>
<tr>
<td>Week 7</td>
<td>Special Characterization Rules—Continued</td>
<td>None</td>
</tr>
<tr>
<td>Week 7</td>
<td>Review</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>

Updated: 6/19/2014 1:48 PM
Advanced Corporate Taxation

Course: TAX 6115

Credits: Two (offered second half of the semester in an eight week modular format)

Prerequisites: TAX 6105(C) & MAcc STUDENT

Description: Second of a two-course sequence that continues the study of corporate taxation. The course emphasizes: liquidations, reorganizations, divisions; it introduces the taxation of S corporations.

Objectives: Learn the concepts of the federal income tax system applied to business entities and to apply knowledge to problem situations likely to be encountered in tax compliance and tax planning practice. SACS SLOs: Conduct effective professional tax research. Solve complex accounting and business problems.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined


Evaluation: Group Research Case 30%
Participation 25%
Final Exam 45%
100%

Course Grade: The grading scale used will be as follows:
93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77-79% = C+

Updated: 6/19/2014 1:47 PM
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<tr>
<th>Date</th>
<th>Topics</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Corporate Complete Liquidation</td>
<td>Chapter 15</td>
</tr>
<tr>
<td>Week 1</td>
<td>Corporate Complete Liquidation—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 2</td>
<td>Taxable Corporate Acquisitions</td>
<td>Chapter 16</td>
</tr>
<tr>
<td>Week 2</td>
<td>Taxable Corporate Acquisitions—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td></td>
<td>(Group Research Case Assigned: Tax Consequences of Acquisition of Corporate Assets Versus Acquisitions of Corporate Stock)</td>
<td>Case</td>
</tr>
<tr>
<td>Week 3</td>
<td>Tax-Free Corporate Reorganizations</td>
<td>Chapter 17</td>
</tr>
<tr>
<td>Week 3</td>
<td>Tax-Free Corporate Reorganizations—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 4</td>
<td>Corporate Divisions</td>
<td>Chapter 18</td>
</tr>
<tr>
<td>Week 4</td>
<td>Corporate Divisions—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td></td>
<td>(Group Research Case due)</td>
<td>None</td>
</tr>
<tr>
<td>Week 5</td>
<td>Corporate Divisions—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 5</td>
<td>Carryover of Corporate Tax Attributes</td>
<td>Chapter 19</td>
</tr>
<tr>
<td>Week 6</td>
<td>S Corporations—How to Elect</td>
<td>Chapter 20</td>
</tr>
<tr>
<td>Week 6</td>
<td>S Corporations—Taxation of Shareholders</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 7</td>
<td>Taxation of S Corporations</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 7</td>
<td>Review for Final Examination</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>
Partnership Taxation

Course: TAX 6205

Credits: Two (offered either the first or the second half of the semester in an eight week modular format)

Prerequisites: TAX 5065(C) & MAcc STUDENT

Description: Provides in-depth study of the taxation of partnerships and LLCs. The course includes tax issues related to: formation, operations, and distributions from entities taxed as partnerships.

Objectives: Learn the concepts of the federal income tax system applied to business entities and to apply knowledge to problem situations likely to be encountered in tax compliance and tax planning practice. SACS SLOs: Conduct effective professional tax research. Solve complex accounting and business problems.

First Offered: Fall 2014

Location: Gerson Hall—room to be determined

Class Time: The course will meet four periods each week during the module.

Instructor: To be determined

Office Hours: To be determined—minimum three hours per week and by appointment for conflicts.

Contact: To be determined

Treasury Regulations, publisher of choice

Evaluation: Midterm Exam 45%
Participation 10%
Final Exam 45%
100%

Course Grade: The grading scale used will be as follows:
93-100% = A; 90-92% = A-; 87-89% = B+; 83-86% = B; 80-82% = B-; 77-79% = C+;
73-76% = C; 70-72% = C-; 60-69% = D; 0-59% = E.
Grade Values: The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar:
A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ 1.33, D = 1.0, D- = .67, E = 0.0
For more information visit: https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx

Make-Ups: A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time. Barring a documented emergency, the request must be made a minimum of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

Honesty: Academic dishonesty will not be tolerated. Students are required to know and comply with the university’s policy on academic honesty. This policy is detailed in the Undergraduate Catalog and by reference is included in this course syllabus. For more information visit: https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/

Civility: This course will be conducted in a courteous and professional manner. Inappropriate classroom behavior of any form will not be tolerated. At the instructor’s discretion, students acting in an uncivil manner will receive a grade reduction commensurate with the infraction. Students can be withdrawn from the course for excessive unacceptable behavior.

Attendance: While roll may not necessarily be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

Students who do not attend at least one of the first two class meetings of a course or laboratory in which they are registered, and who have not contacted the department to indicate their intent, may be dropped from the course. However, students should not assume they have been dropped from a course if they fail to attend the first few days of class.

In addition, the instructor adheres to all UF attendance polices documented at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

Evaluation: Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at https://evaluations.ufl.edu Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when
they are open. Summary results of these assessments are available to students at https://evaluations.ufl.edu/results/.”

Disabilities: Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the Disability Resource Center in the Dean of Students Office. All support services provided for University of Florida students are individualized to meet the needs of students with disabilities.

To obtain individual support services, each student must meet with one of the support coordinators in the Disability Resources Program and collaboratively develop appropriate support strategies. Appropriate documentation regarding the student's disability is necessary to obtain any reasonable accommodation or support service.

The Dean of Students Office will provide documentation to the student who must then provide this documentation a minimum of ten days prior to the requested accommodation.
### Weekly Schedule of Topics:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Partnership Overview</td>
<td>Chapter 1</td>
</tr>
<tr>
<td>Week 1</td>
<td>Partnership Formation</td>
<td>Chapter 2</td>
</tr>
<tr>
<td>Week 2</td>
<td>Partnership Operations: General Rules</td>
<td>Chapter 3</td>
</tr>
<tr>
<td>Week 2</td>
<td>Partnership Operations: General Rules—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 3</td>
<td>Partnership Allocations</td>
<td>Chapter 4</td>
</tr>
<tr>
<td>Week 3</td>
<td>Partnership Allocations--Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 4</td>
<td>Midterm Exam</td>
<td>None</td>
</tr>
<tr>
<td>Week 4</td>
<td>Transactions Between Partner &amp; Partnership: Guaranteed Payments</td>
<td>Chapter 5</td>
</tr>
<tr>
<td>Week 5</td>
<td>Sale or exchange of partnership interest</td>
<td>Chapter 6</td>
</tr>
<tr>
<td>Week 5</td>
<td>Operating Distributions</td>
<td>Chapter 7</td>
</tr>
<tr>
<td>Week 6</td>
<td>Operating Distributions—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 6</td>
<td>Liquidating Distributions and Terminations</td>
<td>Chapter 8</td>
</tr>
<tr>
<td>Week 7</td>
<td>Liquidating Distributions and Terminations—Continued</td>
<td>Continued</td>
</tr>
<tr>
<td>Week 7</td>
<td>Review for Final Exam</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Reading Days—No class</td>
<td>None</td>
</tr>
<tr>
<td>Week 8</td>
<td>Final Exam</td>
<td>None</td>
</tr>
</tbody>
</table>
SAMPLE 1

REPORT OF EVALUATION OF EDUCATIONAL CREDENTIALS

NAME: Mr. Sample  
DOB: 08/15/1969  
COUNTRY: Venezuela  

PURPOSE OF EVALUATION: Pennsylvania Board of Accountancy

October 2, 2014

The following is a response to Mr. Sample's request for an evaluation of his academic credentials from Venezuela for consideration by the Pennsylvania Board of Accountancy. This evaluation was prepared based on official, original academic credentials.

Mr. Sample attended "Santa María" University (Universidad Santa María) from 1988 to 1995. Founded in 1953, "Santa María" University is a recognized (accredited), private institution of higher education by the Ministry of the People’s Power for University Education (Ministerio del Poder Popular para la Educación Universitaria) in Venezuela. In order to be admitted into "Santa María" University, applicants must have the high school diploma (Bachiller) and pass an entrance examination. This is the equivalent of graduation from a college preparatory program at an accredited high school in the United States.

Mr. Sample completed the five-year undergraduate program and was awarded the degree of Licentiate in Public Accounting (Licenciado en Contaduría Pública) by "Santa María" University on October 23, 1995. This is the equivalent of completion of 150 semester credit hours of undergraduate study and the U.S. degree of Bachelor of Science in Accounting earned at a regionally accredited institution of higher education in the United States.
Mr. Sample’s educational study included the following courses by titles:

<table>
<thead>
<tr>
<th>ACCOUNTING</th>
<th>SEMESTER HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A2  Accounting I (E)</td>
<td>6.00</td>
</tr>
<tr>
<td>A2  Accounting II</td>
<td>6.00</td>
</tr>
<tr>
<td>A1  Accounting III</td>
<td>6.00</td>
</tr>
<tr>
<td>C1  Accounting IV</td>
<td>6.00</td>
</tr>
<tr>
<td>C2  Auditing I</td>
<td>6.00</td>
</tr>
<tr>
<td>C4  Cost Accounting I</td>
<td>6.00</td>
</tr>
<tr>
<td>C5  Income Tax</td>
<td>4.50</td>
</tr>
<tr>
<td>C1  Cost Accounting II</td>
<td>6.00</td>
</tr>
<tr>
<td>C2  Auditing II</td>
<td>6.00</td>
</tr>
<tr>
<td>C3  Budgets</td>
<td>6.00</td>
</tr>
<tr>
<td>C4  Fiscal Accounting</td>
<td>4.50</td>
</tr>
<tr>
<td>C5  Analysis of Financial Statements</td>
<td>6.00</td>
</tr>
</tbody>
</table>

**TOTAL** 69.00

<table>
<thead>
<tr>
<th>BUSINESS</th>
<th>SEMESTER HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1  Economic Theory I</td>
<td>6.00</td>
</tr>
<tr>
<td>A6  Economic Law (+)</td>
<td>3.00</td>
</tr>
<tr>
<td>A1  Economic Theory II</td>
<td>4.50</td>
</tr>
<tr>
<td>A4  Methodological Statistics</td>
<td>6.00</td>
</tr>
<tr>
<td>A5  Oil and Mining Economy</td>
<td>4.50</td>
</tr>
<tr>
<td>A7  Computer Science</td>
<td>4.50</td>
</tr>
<tr>
<td>A2  Financial Mathematics</td>
<td>4.50</td>
</tr>
<tr>
<td>A3  Business Administration I</td>
<td>4.50</td>
</tr>
<tr>
<td>A4  Fiscal Legislation (+)</td>
<td>3.00</td>
</tr>
<tr>
<td>A5  Applied Statistics</td>
<td>4.50</td>
</tr>
<tr>
<td>A6  Economic Theory III</td>
<td>4.50</td>
</tr>
<tr>
<td>A7  Monetary Theory and Policy</td>
<td>4.50</td>
</tr>
<tr>
<td>C3  Systems and Procedures</td>
<td>3.00</td>
</tr>
</tbody>
</table>

**TOTAL** 57.00

<table>
<thead>
<tr>
<th>OTHER</th>
<th>SEMESTER HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A3  Mathematical Analysis I</td>
<td>6.00</td>
</tr>
<tr>
<td>A4  Economic Geography</td>
<td>3.00</td>
</tr>
<tr>
<td>A5  History of Economics</td>
<td>3.00</td>
</tr>
</tbody>
</table>
A7  Research Methodology  3.00
A3  Mathematical Analysis II  6.00
A6  Labor Legislation  3.00

TOTAL  24.00

(E) Denotes elementary level courses.
(+ ) Does not include U.S. Uniform Code, etc.

This evaluation was prepared according to the requirements of the Pennsylvania Board of Accountancy. This evaluation may not be used for any other board of accountancy or for educational purposes.

This evaluation is of an advisory nature. The Pennsylvania Board of Accountancy will determine whether the CPA Certificate will be granted.

Sincerely,

Laura Reyes
International Education Consultant
LR: 007

Lilia Manrique-Fernandez
Senior International Education Consultant
SAMPLE 2

REPORT OF EVALUATION OF EDUCATIONAL CREDENTIALS

NAME: Mr. Sample
DOB: 1/2/1980
COUNTRY: India

PURPOSE OF EVALUATION: NH Board of Accountancy

January 21, 2014

In response to Mr. Sample's request, the following is an evaluation of his academic credentials from India for consideration by the New Hampshire Board of Accountancy. This evaluation was prepared based on photocopies of official original academic credentials attested by the Fulbright (Education USA) office in New Delhi, India.

Mr. Sample was enrolled in the School of Open Learning of the University of Delhi from 2009 to 2012. Founded in 1922, the University of Delhi is recognized (accredited) as a public institution of higher education in India by the Association of Indian Universities. In order to be accepted into the University of Delhi, applicants must have the Higher Secondary Certificate or an equivalent grade XII certificate. This is the equivalent of graduation from a college preparatory program at an accredited high school in the United States.

Mr. Sample completed the three-year distance education program leading to the degree of Bachelor of Commerce (Honours) at the University of Delhi in 2012. However, Mr. Sample did not submit the official degree of Bachelor of Commerce (Honours) issued by the University of Delhi. This is the equivalent of completion of 92.25 semester credit hours of undergraduate study in Business Administration, Accounting and related courses in a distance education program at a regionally accredited institution of higher education in the United States.
Mr. Sample continued his study in a distance education program at Madurai Kamaraj University from 2012 to 2013. Founded in 1966, Madurai Kamaraj University is recognized (accredited) as a public institution of higher education in India by the Association of Indian Universities. In order to be admitted into the Master of Commerce program at Madurai Kamaraj University, applicants must have a three-year Bachelor’s degree from a recognized (accredited) institution of higher education in India. This is the equivalent of completion of three years of undergraduate study at a regionally accredited institution of higher education in the United States.

Mr. Sample was enrolled in the Master of Commerce program, but left Madurai Kamaraj University without graduating in 2013. This is the equivalent of completion of an additional 30 semester credit hours (for a total of 122.25 semester credit hours) of undergraduate study in Business Administration, Accounting and related courses in a distance education program at a regionally accredited institution of higher education in the United States. This is not the equivalent of a U.S. Bachelor’s degree earned through distance education at a regionally accredited institution of higher education in the United States.

Mr. Sample’s educational study included the following courses by titles:

**ACCOUNTING**

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Semester Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>A102</td>
<td>Financial Accounting (E)</td>
<td>4.25</td>
</tr>
<tr>
<td>B101</td>
<td>Corporate Accounting</td>
<td>3.75</td>
</tr>
<tr>
<td>B102</td>
<td>Cost Accounting</td>
<td>3.75</td>
</tr>
<tr>
<td>B106</td>
<td>Income Tax Law and Practice</td>
<td>3.75</td>
</tr>
<tr>
<td>B108</td>
<td>Auditing</td>
<td>2.50</td>
</tr>
<tr>
<td>C301</td>
<td>Management Accounting</td>
<td>4.25</td>
</tr>
<tr>
<td>C314</td>
<td>Corporate Tax Planning</td>
<td>4.25</td>
</tr>
<tr>
<td>C315</td>
<td>Business Tax Procedures and Management</td>
<td>4.25</td>
</tr>
<tr>
<td>MA2</td>
<td>Financial Accounting</td>
<td>7.50</td>
</tr>
</tbody>
</table>

**Total:** 38.25

**GENERAL BUSINESS**

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Semester Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>A101</td>
<td>Business Organization and Management</td>
<td>4.25</td>
</tr>
<tr>
<td>A104</td>
<td>Microeconomic Theory &amp; Applications I</td>
<td>4.25</td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Title</td>
<td>Semester Hours</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>A105</td>
<td>Business Statistics</td>
<td>4.25</td>
</tr>
<tr>
<td>A106</td>
<td>Business Law (*)</td>
<td>4.25</td>
</tr>
<tr>
<td>A107/8</td>
<td>Introduction to Computers and Information Systems</td>
<td>4.25</td>
</tr>
<tr>
<td>A109</td>
<td>Business Communication</td>
<td>2.75</td>
</tr>
<tr>
<td>A110</td>
<td>Politics, Ethics and Social Responsibility of Business</td>
<td>2.75</td>
</tr>
<tr>
<td>B103</td>
<td>Microeconomic Theory &amp; Applications II</td>
<td>3.75</td>
</tr>
<tr>
<td>B104</td>
<td>Business Mathematics</td>
<td>3.75</td>
</tr>
<tr>
<td>B105</td>
<td>Corporate Laws (*)</td>
<td>3.75</td>
</tr>
<tr>
<td>B107</td>
<td>E-Commerce</td>
<td>2.50</td>
</tr>
<tr>
<td>C302</td>
<td>Macroeconomics</td>
<td>4.25</td>
</tr>
<tr>
<td>C303</td>
<td>Indian Economy - Performance and Policies</td>
<td>4.25</td>
</tr>
<tr>
<td>C304</td>
<td>Financial Management</td>
<td>4.25</td>
</tr>
<tr>
<td>C305</td>
<td>Fundamentals of Investment</td>
<td>4.25</td>
</tr>
<tr>
<td>MA1</td>
<td>Business Environment and Policy</td>
<td>7.50</td>
</tr>
<tr>
<td>MA3</td>
<td>Banking and Insurance</td>
<td>7.50</td>
</tr>
<tr>
<td>MA4</td>
<td>Computer Applications in Business</td>
<td>7.50</td>
</tr>
</tbody>
</table>

**Total:** 80.00

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Semester Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>B859</td>
<td>Political Science</td>
<td>2.50</td>
</tr>
<tr>
<td>C322</td>
<td>Project Work (Unspecified)</td>
<td>1.50</td>
</tr>
</tbody>
</table>

**Total:** 4.00

(E) Indicates elementary level course.

(*) Does not include U.S. Uniform Code, etc.

This evaluation was prepared according to the requirements of the New Hampshire Board of Accountancy. This evaluation may not be used for any other Board of Accountancy or for educational purposes.
This evaluation is of an advisory nature. The New Hampshire Board of Accountancy will determine whether the CPA Certificate will be granted.

Sincerely,

Juan Garibaldi
Senior International Education Consultant
JCG: 032

Luguan Yan
Senior International Education Consultant
REPORT OF EVALUATION OF EDUCATIONAL CREDENTIALS

NAME: Ayaz Mustafa Zuberi
DOB: 3/28/1971
COUNTRY: United States

PURPOSE OF EVALUATION: FL Board of Accountancy

October 10, 2014

In response to Mr. Zuberi’s request, the following is an evaluation of his academic credentials from the United States for consideration by the Florida Board of Accountancy. This evaluation was prepared based on official original academic credentials.

Mr. Zuberi attended the American University of Hawaii, an institution which is not regionally accredited in the United States by any of the six regional accreditation bodies and was shut down by the state of Hawaii.

Mr. Zuberi was awarded the degree of Master of Business Administration by the American University of Hawaii on March 15, 1998. Mr. Zuberi completed in U.S. terms 0 semester credit hours of accredited study. Mr. Zuberi completed in U.S. terms 42 semester credit hours of unaccredited graduate study.

Mr. Zuberi’s unaccredited study at the American University of Hawaii included the following courses by titles:

<table>
<thead>
<tr>
<th>ACCOUNTING (%)</th>
<th>SEMESTER HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFM663 Financial Statement Analysis</td>
<td>(3.00)</td>
</tr>
<tr>
<td>MGT505 Financial Management and Control</td>
<td>(3.00)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(6.00)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GENERAL BUSINESS (%)</th>
<th>SEMESTER HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MGT500 Principles and Practice of General Management</td>
<td>(3.00)</td>
</tr>
<tr>
<td>MGT662 Microeconomics for Management</td>
<td>(3.00)</td>
</tr>
<tr>
<td>MGT663 Macroeconomics for Management</td>
<td>(3.00)</td>
</tr>
<tr>
<td>MGT503 Human Resources Management</td>
<td>(3.00)</td>
</tr>
<tr>
<td>MGT502 Marketing and Sales Management</td>
<td>(3.00)</td>
</tr>
</tbody>
</table>

RECEIVED

OCT 14 2014

CIU Mall Intake Stamp #9

JOSEF SILNY, M.A., President
June 1980 - September 1991 Director of International Admissions, University of Miami
February 1973 - May 1980 Director of International and Transfer Admissions, The City University of New York

Mr. Silny has participated as a panelist or a workshop director at national professional conferences annually since 1974. He has held numerous committee chairmanships and memberships in national professional organizations as well as memberships on Boards of Directors and Advisory Boards of distinguished educational organizations and corporations. Mr. Silny has published a book and numerous articles in the field of international education.

JS&A EVALUATORS & ASSOCIATES: Shihab Asfour, Ph.D., Chair, Dept. of Engineering, University of Miami; Edward Baker, Ph.D., Department of Management Sciences, University of Miami; Tiera J. Beisinger, B.A., Asst. Vice President and Director of Corporate Relations; Daryl Burold, M.A., Senior Asst. Director for Evaluations; Hilda Caputo, B.A., Vice President; Yaela Boulos, B.A., Foreign Credit Analyst; Julie Elms, B.A., Associate Director of Translation; Giselle Ferrer, B.S., Asst. Director of Corporate Relations; Lillia Mainu-Fernandez, B.A., Senior Asst. Director for Evaluations; Pilar Figueroa, B.A., Foreign Credential Evaluator; James Foley, Ph.D., Former Assoc. Dean of School of Business Administration, University of Miami; Ricardo Garcia, B.S., Translator; Omar Garcia-Garrido, B.A., Foreign Credential Evaluator; Juan Carlos Garibaldi, B.A., Asst. Director for Evaluations; Luis Garibaldi, B.S., Foreign Credential Evaluator; Jennifer A. Gold, M.A., Foreign Credential Evaluator; Harsh Gurnani, Ph.D., Chair of Department of Management, University of Miami; Glenda Inchauspe, B.A., Foreign Credential Evaluator; David M. Hardesty, Ph.D., Assoc. Prof., School of Business Administration, University of Kentucky; Amarilys Hernandez, B.S., Foreign Credential Evaluator; Oscar Holmquist, Ph.D., Assoc. Prof. of Accounting, University of Miami; M. Francis Keen, D.N.Sc., R.N., School of Nursing, Villanova University; Maurizio Laurenti, M.A., Foreign Credential Evaluator; Kenneth Li, B.S., Asst. Director for Evaluations; Polina Lipman, B.A., Director for Evaluations; Charles H. Mallory, Ph.D., Assoc. Prof. of Biology, University of Miami; Robert F. Moore, Ed.D., Assoc. Prof. of Education, University of Miami; Eva Nikaj, B.B.A., Foreign Credential Evaluator; Alejandro Otero, B.A., Translator; Stephen Paetz, B.A., Director of Translation; Robert Parker, Ph.D., Former Assoc. Dean, School of Music Emeritus, University of Miami; Nicholas Parmicles, Ph.D., Prof. of Architecture, University of Miami; Rebecca Plante, B.A., Asst. Director for Initial Training; Robert Plant, Ph.D., Assoc. Prof., Department of Computer Information Systems, University of Miami; Laure Prilotea, M.A., Foreign Credential Evaluator; William Purcell, Ph.D., Asst. Professor/Chairman of Chemistry, University of Miami; Olga Quintana, Ph.D., Assoc. Prof. of Accounting, University of Miami; Carol R. Raab, B.A., Foreign Credential Evaluator; Laura Reyes, B.A., Foreign Credential Evaluator; Natasha Rincón, B.S., Foreign Credential Evaluator; Anastasia Rodriguez, B.A., Foreign Credential Evaluator; Noell Rodriguez, B.A., Asst. Director for Evaluations; Carl H. Snyder, Ph.D., Prof. of Chemistry, University of Miami; Thomas Steinfaust, Ph.D., Professor/Director of Communications, University of Miami; John Steward, Ph.D., Assoc. Prof., Computer Information Systems, University of Miami; Joel D. Stite, Ph.D., Chair, Computer Information Systems, University of Miami; Moez A. Tapia, Ph.D., Prof. Computer Information Systems, University of Miami; Kao Phul Vincen Weng, Ph.D., Prof. of Mechanical Engineering, University of Miami; Peter A. Zora, Jr., M.F.A., Former Prof. of Art, University of Miami

ORGANIZATIONS WHICH ACCEPT EVALUATIONS DONE BY JS&A

JS&A is a Member of the National Association of Credential Evaluation Services, Inc. (NACES). Evaluations prepared by JS&A are accepted and recognized by the organizations listed below.

1. U.S. FEDERAL GOVERNMENT

2. U.S. ARMED FORCES
   Air Force, Army, Marines

3. LICENSING BOARDS
   Architecture: Alaska, California
   Barbers: Florida, South Dakota
   Cosmetology: North Carolina, Utah, Vermont
   Dentistry: Colorado
   Engineering: Alaska, Florida, Louisiana, Maryland, New Jersey, Texas
   Law: California, Florida
   Marriage and Family Therapy, Mental Health: Florida
   Medical Laboratory: American Medical Technologists, American Society of Clinical Pathologists, Health Care Financing Administration, Connecticut, Florida, Georgia, Nevada, Tennessee
   Midwifery: Florida
   Nursing: Arizona, Florida, New Mexico, Missouri
   Opticianry: Florida
   Psychology: Delaware, District of Columbia, Florida, Maryland, Virginia
   Respiratory Care: National Board for Respiratory Care, California, Florida
   Speech Pathology and Audiology: American Speech-Language-Hearing Association, Florida, Georgia

4. STATE DEPARTMENTS OF EDUCATION

5. OTHER GOVERNMENTAL AND PRIVATE AGENCIES
   American Association for Clinical Chemistry, Association of Colleges of Osteopathic Medicine, American Association of Colleges of Podiatric Medicine, Association of American Veterinary Medical Colleges, Broward County Sheriff's Office, CAPSA-Central Application Service for Physician Assistants, Florida Department of Health and Rehabilitative Services, NCBA, Office of Personnel: City of Miami, Fr. Lauderdale, Miami Beach, New York City, State of New York

6.Hundreds of COLLEGES AND UNIVERSITIES
   Many other organizations which do not appear on this list may also accept evaluations done by JS&A. Applicants are advised to check with the agency, institution, or organization to which they intend to submit the evaluation to make certain that the evaluation will be recognized.
MGT507 Strategic Management and Business Policy I (6.00)
MIS663 Database Management Systems (3.00)
IFM668 International Finance (3.00)
MGT600 MBA Project (Master's Thesis) (12.00)

**Total:** (39.00)

Mr. Zuberi did not complete the equivalent of any upper division level courses.

(* Denotes unaccredited study.*

This evaluation was prepared according to the requirements of the Florida Board of Accountancy. This evaluation may not be used for any other Board of Accountancy or for educational purposes.

This evaluation is of an advisory nature. The Florida Board of Accountancy will determine whether the CPA Certificate will be granted.

Sincerely,

Luis Garibaldi
Senior International Education Consultant
LAG:3778

Juan Garibaldi
Senior International Education Consultant

---

**Josef Silny & Associates, Inc.**
**International Education Consultants**
7101 S.W. 102 Avenue
Miami, FL 33173
Tel: (305) 273-1616 Fax: (305) 273-1338
E-Mail: info@jsilny.org
www.jsilny.org
ORGANIZATIONS WHICH ACCEPT EVALUATIONS DONE BY JS&A
JS&A is a Member of the National Association of Credential Evaluation Services, Inc. (NACES). Evaluations prepared by JS&A are accepted and recognized by the organizations listed below:

1. U.S. FEDERAL GOVERNMENT

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Air Force, Army, Marines

3. LICENSING BOARDS
Architect: Alaska, California
Barbers: Florida, South Dakota
Cosmetology: North Carolina, Utah, Vermont
Dentists: Georgia, Colorado
Engineering: Alabama, Florida, Louisiana, Maryland, New Jersey, Texas
Law: California, Florida
Landscape Architecture: Florida, South Carolina
Marriage and Family Therapy, Mental Health: Florida
Medical Laboratory: American Medical Technologists, American Society of Clinical Pathologists, Health Care Financing Administration, Connecticut, Florida, Georgia, Nevada, Tennessee
Midwifery: Florida
Nursing: Arizona, Florida, New Mexico, Missouri
Optometry: Florida
Psychology: Delaware, District of Columbia, Florida, Maryland, Virginia
Respiratory Care: National Board for Respiratory Care, California, Florida
Speech-Language Pathology and Audiology: American Speech-Language-Hearing Association, Florida, Georgia

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6. HUNDREDS OF COLLEGES AND UNIVERSITIES
Many other organizations which do not appear on this list also accept evaluations done by JS&A. Applicants are advised to check with the agency, institution or organization to which they intend to submit the evaluation to make certain that the evaluation will be recognized.
Prior Academic Units / Degrees Accepted:
Entry with Bachelor of Commerce, Karachi University, Pakistan.

Accepted in transfer from Institute of Chartered Accountants of Pakistan and the Association of Accounting Technicians of Pakistan = 30 units

Total incoming Units towards MBA Program = 150
Required 12 courses (36 units) in MBA Core Courses and 6 units in the area of concentration (FINANCE) to graduate.

AMERICAN UNIVERSITY OF HAWAI'I
A - Core Courses

<table>
<thead>
<tr>
<th>MoYr.</th>
<th>Course No.</th>
<th>Course Title</th>
<th>Unit</th>
<th>Grade</th>
<th>Point</th>
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<tbody>
<tr>
<td>11/96</td>
<td>MGT 500</td>
<td>Principles &amp; Practice of General Management</td>
<td>3</td>
<td>B</td>
<td>2.75</td>
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<tr>
<td>12/96</td>
<td>MGT 527</td>
<td>Effective Management Communication</td>
<td></td>
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<tr>
<td>01/97</td>
<td>MGT 662</td>
<td>Microeconomics for Management</td>
<td>3</td>
<td>B</td>
<td>3.00</td>
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<td>02/97</td>
<td>MGT 629</td>
<td>Mathematics for Management</td>
<td>CR</td>
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<tr>
<td>03/97</td>
<td>MGT 506</td>
<td>Financial Management and Control</td>
<td>3</td>
<td>B</td>
<td>3.00</td>
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<tr>
<td>04/97</td>
<td>MGT 512</td>
<td>Managerial Accounting</td>
<td>CR</td>
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<tr>
<td>05/97</td>
<td>MGT 683</td>
<td>Macroeconomics for Management</td>
<td>3</td>
<td>B</td>
<td>3.00</td>
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<tr>
<td>06/97</td>
<td>MGT 503</td>
<td>Human Resources Management</td>
<td>3</td>
<td>A-</td>
<td>3.75</td>
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<tr>
<td>07/97</td>
<td>MGT 502</td>
<td>Marketing and Sales Management</td>
<td>3</td>
<td>B</td>
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<td>07/97</td>
<td>MGT 507</td>
<td>Strategic Management &amp; Business Policy I</td>
<td>6</td>
<td>B</td>
<td>2.75</td>
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</table>

9 CR+ 24

B - Elective Courses

<table>
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<th>MoYr.</th>
<th>Course No.</th>
<th>Course Title</th>
<th>Unit</th>
<th>Grade</th>
<th>Point</th>
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<tbody>
<tr>
<td>06/97</td>
<td>ACT 401</td>
<td>Introduction to Accounting</td>
<td>CR</td>
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<td>Cost Accounting</td>
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<td>06/97</td>
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<td>Government and Regional Taxation</td>
<td>CR</td>
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<td>06/97</td>
<td>JMA 688</td>
<td>Corporate and Employment Law</td>
<td>CR</td>
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<td>06/97</td>
<td>JMA 669</td>
<td>Consumer Law and Consumer Protection</td>
<td>CR</td>
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<td>08/97</td>
<td>AFM 682</td>
<td>Financial Auditing</td>
<td>CR</td>
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<td>08/97</td>
<td>MIS 683</td>
<td>Database Management Systems</td>
<td>CR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11/97</td>
<td>AFM 663</td>
<td>Financial Statement Analysis</td>
<td>3</td>
<td>B</td>
<td>3.00</td>
</tr>
<tr>
<td>11/97</td>
<td>IFM 668</td>
<td>International Finance</td>
<td>3</td>
<td>A-</td>
<td>3.75</td>
</tr>
</tbody>
</table>

21 CR+ 6

TRANSCRIPT CONTINUED ON PAGE 2

Page 1 of 2 page(s) Official Transcript.
AMERICAN UNIVERSITY OF HAWAII.
Page 2 of 2 page(s) Official Transcript.
Date of Issue: April 2, 1998.
Record of: Ayaz Mustafa
Student Number: MA 032871

***************TRANSCRIPT CONTINUED FROM PAGE 1***************

C - Graduation Courses

<table>
<thead>
<tr>
<th>Mo/Yr.</th>
<th>Course No.</th>
<th>Course Title</th>
<th>Unit</th>
<th>Grade</th>
<th>Point</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/97</td>
<td>MGT 598</td>
<td>Research Methods in Management</td>
<td>CR</td>
<td>-</td>
<td>-</td>
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<td>12/97</td>
<td>MGT 600</td>
<td>MBA Project (Master's Thesis)</td>
<td>12</td>
<td>A</td>
<td>4.00</td>
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**TOTAL** 30 CR+ 42 3.34

END OF TRANSCRIPT

Grades and Grading System:
4.0 = A = Superior, 3.0 = B = Above Average, 2.0 = C = Average, 1.0 = D = Below Average, P = Pass, F = Failure, W = Withdrawal while passing the course, CR. = Course credited by examination, challenge or personal project.

AUH GPA = 3.34

Degree Awarded: Master of Business Administration, Cum Laude.

Date Awarded: March 15, 1998.

Under the provisions of the Family Education Rights and Privacy Act of 1974, this transcript may not be released/revealed to 3rd parties without written consent of student.

Registrar:

This transcript is printed on blue safety paper with the original signature of the University Registrar and Raised Seal of the University.
The Senate of the
AMERICAN UNIVERSITY
in the State of Hawaii United States of America

To all persons to whom these present may come greeting and be it known that

Ayaz Mustafa
having completed the course of studies and the requirements of
the University for the degree of

Master of Business Administration
has been duly admitted to that degree with all rights and privileges and immunities
appertaining thereunto, in witness whereof we have caused our seal to be here fixed.

On This 15th Day of March 1998.

Vice Chancellor
Registrar
Board Of Accountancy
Dept. Of Business & Professional Regulations
1940 N Monroe St
Tallahassee, FL 32399-1000
July 25, 2014

World Education Services, Inc.
Bowling Green Station
PO Box 5087
New York, NY 10274-5087

Dear International Credential Evaluator:

We are writing in our capacity as CPA Examination Services (CPAES). Due to recent increased scrutiny of international education, the Accountancy Boards have taken a closer review of reports received from all international education evaluation service providers. We need these reports structured to specifically address some areas of concern when your service provides an evaluation with regard to the Uniform CPA Examination for any of the following states: Alaska, Colorado, Connecticut, Iowa, Michigan, Nebraska, New Mexico, Ohio, Tennessee, Utah, Vermont and Wisconsin.

The evaluation report must identify the candidate by name and date of birth. If the candidate has a previous or alternate name, it should be listed. For each credential evaluated, the institution that awarded the credit must be listed in addition to the accrediting body for that institution. A copy of the transcript or credential documentation used for your evaluation must be included with your report.

Credits from professional organizations are not acceptable unless they are determined to be equivalent to academic study from an accredited post-secondary institution in the United States. If the credential being evaluated is from a professional organization, it must be clearly identified on the evaluation report. Some professional organizations have multiple paths through which a candidate can earn the professional designation. Only the academic path is acceptable as credit toward the Uniform CPA Examination and licensure. For training completed through these organizations, the path taken by the candidate must be identified.

Evaluations of credits from a Credit Bank system must clearly indicate which credit was earned through life experience, designation, credential, test preparation course, examination or other alternate means and which credit was earned academically. No credit can be accepted for exempted or waived degree requirements. If such credit was awarded, it must be clearly stated on the evaluation report.

The final evaluation report must clearly state that your evaluation service is not qualifying the candidate for the Uniform CPA Examination as a candidate of any state, and, instead, that the purpose of the evaluation is to determine the U.S. equivalency of the education completed by the candidate outside the U.S.

Sincerely,

Patricia Hartman
Director, Client Services

cmail: phartman@nasba.org
Florida Board of Accountancy

Application for Approval

1. INTRODUCTION: State the complete legal name of the organization, other names the organization has used and complete mailing address, telephone number, fax number and e-mail address.

2. PROFESSIONAL RECOGNITION AND AFFILIATIONS: List the professional recognition and national and regional memberships that the organization maintains.

3. AUTHENTICATION OF FOREIGN CREDENTIALS AND TRANSCRIPTS: Describe the standard operating procedure that the organization follows during documentation of an applicant's file to insure authenticity, and the names of the persons who are involved in this process.

4. REFERENCE LIBRARY: Indicate which of the following are maintained on the premises, listing the publisher and the date of publication.
   a. AACRAO World Education Series (WES) volumes (list individually).
   b. AACRAO/NAFSA PIER/COW Workshop Reports (list individually).
   c. International Handbook of Universities (volume number and dates).
   d. Commonwealth Universities Yearbook (volume number and dates).
   e. The titles of the other most-used reference books in the organization's library. (Generic titles may be used for a series, but a series counts as only one item.)

5. RESUME OF THE FIRM: Enclose a resume and biography of each senior staff person, including professional work experience, educational qualifications, references and involvement in professional organizations. The required amount of supervised evaluation experience must be corroborated by a letter from previous employer(s) or supervisor(s).

6. PERSONNEL SUPERVISION: List each senior professional staff member, including name, title, duties, status, and the percent of the total number of reports prepared by the entire organization. Indicate junior staff members and their responsibilities.

7. LIST OF AGENCIES ACCEPTING ACREV's EVALUATIONS: List at least three licensing agencies.

8. APPEAL PROCEDURE: Describe how the organization responds to a complaint from an applicant.
9. EVALUATION REQUIREMENTS: Describe the evaluation report that ACREV will provide the Board.

10. SAMPLE EVALUATIONS: Furnish the Board with sample evaluations.

11. ADDITIONAL INFORMATION ABOUT ACREV: Explain the length of time that the organization's evaluation records and financial records are maintained, and the manner in which they are maintained (e.g., hard copy, computer file, microfilm).

12. ADDITIONAL INFORMATION ABOUT ACREV: What information about the organization does it provide to applicants or make available to them on request? Enclose a sample of each item printed by the organization and used in its credential evaluation activities (such as application forms, brochures, etc.)

13. FEE STRUCTURE: Indicate the fees required for a course-by-course evaluation.

14. Certification: We certify that we are authorized to act in an official capacity in behalf of ACREV to submit this application to the Board of Accountancy, and that this application is endorsed by all other persons who are authorized to act in an official capacity for this organization.

We certify that evaluation reports prepared for the Board by this organization are based only upon authentic educational credentials issued by legitimate educational authorities.

We certify that our reference library, as listed above, is adequate to prepare complete, accurate evaluation reports.

We certify that the information provided in this application and in all supporting documentation is true, correct and complete.

Name: ___________________________ Title: ___________________________

Name: ___________________________ Title: ___________________________