ACCOUNTING AND FINANCIAL ADMINISTRATION AFA

College of Business

200H. Honor Work
Fall, Winter, Spring. 1 to 10 credits.
Semi-independent study covering content of AFA 201 and AFA 202, for Honors College students or others with a 3.50 grade-point average; or independent research on selected accounting topics.

201. Principles of Accounting
Fall, Winter, Spring, Summer. 5(3-0) Sophomores or approval of department.
Study of fundamental principles applicable to the accounting cycle, asset valuation, income determination, financial reporting, basic business taxes, and owner's equity.

202. Principles of Accounting
Fall, Winter, Spring, Summer. 5(5-0) AFA 201.
Management uses of accounting data for decision making; analysis, budgeting and control of business costs with emphasis on manufacturing costs; accounting for cash and working capital flows; effects of sales volume and income taxes on business decisions.

300. Intermediate Accounting: Assets
Fall, Winter, Spring, Summer. 4(4-0) AFA 202, Juniors.
Examination at the professional level of problems in the definition and valuation of assets and determination of periodic net income. Earnings per share, accounting changes, price level accounting, fair value accounting.

301. Intermediate Accounting: Equities
Fall, Winter, Spring, Summer. 4(0-4) AFA 300, Juniors.
Examination at the professional level of problems in the definition and valuation of liabilities and stockholders' equity. Leases, pension liabilities, income tax allocation, actuarial applications in debt measurement, funds statements.

303. Cost Accounting
Fall, Winter, Spring. 4(4-0) AFA 300.
Product costing, overhead cost analysis, standard costs, variance analysis, contribution accounting, flexible budgeting, responsibility accounting.

330. Survey of Accounting Concepts
Fall, Winter, Spring. 4(4-0) Not open to majors in the College of Business except in Economics.
Basic approach to accounting concepts underlying income determination, asset valuation, and managerial planning and control. Interpretation of financial statements, and development of costing techniques and budgets.

333. Elements of Tax Accounting
Fall, Winter. 4(4-0) AFA 202. Not open to Accounting majors.
Nonprofessional approach to basic concepts of income taxation applicable to individual taxpayers and small business firms.

330. Principles of Risk and Insurance (BIO 390). Fall, Winter, Spring, Summer. 4(3-0) Juniors or approval of department.
Risk and risk meeting methods with emphasis on the insurance mechanism; fundamental principles, legal relationships, types of carriers and organization, principal types of coverage and industry regulation.

391. Financial Management
Fall, Winter, Spring, Summer. 5(5-0) AFA 202, Juniors.
Basic principles and theoretical framework leading to sound financial management decisions. Role of the financial manager in achieving optimal financial position of the firm. Management of a firm's assets and financing needs.

392. Investment Planning
Fall, Winter. 5(5-0) AFA 391.
Financial analysis of various investment alternatives facing the individual. Emphasis on role of security analysis in management of investment program. Extensive use of illustrations which relate general principles to the current environment.

395. Principles of Urban Real Estate Administration (BIO 305). Fall, Spring, 4(4-0) AFA 391 or approval of department; EC 201.
Concepts of urbanism, city functions and city growth. Examines physical, locational, legal, social and economic factors, role of markets, governments and finance. Theories and techniques of valuing urban real estate.

396. Personal Risks and Insurance (BIO 395). Fall, Summer. 5(0-5) AFA 350 or Juniors in Business Administration.

397. Social Insurance Topics (BIO 396). Fall. 4(4-0) EC 200.
Systematic study of the legal, actuarial, social and political aspects of social insurance. Federal and State programs. Problems, solutions and potential alternatives.

401. Federal Income Tax Accounting I
Fall, Winter. 4(4-0) AFA 300 and AFA 301, Seniors.
Basic concepts, applicable to all taxpayers, of tax management, exempt incomes, nondeductible items, corporate distributions, amortization, periodic computation of income, realization and recognition of incomes and deductions.

402. Federal Income Tax Accounting II
Winter, Spring. 4(0-4) AFA 401.
Advanced federal tax concepts, including taxation of individuals, partnerships, trusts and estates, corporations. Gift and estate taxes.

410. Auditing
Fall, Winter. 4(4-0) AFA 300, CPS 110, MTA 317.
Functions of financial audits and auditors' reports; audit evidence and techniques; internal control review and testing; application to selected financial statement topics; application of statistics; audit of EDP systems; auditors' ethical and legal responsibilities.

420. Managerial Cost Analysis
Winter, Summer. 4(4-0) AFA 303.
Functional uses of accounting in management of the firm. Profit center and cost center performance measurement; costs of products and distribution; cost control. Operating and program budgets, cost analysis models.

421. Accounting Information Systems
Fall, Spring. 4(4-0) AFA 306. Fall, approval of department.
Planning and operation of accounting systems, flow charting of financial and cost data movement; special attention to accounting applications of commercially available electronic computing systems.

430. Advanced Accounting
Spring. 4(4-0) AFA 300, AFA 301.
Partnerships; home office and branch; parent and subsidiary companies; business combinations; diversified companies and their subsidiaries; governmental funds; principal and income on estates and trusts.

468. Field Studies
Fall, Winter, Spring, Summer. 1 credit.
May enroll for a maximum of 6 credits. 18-27 credits in Accounting and Financial Administration and approval of department 4 weeks prior to enrollment. Not open to graduating Seniors.
Internship in public or industrial accounting.

487. Management of Insurance Enterprise (BIO 487). Spring. 5(0-5) AFA 350 or Seniors in Business Administration.
Business insurance as it relates to business risks and decision making. Emphasis on business exposures, coverages and problems of the risk manager.

491. Market Strategy in Financial Management
Fall. 5(0-5) AFA 391.
Survey of money and capital markets, of fluctuating economic and governmental forces that influence them and of the appropriate strategies of financial managers both in financial and nonfinancial businesses in securing funds from or employing funds in these markets.

492. Institutional Investment Management
Winter. 5(0-5) AFA 392.
Construction and administration of portfolios for major types of institutions, such as commercial banks, savings institutions, pension funds, trust accounts, life insurance companies, mutual funds, etc. Extensive use of cases.

493. Advanced Financial Management
Spring. 5(0-5) AFA 492.
Advanced study of current and fixed asset management and methods of financing. Topics include capital budgeting, financial structure valuation, merger and reorganization.
495. Special Problems  
Fall, Winter, Spring, Summer. 1 to 4 credits. Senior AFA major, approval of department.
Independent study of special topics in accounting, finance or insurance.

800. Contemporary Accounting Theory I  
Fall, Summer. 4(4-0) AFA 800.
Theoretical accounting models. Review of historical development of accounting thought. Exploration at the conceptual level of the nature and measurement of assets, liabilities, stockholders' equity, revenue, expense, and income.

801. Contemporary Accounting Theory II  
Winter, Summer. 4(4-0) AFA 800.
Continuation of AFA 800. An examination of problem areas and a review of existing practices in the measurement of periodic income and of financial position in the light of concepts and principles explored in AFA 800.

802. Advanced Federal Tax Accounting  
Winter, Spring. 4(5-0) AFA 401.
Advanced federal tax concepts, including taxation of corporations, partnerships, estates, and trusts. Gift and estate taxes.

803. Taxation of Partnerships and Corporation  
Winter. 4(4-0) AFA 401.
Taxation of partnerships and corporations—formation, operation, distributions, dissolutions, reorganization, return preparation.

804. Taxation of Decedents, Trusts, Estates, and Gifts—Estate Planning  
Spring. 4(4-0) AFA 802, AFA 803.
Federal income taxation of decedents, trusts and estates; federal gift tax; federal estate tax; social security taxes and benefits, Michigan inheritance tax, estate planning.

810. Contemporary Auditing Theory  
Spring. 4(4-0) MGT 832.
Theory of the attest function and of audit evidence, internal control evaluation; applications of statistics; audits of EDP systems; type of auditors' reports; extensions of the audit function; auditors' ethical and legal responsibilities.

817. Quantitative Applications in Accounting and Finance  
Winter. 4(4-0) MGT 833.
Application of quantitative techniques to accounting, finance, and control activities, especially involving the data requirements of managerial decision models.

818. Research Techniques in Accounting and Finance  
Spring. 4(4-0) MTII 113, ED 996C.
Properties of time series in accounting and finance with emphasis on ARIMA model and transfer-function model development. Applications and potential research areas.

820. Cost Analysis and Budgeting  
Fall, Summer. 4(4-0) AFA 840 or undergraduate accounting major.
Examination of concepts and rationale underlying managerial accounting methods. Advanced topics in cost control, segmental profit and performance measurement, transfer pricing. Budgeting philosophy, organization and procedures.

821. Advanced Accounting Information Systems  
Winter. 4(4-0) AFA 821.
Application of general systems concepts to functional, accounting, operational, and related information requirements in business. Data banks, real-time accounting and operating controls, integrated information systems. Case histories and case projects.

839. Accounting Concepts and Procedures  
Fall, Summer. 4(4-0) Graduate standing. For MBA students without a background in accounting.

840. Managerial Accounting  
Fall, Winter, Spring, Summer. 4(4-0) AFA 830.

850. Risk Management and Insurance Concepts  
Winter, Summer. 4(4-0) AFA 830.
Analysis of business exposures and risk management techniques. Risk meeting alternatives and their economic, legal, and social implications. The role of insurance and employee benefits in risk management.

855. Market Cost-Revenue Analysis  
Winter. 4(4-0) One course in accounting and one in marketing. Interdepartmental with and administered by the Department of Marketing and Transportation Administration.
Analytical tools for use in planning and controlling marketing activities. Emphasis on the determination of factors causing marketing cost differences and the assignment of costs to those factors. Application of tools to determination of expenditure-revenue patterns and market potentials.

871. Portfolio Theory and Capital Markets  
Fall, Spring. 4(4-0) AFA 800 or AFA 839, AFA 301 or AFA 888.
Theoretical and empirical development in portfolio analysis and capital markets. Included topics are implementation of the Markowitz and Sharpe portfolio models, development and implications of the capital asset pricing model, and empirical studies of capital markets.

872. Management and Financing of Corporate Assets  
Fall, Winter. 4(4-0) AFA 871 or concurrently, AFA 300 or AFA 839, AFA 301 or AFA 888.
Principles of decision analysis in management of current assets, estimation of requirements for short term funds, and valuation of capital budgeting and merger proposals. Analysis of actual business cases is supplemented by selected readings.

873. Long Term Financial Policies  
Winter. 4(4-0) AFA 871.
Planning capital structure and the cost of capital. Examines fundamental considerations of raising capital, debt management, dividend policy and problems in public issues. Analysis of actual business cases is supplemented by selected readings.

874. Investment Strategy  
(893.) Spring, Summer. 4(4-0) AFA 874.
Analysis of various theories and techniques available to achieve superior selection and management of securities. Review and evaluation of significant literature in security analysis and investment.

878. Bank Management  
Spring. 4(4-0) AFA 889 for nonfinance majors; AFA 871 for finance majors.
Provides a comprehensive working knowledge of commercial bank management. Topics include capital adequacy, liquidity, public policy and bank failures, regulation, consumer protection, and other internal and external banking industry issues.

888. Financial Concepts and Analysis  
Fall, Winter. 4(4-0) AFA 889. For MBA students without a background in finance.
Principles of managerial finance. Working capital management, capital budgeting and methods of finance aimed at maintaining liquidity and profitability are considered. Emphasis is on decision making.

890. Special Problems  
Fall, Winter, Spring, Summer. Variable credit. Approval of department.

900. Seminar in Accounting Theory  
Fall. 4(4-0)
Theory construction and verification. Alternative approaches to structuring accounting theories. Formulation of research projects in accounting.

901. Seminar in Management Accounting  
Winter. 4(4-0)
Research on the use of accounting information by managers and on the impact of accounting information on managerial decision making.

902. Seminar in Accounting Research  
Spring. 1 to 4 credits. May be repeated for a maximum of 6 credits if different topics are taken. Doctoral students.
Research and research methodology in special accounting topics such as information economics, information systems, auditing, taxation, and behavioral accounting.

991. Seminar in Financial Management  
Fall, Winter. 3(3-0)
Seminar dealing with current unsolved problems in the field of financial management. Both micro and macro aspects of the field are investigated, including such diversified areas as models for financial decision making, money and capital markets, and international finance.