

**ACCOUNTING
AND FINANCIAL
ADMINISTRATION AFA**

College of Business

200H. Honors Work

Fall, Winter, Spring. 1 to 10 credits.

Semi-independent study covering content of 201 and 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 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)

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(5-0)

202.

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(5-0)

203, 300.

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)

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) 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

(AFA 350, 296, BIO 350.) 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)

202.

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) 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 395.) Fall, Spring. 5(5-0) 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 396.) Fall, Summer. 5(5-0) 350

or Juniors in business administration.

Personal risk analysis and personal insurance. Emphasis on life, health, automobile, fire and liability insurance. Programming personal insurance. Estate analysis and trusts. Social and economic aspects of personal insurance.

397. Social Insurance Topics

(BIO 397.) 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(4-2) 300 and 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(4-2) 401.

Advanced federal tax concepts, including taxation of individuals, partnerships, trusts and estates, corporations. Gift and estate taxes.

410. Auditing

Fall, Winter. 4(5-0) 300, CPS 110,

MTA 317.

Functions of financial audits and auditors' reports; audit evidence and techniques; internal control review and evaluation; application to 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) 303.

Functional uses of accounting in management of the firm. Profit center and cost center performance measurement. Administrative and distribution cost control. Operating and program budgets, cost analysis models.

421. Accounting Information Systems

Fall, Spring. 4(4-0) 301 or 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, Summer. 4(5-0) 300.

Partnerships; home office and branch; parent and subsidiary companies; business combinations; diversified companies and their subunits; governmental funds; principal and income on estates and trusts.

468. Field Studies

Fall, Winter, Summer. 1 credit. May

re-enroll for a maximum of 2 credits. 18-27 credits in Accounting and Financial Administration and approval of department 4 weeks prior to enrollment. Not open to graduating Seniors.

Ten weeks internship in public or industrial accounting.

486. Business Risks and Insurance

(BIO 486.) Winter. 5(5-0) 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 Enterprise

(BIO 487.) Spring. 5(5-0) 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. Market Strategy in Financial Management

Fall. 5(5-0) 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 non-financial businesses in securing funds from or employing funds in these markets.

492. Institutional Investment Management

Winter. 5(5-0) 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(5-0) 492.

Advanced study of current and fixed asset management and methods of financing. Topics include capital budgeting, financial structure, valuation, merger and reorganization.

800. Contemporary Accounting Theory I

Fall, Summer. 4(4-0) 300.

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) 800.

Continuation of 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 800.

- 802. Advanced Federal Tax Accounting**
Winter, Spring. 4(5-0) 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) 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) 802, 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; types of auditors' reports; extensions of the attest function; auditors' ethical and legal responsibilities.
- 817. Quantitative Applications in Accounting and Finance**
Fall, Spring. 4(4-0) MGT 833.
Application of quantitative techniques to accounting, finance, and control activities, especially involving the data requirements of managerial decision models.
- 820. Cost Analysis and Budgeting**
Fall, Summer. 4(4-0) 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) 421.
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 Processes**
Fall, Summer. 4(4-0) Graduate standing. For MBA students without a background in accounting.
Financial accounting and reporting. Nature and measurement of assets, liabilities, stockholders' equity, expense, and revenue. Expense and revenue recognition. Funds flow and cash flow analysis. Manufacturing cost flows and income determination. Basic matters in income taxation.
- 840. Managerial Accounting**
Fall, Winter, Spring, Summer. 4(4-0) 839.
Accounting for planning and control. Cost behavior. Standards and flexible budgets for control. Responsibility accounting and the contribution approach. Relevant cost analysis for problem solving. Quantitative techniques in accounting measurement.

- 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.
- 884. Insurance Companies as Financial Institutions**
(BIO 884.) Winter. 4(4-0)
Analysis of insurance company investment behavior in the capital market. Emphasis on liquidity requirements, interest rates, legal and organizational requirements affecting investment decisions. Micro and macro aspects.
- 886. Seminar in Insurance Problems**
(BIO 886.) Spring. 4(4-0)
Analysis of insurance problems affecting the public interest. Special emphasis on problems due to changing economic and social conditions. Insurance regulatory, financial, marketing and social problems.
- 888. Financial Concepts and Analysis**
Fall, Winter. 4(4-0) 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.
- 889. Financial Decision Making**
Fall, Winter, Spring, Summer. 4(4-0) 888, 840 or concurrently; MGT 833.
Financial planning and control at corporate officer level. Investment decisions, growth and expansion strategies, dividend policy. Interaction of finance with other corporate functions, and of the firm with the financial community.
- 890. Special Problems**
Fall, Winter, Spring, Summer. Variable credit. Approval of department.
- 891. Management and Financing of Corporate Assets**
Fall, Summer. 5(5-0) 300 or 839, and 391 or 888.
Analysis of principles leading to decisions in management of current assets, estimation of requirements for funds and fundamental considerations in raising capital. Intensive analysis of actual business cases is supplemented by selected readings.
- 892. Long Term Financial Policies**
Winter, Summer. 5(5-0) 891.
Planning capital structure and the cost of capital. Principles of valuation applied to capital budgeting, merger and reorganization. Debt management, dividend policy and problems in public issues. Intensive analysis of actual business cases is supplemented by selected readings.
- 893. Investment Strategy**
Spring, Summer. 5(5-0) 891.
Analysis of various theories and techniques available to achieve superior selection and management of securities. Review and evaluation of significant literature. Emphasis on problems of timing and strategies relating to switching of securities in response to changing economic and financial conditions.

- 900. Seminar in Accounting Theory**
Fall. 5(5-0)
Theory construction and verification. Alternative approaches to structuring accounting theories. Formulation of research projects in accounting.
- 901. Seminar in Management Accounting**
Winter. 5(5-0)
Investigation of selected cost analysis topics.
- 991. Seminar in Financial Management**
Fall, Winter. 5(5-0)
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.
- 992. Research in Business Finance**
Spring. 5(5-0) 991.
Formulation of financial hypotheses, collection of data, specification of tests (including simulation), and interpretation of results. Examples of both single-equation and multi-equation models drawn from current literature will be critically examined.
- 999. Research**
Fall, Winter, Spring, Summer. Variable credit. Approval of department.

ADVERTISING ADV

College of Communication Arts and Sciences†

- 205. Introduction to Advertising**
Fall, Winter, Spring, Summer. 3(3-0)
Comprehensive survey of basic principles and practices of advertising in their relation to our economy, our society, and our system of mass communication. Historical, social, and economic development of the field. Psychological and creative factors involved in advertising; research, media, and campaigns.
- 306. Advertising Management I**
(460.) Fall, Winter, Spring, Summer. 4(2-2) 205, MTA 301 or concurrently, or approval of department.
Decision theory and techniques used in planning, directing, and evaluating advertising. Emphasis on media-message strategies and media systems.
- 317. Advertising Creative Strategy and Execution I**
Fall, Winter, Spring, Summer. 4(3-2) 306.
Process of making strategic and tactical creative decisions. Numerous writing assignments related to developing creative strategy, visualization techniques, basic copy structures, lifestyle advertising, conveying advertiser and brand images.
- 321. Advertising Graphics and Production**
(307.) Fall, Winter, Spring. 4(3-2) 317.
Production problems in preparing material for magazines, direct mail, and newspapers. Printing processes; color printing; advertising art; paper and its uses; booklet production.

†Name changed effective July 1, 1975. Formerly College of Communication Arts.