

**ACCOUNTING
AND FINANCIAL
ADMINISTRATION**

AFA

College of Business

200H. Honors 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 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.

230. Survey of Accounting Concepts

(330.) Fall, Winter, Spring, 4(4-0) Not open to majors in the College of Business.

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 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.

350. Principles of Risk and Insurance

*Fall, Winter, Spring, Summer, 4(4-0)
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, 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, Summer, 5(5-0) AFA 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

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(4-0) 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; 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) AFA 303. Cannot receive credit in both AFA 420 and AFA 442.

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) 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 300, 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 their subunits; 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.

Federal income taxation of individuals and corporations. Considers gross income, deductions, tax computations, and credits. Integration of financial and tax accounting.

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; interval 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 reenroll 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.
Internship in public or industrial accounting.
- 486. Business Risks and Insurance**
Winter. 5(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 Enterprise**
Spring. 5(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 391.
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 firms. Special emphasis is placed on areas of major interest from both applied and theoretical points of view. Areas covered include capital budgeting, valuation, financial structure, 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.
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 corporation: 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(1-0) May re-enroll for a maximum of 2 credits. Program in Professional Accounting students or approval of department; AFA 401 or AFA 441, AFA 802.
Presentations on techniques, specific issues, and case studies by taxation professionals, faculty and graduate students.
- 811. Advanced Accounting Information Systems**
(821.) Winter. 4(4-0) Program in Professional Accounting students or approval of department; AFA 421 or AFA 441.
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**
(820.) Fall. 4(4-0) Program in Professional Accounting students or approval of department; AFA 420 or AFA 442.
Concepts and rationale underlying managerial accounting methods. Alternative approaches to cost control, segment performance measurement, and transfer pricing. Budgetary philosophy, organization, and evaluation.
- 814. Auditing Issues**
(810.) Spring. 4(4-0) Program in Professional Accounting students or approval of department; AFA 410 or AFA 444.
Statistical sampling and computer audit applications; auditors' legal responsibilities; audit risk analysis and judgements; extensions of the attest function; auditing theory development and research.
- 815. Contemporary Accounting Theory**
(800.) Winter. 4(4-0) Program in Professional Accounting students or approval of department; AFA 445, AFA 871.
Theoretical accounting models; review of historical development of accounting thought. Nature and measurement of assets, liabilities, equity, revenue, expense, and income.
- 816. Contemporary Accounting Issues**
(801.) 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 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) MTH 113, ED 969C.
Properties of time series in accounting and finance with emphasis on ARIMA model and transfer-function model development. Applications and potential research areas.
- 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) AFA 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.
- 850. Risk Management and Insurance Concepts**
Winter, Summer. 4(4-0)
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.

**Descriptions – Accounting and Financial Administration
of
Courses**

871. Portfolio Theory and Capital Markets
Fall, Spring, 4(4-0) AFA 300 or AFA 839, AFA 391 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
(891.) Fall, Summer, 4(4-0) AFA 871 or concurrently, AFA 300 or AFA 839, AFA 391 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
(892.) Winter, Summer, 4(4-0) AFA 888.

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, 4(4-0) AFA 871.

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 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) AFA 888, AFA 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.

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 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, information systems, auditing, taxation, and behavioral accounting.

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.

999. Doctoral Dissertation Research
Fall, Winter, Spring, Summer. Variable credit. Approval of department.

**ADVERTISING ADV
College of Communication Arts and Sciences**

205. Principles of Advertising
Fall, Winter, Spring, Summer, 4(4-0) Sophomores.

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.

317. Advertising Creative Strategy and Execution
Fall, Winter, Spring, Summer, 4(3-2) MTA 300 or concurrently, ADV 205, JRN 201.

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
Fall, Winter, Spring, 4(3-2) ADV 317.

Production problems in preparing material for magazines, direct mail, and newspapers. Printing processes; color printing; advertising art; paper and its uses; booklet production.

323. Consumer Behavior
Fall, Winter, Spring, Summer, 4(4-0) MTA 300 or concurrently, ADV 205, PSY 170, SOC 241.

Acquiring, analyzing, and interpreting consumer information for advertising decisions, including: situation analysis, market and audience analysis, setting objectives, message and media decisions, advertising evaluation.

327. Principles of Public Relations
Fall, Winter, Spring, Summer, 4(4-0)

Nature of public relations practice in business, education, government. Emphasis on public relations principles: identifying target publics, press relations, cost management, planning public relations programs.

346. Advertising Media Planning and Strategy
(446.) Fall, Winter, Spring, Summer, 4(4-0) ADV 317, ADV 323, MTA 301.

Planning, execution and control of advertising media programs. Fundamental characteristics of the media. Buying and selling process, and techniques and methods used in media planning process.

417. Advanced Advertising Creative Strategy and Execution
Fall, Winter, Spring, 3(2-2) May reenroll for a maximum of 6 credits. ADV 317.

Numerous writing assignments related to developing creative strategies, developing and coordinating messages for different media, presenting and explaining creative executions, structuring copy emphasizing narrative techniques, techniques of visualization.

418. Newspaper Advertising and Business Management
Fall, Winter, 4(4-0) Advertising or journalism Seniors.

Newspaper advertising, staff management, rates, circulation and promotion, research, editorial and business office supervision, law, finance, purchasing, and employee relations.

423. Retail Advertising and Promotion
Fall, Winter, Spring, 4(4-0) Majors: ADV 317; others: Juniors.

Planning and preparation of retail advertising and promotion with emphasis on smaller retailer; practice in retail copy and layout; selecting media; research; outside project related to the student's interest.

441. Television and Radio Advertising
Fall, Winter, Spring, 4(4-0) ADV 205.

Principles and practices underlying successful radio-television advertising; emphasis on media research, rate structure, programming, creativity; instruction in televising commercials.

460. Advertising Management
(306.) Fall, Winter, Spring, Summer, 4(2-2) ADV 346, MTA 301.

Decision theory and techniques used in planning, directing, and evaluating advertising. Emphasis on media-message strategies and media systems.

465. Advertising and Social Responsibility
Winter, Spring, Summer, 4(4-0) At least 10 credits in advertising courses or approval of department.

Assessing the impact of advertising on society, the culture and the economy. Study of ethical systems as basis for evaluating advertising. Self-regulation, laws and government regulation of advertising.

475. Advertising Research
Fall, Winter, Spring, 4(3-2) ADV 323.

Nature, scope, and applications of research in advertising; theory, concept, and fact in the research process; dimensions of advertising research: data collection, field investigation, measurements of advertising and media audiences; evaluation of advertising messages.