

# Accounting

The **accounting major** prepares students for professional positions in all areas of accounting. Recent graduates are currently employed as staff accountants in CPA firms, financial and management accountants for corporations, controllers for small to medium-sized businesses, financial analysts, accounting managers for larger businesses, and agents for the Internal Revenue Service. The accounting major at Mount Mercy is designed to give students the necessary course work for preparation for all professional exams including the Certified Public Accountant (CPA) and Certified Management Accountant (CMA) exams. Mount Mercy offers a Master of Business Administration degree and has an articulation agreement with the University of Iowa's Master of Accountancy program providing attractive options for satisfying the 150-hour requirement for CPA certification in the State of Iowa.

Objectives established for students in this major include, among others: organize and process complex financial information; apply knowledge to reach appropriate fact-based decisions; and communicate information effectively and professionally.

## ACADEMIC REQUIREMENTS FOR THE ACCOUNTING PROGRAM

- All **accounting majors or minors** must achieve a minimum grade of C- in all accounting courses required for the major or minor. This requirement applies equally to any course equivalents that may be accepted by transfer from any other college/university.
- All accounting majors must complete a minimum of 12 semester hours of upper-level accounting coursework [ accounting courses numbered BC 300 or higher] at Mount Mercy University.
- All accounting minors must complete a minimum of 9 semester hours of upper-level accounting coursework [ accounting courses numbered BC 300 or higher] at Mount Mercy University.
- See the additional academic requirements for all Business Department majors and minors found in the Business Administration (<http://catalog.mtmercy.edu/archives/2017-18/curriculum/businessadministration>) section of the *Catalog*.

See the Graduate section (<http://catalog.mtmercy.edu/archives/2017-18/graduateprograms>) of this *Catalog* for more information on Graduate programs offered at Mount Mercy.

## Core Requirements for all Business Majors

BA 203	Principles Of Law	3
BA 250	Technology & Communication In Business	3
BA 270	Business Statistics	3
BA 379	Financial Management	3
BA 435	Senior Seminar in Business	3
or BA 436	Business Strategy Seminar	
BC 265	Principles Of Accounting I	3
BC 266	Principles Of Accounting II	3
BN 204	Principles Of Management	3
BK 208	Principles Of Marketing	3
EC 251	Macroeconomics Principles	3
EC 252	Microeconomic Principles	3
Select one of the following:		3
MA 130	Finite Mathematics	
MA 132	Basic Mathematical Modeling	
MA 139	Pre-Calculus	
MA 142	Mathematics Modeling	

MA 160	Business Calculus	
MA 164	Calculus I (Required for Actuarial Science Majors)	
Total Hours		36

## Accounting Major (Core business requirements plus 24 additional semester hours)

BC 315	Cost Accounting	3
BC 325	Intermediate Accounting I	3
BC 326	Intermediate Accounting II	3
BC 440	Auditing Principles and Practices	3
BC 442	Tax Accounting	3
BC 444	Advanced Accounting	3
Select two of the following:		6
BC 316	Advanced Cost Accounting	
BC 330	Government & Not-for-Profit Accounting	
BC 441	Advanced Auditing	
BC 443	Advanced Tax Accounting	
Total Hours		24

## Academic Requirements

- All **accounting majors or minors** must achieve a minimum grade of C- in all accounting courses required for the major or minor. This requirement applies equally to any course equivalents that may be accepted by transfer from any other college/university.
- See the additional Academic Requirements** for all business department majors and minors found in the Business Administration (<http://catalog.mtmercy.edu/archives/2017-18/curriculum/businessadministration>) section of the *Catalog*.

## Accounting Minor

BC 265	Principles Of Accounting I	3
BC 266	Principles Of Accounting II	3
BA 250	Technology & Communication In Business	3
EC 251	Macroeconomics Principles	3
EC 252	Microeconomic Principles	3
Select four of the following:		12
BC 315	Cost Accounting	
BC 316	Advanced Cost Accounting	
BC 325	Intermediate Accounting I	
BC 326	Intermediate Accounting II	
BC 330	Government & Not-for-Profit Accounting	
BC 440	Auditing Principles and Practices	
BC 441	Advanced Auditing	
BC 442	Tax Accounting	
BC 443	Advanced Tax Accounting	
BC 444	Advanced Accounting	
Total Hours		27

## Academic Requirement

- All **accounting majors or minors** must achieve a minimum grade of C- in all accounting courses required for the major or minor. This requirement applies equally to any course equivalents that may be accepted by transfer from any other college/university.

2. See the additional Academic Requirements for all business department majors and minors found in the Business Administration (<http://catalog.mtmercy.edu/archives/2017-18/curriculum/businessadministration>) section of the *Catalog*.

## Courses

### **BC 202 Accounting: Information for Decisions: 4 semester hours**

This course provides a fundamental knowledge of accounting for individuals who do not expect to become practicing accountants but who need a basic understanding of accounting concepts. This course will emphasize accounting as a communication system involving analysis and interpretation of data. Accounting concepts will be covered as they relate to the user of financial information rather than a preparer's perspective. Emphasis will be placed on the use of accounting information for both financial and managerial decisions. Prerequisite: none.

### **BC 265 Principles Of Accounting I: 3 semester hours**

This first course in accounting provides an introduction to the elements of financial accounting including the accounting cycle and the four basic financial statements—the balance sheet, the income statement, the statement of owner's equity, and the statement of cash flows. The various asset accounts—cash, accounts receivable, inventories, and property, plant, and equipment, will be studied in depth. Accounting for payables and other current liabilities also will be explored. Students should possess basic algebra skills. Prerequisite: None.

### **BC 266 Principles Of Accounting II: 3 semester hours**

This course is a continuation of BC 265 and includes further study of financial accounting along with an introduction to management accounting. Financial accounting topics include: partnership accounting, stockholder's equity, long term investments, bonds payable, the time value of money, the statement of cash flows and basic financial statement analysis. The introduction to management accounting includes the following topics: financial statements specific to a manufacturing concern, cost allocation, product costing including job order and process costing, cost-volume-profit analysis and budgeting. Prerequisite: BC 265.

### **BC 315 Cost Accounting: 3 semester hours**

The interpretation and use of accounting information for management planning, coordination and control with emphasis on cost analysis in problem solving and decision making are covered in this course. Topics include: product costing systems, cost behavior, budgeting, standard costs, and control of decentralized operations, this course also explores relevant costs for decision-making, capital budgeting, and the tax effects of investment decisions. Prerequisite: BC 266.

### **BC 316 Advanced Cost Accounting: 3 semester hours**

This course covers a study of accounting for inventory valuation and income determination. Topics include process costing, spoilage, joint products, by-products, cost allocation schemes, and inventory management tools. The course also explores regression analysis, learning curves, linear programming, proration of variances, and decision-making under uncertainty. Prerequisite: BC 315.

### **BC 325 Intermediate Accounting I: 3 semester hours**

This course begins the rigorous coverage of generally accepted accounting principles as they relate to financial accounting. There will be a quick review of the accounting cycle, the format of the financial statements and the time value of money. This will be followed by in depth coverage of accounting for cash, accounts receivable, notes receivable, inventories, property, plant and equipment, and current liabilities. Students will be expected to complete at least four complex spreadsheet assignments. Students will also be expected to participate in a few activities outside of class. Prerequisite: BC 266.

### **BC 326 Intermediate Accounting II: 3 semester hours**

As a continuation of BC 325, this course includes an in-depth study of bonds payable, notes payable, long term investments and stockholder's equity, including earnings per share calculations. In addition, issues related to revenue recognition will be covered along with accounting for pensions, capital leases and income taxes. The statement of cash flows will be examined in detail. Students will be expected to complete at least four complex spreadsheet assignments. Students will also be expected to participate in a few activities outside of class. Prerequisite: BC 325.

### **BC 330 Government & Not-for-Profit Accounting: 3 semester hours**

This course involves the study of accounting for logical government units, health care organizations and not-for-profit entities. Other topics include budgeting and performance analysis for governmental and not-for-profit entities and the regulation of not-for-profit entities. Students will complete a comprehensive computerized practice set. In addition each student will be required to complete a final project on a local government or not-for-profit entity including an oral presentation about the entity. This course should be of particular interest to students who are planning to work in the government or non-profit sector and for those preparing for the CPA exam. Prerequisite: BC 266.

### **BC 425 Accounting Internship: 3 semester hours**

Students may take advantage of internship opportunities, which become available in the area of accounting. These internships include off-campus supervision at local business and periodic conferences with the on-campus instructor. The on-campus instructor will determine any further requirements on an individual basis. (Maximum of one semester credit for each three hours per week for the semester spent at an outside agency up to a maximum of six semester hours).

### **BC 440 Auditing Principles and Practices: 3 semester hours**

This is a study of the audit function primarily from the independent CPA viewpoint. Emphasis is upon auditing standards, preparation of audit working papers, and the final audit report. Topics include internal control structure study and evaluation, audit sampling, auditing transaction cycles, tests of controls, substantive tests, Sarbanes-Oxley financial reporting and audit requirements and subsequent events responsibility. Prerequisite: BC 326.

### **BC 441 Advanced Auditing: 3 semester hours**

This course covers an in-depth analysis of advanced topics in auditing with special attention to professional standards, the role of the technology in auditing, and current auditing topics. Additional topics include: quality standards, variables sampling, special audit reports, non-audit services, professional ethics and auditor's legal liability. This course is designed to supplement a student's preparation for the auditing and law content of the CPA exam. Prerequisite: BC 440.

**BC 442 Tax Accounting: 3 semester hours**

This course involves the study of basic concepts and theory of the federal income taxation applicable to individuals and sole proprietorships. Topics include: The elements of gross income, exclusions, deductions from income, capital gains and losses, passive losses, tax free exchanges, depreciation and the sale of assets used in trade or business (including depreciation recapture). Students will complete a basic tax research memo, a complex individual income tax return by hand and a second individual income tax return using computerized tax return preparation software. Prerequisite: BC 266.

**BC 443 Advanced Tax Accounting: 3 semester hours**

This course involves an in-depth study of the tax laws applicable to corporations, partnerships, "S" corporations, estates, and trusts. Topics include: corporate formation and taxation, "S" corporation considerations, and gift and estate taxation. In addition, tax planning opportunities and additional areas of tax research will be covered. Prerequisite: BC 442.

**BC 444 Advanced Accounting: 3 semester hours**

This course includes a study of partnerships, business combination, consolidated financial statements, accounting for foreign currency transactions, and conversion of foreign financial statements. It also includes an introduction to governmental and nonprofit accounting. Prerequisite: BC 326.

**BC 445 Independent Study: 3 semester hours**

If a student wishes to do individual study and/or research of a particular topic, he/she should contact the appropriate member of the department as supervising instructor, as well as register through and obtain consent of his/her advisor.