ACCOUNTING

ACCOUNTING AND FINANCIAL ADMINISTRATION

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(5-0)
Sophomores or approval of department.
Study of fundamental principles applicable to the determination, financial reporting, basic business costs; accounting for cash and working capital; accounting cycle, asset valuation, income costing techniques and budgets open to majors in the independent research on selected accounting topics.

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; effects of sales volume and income taxes on business decisions.

230. 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.

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 evaluation 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(4-0)
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, Summer. 4(4-0)
AFA 300.
Product costing, overhead cost analysis, standard costs, variance analysis, contribution accounting, flexible budgeting, responsibility accounting.

333. Elements of Taxation
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.

350. Principles of Risk and Insurance
Fall, Winter, Spring, Summer. 4(3-0)
Juniors or approval of department.
Risk and risk management 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, Summer. 4(4-0) AFA 391.
Analysis of the various financial assets from which the individual or institution selects. Emphasis is on the analytical techniques and principles involved in the evaluation of financial instruments such as common stocks, bonds, preferred stock, and warrants. The role of particular types of securities in the portfolio management and investment planning process is examined and related to the current environment.

395. Principles of Urban Real Estate Administration
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
Fall, Winter. 5(5-0) AFA 350 or Juniors in business administration.

397. Social Insurance Topics
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. Cannot receive credit in both AFA 401 and AFA 440.
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(4-2) 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. Cannot receive credit in both AFA 410 and AFA 444.
Functions of financial audits and auditors' reports; audit evidence and techniques; control review and evaluation; auditing selected financial statement topics; applications of statistics, audit of EDP systems, auditors' ethical and legal responsibilities.

420. Managerial Cost Analysis
Winter, Summer. 4(4-0) AFA 303.
Cannot receive credit in both AFA 420 and AFA 442.

421. Accounting Information Systems
Fall, Spring. 4(4-0) AFA 303 or approval of department. Cannot receive credit in both AFA 421 and AFA 441.
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, Summer. 4(4-0) AFA 360, AFA 301. Cannot receive credit in both AFA 430 and AFA 445.
Partnerships; home office and branch; parent and subsidiary companies; business combinations; diversified companies and subsidiaries; governmental funds; principal and income on estates and trusts.

440. Federal Tax Accounting
Fall. 4(4-0) Program in Professional Accounting students or approval of department; AFA 300, AFA 301. Cannot receive credit for both AFA 401 and AFA 440.

441. Computerized Information Systems
Spring, 4(4-0) Program in Professional Accounting students or approval of department; CPS 306 or concurrently; cannot receive credit for both AFA 421 and AFA 441.
Hardware and software elements needed to support accounting information systems. Systems flowcharting. Internal controls in a computerized environment; development and use of accounting information in business application areas.

442. Management Uses of Accounting Data
Winter. 4(4-0) AFA 303, MTA 317, MTH 112; cannot receive credit for AFA 420 and AFA 442. Program in Professional Accounting students or approval of department.
Advanced topics in cost accounting; responsibility accounting and planning systems; performance measurement and cost control and controls.

444. Auditing Theory
Fall, 4(4-0) AFA 301, AFA 441; MTA 317: cannot receive credit for AFA 410 and AFA 444. Program in Professional Accounting students or approval of department.
Financial auditing purposes and approaches; the public accounting profession; audit evidence and techniques; internal control review and evaluation; auditing selected financial statement topics; audit reports.

445. Advanced Financial Accounting
Spring. 4(4-0) AFA 301; cannot receive credit for AFA 430 and AFA 445. Program in Professional Accounting students or approval of department.
Accounting for consolidated corporate units; partnership and governmental organizations; reporting requirements under the SEC and other regulatory agencies.
468. Field Studies
Fall, Winter, Spring, Summer 1 credit
May enroll for maximum of 6 credits. 18-27 credits in Accounting and Financial Administration and approval of department required prior to enrollment. Not open to graduating Seniors.

486. Business Risks and Insurance
Winter 3(5-0) 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.

487. Management of Insurance Enterprises
Spring 3(5-0) AFA 350 or approval of department.
Organizational requirements and functional operations of insurance enterprise with emphasis on methods of ratemaking, reserves, financial statement and investment requirements, loss adjustment, underwriting, and marketing. Statutory limitations on management freedom.

491. Financial Markets
Fall 4(4-0) AFA 191
Introduction to theories and models concerning financial markets. An analysis of financial instruments and major financial market participants. Governmental and legal influences on financial markets.

492. Management of Financial Institutions
Winter 4(4-0) AFA 391
Emphasis is on the asset and liability management of commercial banks, savings and loan associations, credit unions, private and public pension funds, and trust institutions. Financial strategy is examined in light of legal and managerial constraints as well as fiduciary responsibility. Related issues include regulation and the concept of prudence.

493. Advanced Business Finance
Spring 4(4-0) AFA 391, Seniors.
Advanced study of the financial management of business enterprises. Special emphasis is placed on areas of major interest from both applied and theoretical points of view. Areas covered include capital budgeting, valuation, financial structures, mergers, and working capital management as well as other financial topics. Cases are used.

495. Special Problems
Fall, Winter, Spring, Summer 1 to 4 credits. Senior AFA major, approval of department, and independent study of special topics in accounting, finance or insurance.

802. Federal Tax Research and the Taxation of Partnerships
Spring 4(4-0) Program in Professional Accounting students or approval of department; AFA 401 or AFA 440.
Tax research methodology. Taxation of partnerships.

803. Taxation of Corporations
Fall 4(4-0) Program in Professional Accounting students or approval of department; AFA 401 or AFA 440.
Taxation of partnerships and corporations: formation, operation, distributions, dissolutions, reorganization, return preparation.

804. Taxation of Decedents, Trusts, Estates, and Gifts—Estate Planning
Winter, 4(4-0) Program in Professional Accounting students or approval of department; AFA 401 or AFA 440.
Federal income taxation of decedents, trusts and estates; federal gift tax; federal estate tax; social security taxes and benefits, Michigan inheritance tax, estate planning.

805. Special Topics in Taxation
Spring 4(4-0) Program in Professional Accounting students or approval of department; AFA 440 (or AFA 401).
Problems of specially taxed organizations and specially taxed situations including taxation of exempt organizations, international operations, financial institutions, and affiliated corporations.

806. Seminar in Taxation Practice
Spring 1-10 May re-enroll for a maximum of 3 credits. Program in Professional Accounting students or approval of department; AFA 401 (or AFA 440), AFA 402.
Presentations on technical topics, specific issues, and case studies by taxation professionals, faculty and graduate students.

811. Advanced Accounting Information Systems
Fall 4(4-0) Program in Professional Accounting students or approval of department; AFA 420 (or AFA 442).
Advanced file organization methods in constructing accounting information systems. Accounting implications of data base processing, on-line systems, and systems analysis and design.

812. Advanced Managerial Accounting
Fall 4(4-0) Program in Professional Accounting students or approval of department; AFA 420 (or AFA 442).

814. Auditing Issues
Fall 4(4-0) Program in Professional Accounting students or approval of department; AFA 420 (or AFA 442).
Statistical sampling and computer audit applications; auditors' legal responsibilities; audit risk analysis and judgments; extensions of the attestation function; auditing theory development and research.

815. Contemporary Accounting Theory
Winter 4(4-0) Program in Professional Accounting students or approval of department; AFA 445, AFA 871.

816. Contemporary Accounting Issues
Spring 4(4-0) Program in Professional Accounting students or approval of department; AFA 815.
Examination of current corporate financial reporting practices and problem areas.

817. Quantitative Applications in Accounting and Finance
Winter 4(4-0) MGT 411, ED 660C.
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) Graduate standing. For MBA students without a background in accounting.

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

844. Cost Management Analysis
Fall, Winter, Spring, Summer 4(4-0) AFA 39.

845. Market Cost-Revenue Analysis
Winter, Spring 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.

851. Portfolio Theory and Capital Markets
Fall, Spring 4(4-0) AFA 300 or AFA 39.
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.

852. Management and Financing of Corporate Assets
Fall 4(4-0) AFA 871 or concurrently. AFA 360 or AFA 839, AFA 391 or AFA 889.
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.
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Descriptions of 873. Long Term Financial
888. readings. Analysis of actual business cases is supplemented by selected
899. courses in public issues. Analysis of actual
900. commercial bank management. Topics include
capital adequacy, liquidity, public policy and
901. PRINCIPLES
902. behavioral accounting.
903. research, and international finance.
904. of selected
905. credit. Approval of department.
906. Department.
907. of
908. Business
909. auditing, taxation, and
910. majors; AF A 871 for finance
911. major5.
912. approval of department.
913. Survey of basic principles and practices of advertising in their relation to our
economy, society, and system of mass communication. Historical, social, and economic
914. for advertising decisions, including:
915. Planning, directing, and controlling advertising. Emphasis
916. planning, directing, and controlling advertising. Emphasis
917. and
918. Promotion
919. advertising and promotion with emphasis on smaller retailer;
920. and
teaching.
921. Total
922. courses or
923. and
924. at least 10 credits in advertising courses or
925. to studying the impact of advertising on society, the culture and the economy. Study of ethical
926. of advertising and public relations programs.
927. Principles of Public
928. role of advertisers, agencies and media in
929. applying advanced decision theories and
930. of advertising and public relations
931. long term financial policies. Analysis of capital structure and the cost of capital.
Fundamental considerations of raising capital, debt management, dividend policy and
problems in public issues. Analysis of actual business cases is supplemented by selected readings.

Investment Strategy
(893.) 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.

Bank Management
Spring, 4(4-0) AFA 889 for nonfinance majors; AF A 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.

Financial Concepts and Analysis
Fall, Winter, 4(4-0) AFA 839. 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.

Financial Decision Making
Fall, Winter, Spring, 4(4-0) AFA 898. AFA 840 or concurrently, MGT 851. Financial planning and control at corporate
officer level. Investment decisions, growth and expansion strategies, dividend policy. Interaction of
finance with other corporate functions, and with the firm with the financial community.

Special Problems
Fall, Winter, Spring, Summer. 4(4-0) AFA 886. AFA 887 or concurrently, MGT 851. Special problems of
management presented by majors. May reenroll for up to 6 credits if different topics are
investigated.

Seminar in Accounting Theory
Fall, 4(4-0) AFA 894. Theory construction and verification. Alternative approaches to structuring accounting
theories. Formulation of research projects in accounting.

Seminar in Management Accounting
Winter 4(4-0) AFA 895. Research on the use of accounting information by managers and on the impact of accounting
information on managerial decision making.

Seminar in Accounting Research
Spring 1 to 4 credits. May reenroll 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, accounting
information systems, auditing, taxation, and behavioral accounting.

Seminar in Financial Management
Fall, Winter, 5(5-0) AFA 896. Seminar dealing with current unresolved problems in the field of financial management.
Both micro and macro aspects of the field are investigated, including such areas as models for
financial decision making, money and capital markets, and international finance.