To: Incoming MBA Students, 2015  
Blended Part-Time Programs in DC and Shady Grove  
From: Professors Michael D. Kimbrough (DC06) and Gary Bulmash (GS01)  
Re: Pre-term Course from Cambridge Business Publishers  
Date: June 16, 2015

*BUSI 610, Introduction to Financial Accounting,* is one of the Core courses that you will take in Fall 2015. This course is designed to help you become an informed user of financial statements. Given the duration of the term, we will be moving at a fairly rapid pace. The course will begin with a brief overview of the fundamentals of accounting (key accounting concepts, the accounting process, and the principal financial statements) and then move on to study in greater depth the various elements of financial statements. At the end of the course, we expect you to have a good understanding of a company’s financial statements—be familiar with the process of preparing the statements as well as the ability to interpret and analyze financial data for economic decision making.

To do well in the course, you need to have a solid understanding of the fundamental elements of accounting; the remainder of the course will otherwise prove to be difficult. To help you better prepare for the course, you are required to take an on-line web-based course from Cambridge Business Publishers titled *Fundamentals of Financial Accounting* (FA). This requirement is intended to ensure that all students have a common understanding of financial accounting basics, thereby allowing us to cover more advanced and interesting topics during the semester. Your performance in FA accounts for 10% of your grade for BUSI 610. Please read the following information carefully and pay special attention to the deadline for completing the final assessments.

**What is FA?**

FA is designed as an interactive learning experience to help students understand (i) basic financial accounting terms and concepts, (ii) the principal financial statements—balance sheet, income statement, statement of cash flows—that firms use to describe their business, and (iii) the approach used to construct the financial statements.

The table of contents for the course is attached on the last page of this memo. The course consists of three modules, which are further divided into between 2 to 5 "sessions". There are a total of 11 sessions. Each session has recorded lectures for you to watch. There is also a supplementary text (pdf) that covers the same material, if you prefer to read rather than watch the lecture. Most sessions also have a narrated solution of a sample problem, along with a pdf copy of that sample problem. Each session also has optional practice assignments for you to complete. These assignments do not count toward your grade, but they do provide the building blocks for success in the final quiz. Practice problems provide hints using the “check” button. One important thing to remember about accounting is that it is “intensely cumulative” (in the words of former students). So, the assignment material builds on each part that has gone before, and the problems become more complex as the tutorial progresses.
The course ends with a final quiz that covers the three modules. Your grade for FA will be based on your performance on the final quiz. During the quiz, you can go back to the modules to review the course materials – the program will remember your location in the quiz when you are ready to continue.

**It is estimated that FA requires approximately 10 hours to complete.** However, some students may need more or less time depending on their prior experience. If you have significant experience with the course material, it may be possible for you to successfully take the final quiz without going through the various lessons in detail. You may test your mastery by first attempting the practice problems associated with each module before taking the final quiz.

Do not underestimate the time and effort needed to complete the course. You are urged to register for FA and begin studying the course material *as soon as possible*. Do not attempt to digest all of the information in one or two sittings, but rather, break it up into smaller pieces.

**Requirements and Grading Scheme:**

- You are urged to register for FA and begin studying the course material *as soon as possible*. The registration fee is $25. The link to register for your section is provided below.
  
  DC Weekend: [https://mybusinesscourse.com/?code=1941-91874](https://mybusinesscourse.com/?code=1941-91874)
  

- The course ends with a comprehensive final quiz. You have the opportunity to take this quiz twice. Your highest score will count toward your final FA grade.

- You must complete the final quiz before the first day of BUSI 610 (i.e. Sept 2 for Shady Grove; Oct. 24 for DC).

- Your quiz scores will be reported directly to your faculty instructor on the due date. Your final FA grade will be based on your performance on the final quiz.

- Your final FA grade accounts for 10% of your grade for BUSI 610.

- You will be taking FA under the University of Maryland’s *Code of Academic Integrity* (see [http://www.shc.umd.edu/code.html](http://www.shc.umd.edu/code.html) for details). Any violation of this code, such as receiving help from another individual in taking a Test, will result in an automatic “XF” on your transcript with the notation “failure due to academic dishonesty”.
Table of Contents

Module 1: Introducing Financial Accounting (Approximately 2 hours)
- Part 1: Business Activities and Accounting Information
  - Demand for Accounting Information
    - Who Uses Financial Accounting Information?
    - Costs and Benefits of Disclosure
  - Business Activities
    - Planning Activities
    - Investing Activities
    - Financing Activities
    - Operating Activities
- Part 2: The Financial Reporting System: Four Key Statements
  - Financial Statements
    - Balance Sheet
    - Income Statement
    - Statement of Stockholders' Equity
    - Statement of Cash Flows
  - Financial Statement Linkages
  - Information Beyond Financial Statements

Module 2: Constructing Financial Statements (Approximately 4 hours)
- Part 1: Understanding the Balance Sheet
- Part 2: Analyzing Transactions and Constructing the Balance Sheet
- Part 3: Understanding the Income Statement
- Part 4: Accounting for Revenues and Expenses: Constructing the Income Statement and Statement of Stockholders Equity
- Part 5: Journalizing and Posting Transactions: The Debit/Credit Language

Module 3: Adjusting Accounts for Financial Statements (Approximately 4 hours)
- Part 1: Introducing the Accounting Cycle
- Part 2: Adjusting Entries: Accounting for the Passage of Time
- Part 3: Using the Accounting Structure for Analysis
- Part 4: Preparing Financial Statements and the Closing Process

NOTE: The course ends with a comprehensive final quiz that covers all three modules. This quiz must be completed before the first day of class. See page 2 for details.