

**University of Notre Dame**  
**Accounting for Mergers and Acquisitions**  
**ACCT 70141 Fall 2021**

Professor: Keith Urtel

Mendoza 394 Phone: 574-631-7890 [kurtell@nd.edu](mailto:kurtell@nd.edu) [Note: there is a one “1” after my last name]

Office hours: By appointment (via Zoom) but in person on Tuesdays 5-6pm in MCOB 394

Class times: 8:00-9:45 AM Tuesday and Thursdays — August 24 through October 7

### **Course Goals**

To help students develop expertise in the financial reporting objectives, procedures and information flows that accompany mergers and acquisitions. Other goals include helping students gain expertise in accounting for foreign operations and the consolidation of foreign subsidiaries. This course may be useful for the following reasons:

- Mergers and acquisitions continue in our economy as a business growth and efficiency strategy. Accounting and finance professionals, analysts, and business managers are frequently confronted with a vast array of financial data in preparation for mergers, and in analyzing the effects of mergers and acquisitions.
- Our economy is increasingly engaged in global operations requiring an understanding of accounting for foreign transactions and investments.
- The course is designed to help students develop their research, communication, and critical thinking skills within the context of financial reporting for mergers and acquisitions.
- The course is designed to help students improve their abilities to identify, analyze, and solve complex financial reporting problems related to combined reporting entities.

### **Performance Evaluation**

Grades for this course will be based on the total course points earned. The mean grade for this course is expected to be approximately 3.6 in accordance with College and departmental guidelines. The point allocation applicable to the various assignments is as follows:

- 130 point Exam 1
- 130 point Exam 2
- 60 points total for six graded *individual* case assignments (10 points each)
- 40 points for graded *Group* Acquisition Method Case assignment
- 60 points for graded homework
- 60 points for graded chapter quizzes
- 20 points total for class participation and course engagement
- 500

### **Course Materials**

- Text: *Fundamentals of Advanced Accounting*, 8th ed., Hoyle, Schaefer, and Douppnik, 2021, electronic or hard copy (see discount purchase link in Canvas and also available at ND bookstore).
- Course slides, lecture notes and other reference materials will be in Canvas.
- All cases (individual and group), homework and quizzes are in Canvas.
- All communication and information sharing should be through Canvas. PLEASE submit questions to instructor via Canvas.

## **Individual and Group Case Memoranda Assignments**

The case memoranda require you to research, interpret and apply authoritative accounting literature to complex case situations. More details will be provided for each written assignment and a grading rubric will be provided in Canvas. Conduct associated with the individual and group case work is governed by the Code of Honor which is discussed below.

### **Code of Honor**

We will follow the guidelines of The *Mendoza College of Business Graduate Academic Code of Honor*, which you can find at <https://gbpstudentservices.nd.edu/academic-and-honor-codes/>. Students will not plagiarize others work in completing case assignments. ***Individual assignments/assessments are just that – individual assignments/assessments.*** Communication of any type with others, whether or not they are current students, is unacceptable. If an honor violation occurs, I will implement procedures outlined in the *Mendoza College of Business Academic Code of Honor*.

Accounting professionals must have the ability to work with others to accomplish objectives. This requires not only developing the ability to work cooperatively towards the completion of a common goal, but also the ability to consult with others openly and honestly to reach a consensus around complex questions that oftentimes have no clear cut answers. The **group** work may be discussed ***within your own group ONLY, and you may not discuss the case with anyone else except your instructor.***

Group work represents the collaborative effort of all group members. By participating in your group work, you are affirming you have each contributed your fair share of the work. Accepting credit for a group assignment without doing one's fair share could be considered academic dishonesty and a violation of the *Mendoza College of Business Academic Code of Honor*. You will be responsible for preparation of a peer evaluation for group assignments. The results of those evaluations will be considered in assigned individual student grades from the group assignment grades.

### **Office Hours**

While posted office hours will be Tuesdays 5-6pm, your professor will be available upon request at a mutually convenient time (generally via Zoom for meeting). You may arrange a meeting either by sending a message in Canvas or by making an appointment during selected dates/times by using the link to my Google calendar:

<https://calendar.google.com/calendar/u/0/selfsched?sstoken=UUItUjJWOFJTWIBWfGRIZmF1bHR8NjQ2YjNhYTBlODRhYTg1NzQ0MzU0ZDVIZTMzNjlyMWU>

Of course, other times other than those in my Google calendar are available upon specific request. Please make any office hour requests via Canvas. Once an appointment is booked, I'll send a Zoom meeting calendar invite to confirm the date/time.

### **Changes to the Syllabus and/or Tentative Course Calendar**

While changes to the syllabus or course calendar are not anticipated, I reserve the right to modify either the syllabus or course calendar if I believe a change will benefit most students. Please always check Canvas for most current version. Thank you in advance for your understanding and consideration.

## **Other matters**

### ***Mental Health Resources***

Care and Wellness Consultants provide support and resources to students who are experiencing stressful or difficult situations that may be interfering with academic progress. Through Care and Wellness Consultants, students can be referred to The University Counseling Center (for cost-free and confidential psychological and psychiatric services from licensed professionals), University Health Services (which provides primary care, psychiatric services, case management, and a pharmacy), and The McDonald Center for Student Well Being (for problems with sleep, stress, and substance use). Visit [care.nd.edu](http://care.nd.edu).

### ***Inclusiveness***

The University of Notre Dame is committed to social justice. As a community, we share that commitment and strive to maintain a positive learning environment based on open communication, mutual respect, and non-discrimination. In this class, we will not discriminate on the basis of race, sex, age, economic class, disability, veteran status, religion, sexual orientation, color or national origin. Any suggestions as to how to further such a positive and open environment will be appreciated and given serious consideration.

## ACCT 70141 Tentative Course Calendar — Fall 2021

<i>Day</i>	<i>Date</i>	<i>Topics</i>	<i>Ch</i>	<i>HW**</i>	<i>Practice</i>	<i>Assignments</i>
T	Aug. 24	Course Overview				
R	Aug. 26	Mergers and wholly-owned subsidiaries <i>FASB ASC 805, 810</i>	2	P2-30 (50)	P2-26, P2-33	Hershey Case*
T	Aug. 31	Parent-subsidiary relationships Goodwill and fair value allocations	2	P2-35 (40)	P2-34	
R	Sept. 2	Post-acquisition consolidated statements Excess fair-value disposition	3	P3-28 (50)	P3-29, P3-34, P3-37	CVS Impairment Case*
T	Sept. 7	Consolidated income determination Goodwill impairment	3	P3-18 (10)	P3-38	
		Noncontrolling interest - Valuation theories and outside ownership	4	P4-25 (40)	P4-23, P4-24	
R	Sept. 9	Control premiums, mid-year acquisitions, step acquisitions	4	P4-29 (40)	P4-27, P4-32, P4-39, P4-45	Celgene Case*
T	Sept. 14	<b>Guest speaker: Oscar Munoz, Executive Chairman, United Airlines</b> <b>“United-Continental Merger”</b>				<b>Each student needs to develop at least two unique questions for guest speaker and post in Canvas.</b>
R	Sept. 16	<b>Examination 1: Chapters 2, 3, and 4</b>				
T	Sept. 21	<b>Hector Tundidor, Global Client Service Partner, Strategy &amp; Transactions</b> <b>“Transaction Due Diligence and Related Case Study”</b>				<b>Each student needs to develop at least two unique questions for guest speaker and post in Canvas.</b>
R	Sept. 23	Intra-entity profits in transferred inventory (Ch. 5 LO5-1 to LO5-5 -- p. 203-234 only)	5	P5-20 (20), P5-34 (50)	P5-17, P5-33	Edison Eagle Case*
T	Sept. 28	Foreign operations and hedge accounting (Ch. 7 LO7-1 to LO7-7-- pp. 307-354)	7			Historical Exchange Rate Case*
R	Sept. 30	Foreign currency continued	7	P7-30 (30)	P7-29, P7-31	Acquisition Method (Group) Case*
T	Oct. 5	Financial statement translation issues	8	P8-24 (20)	P8-36	Functional Currency Case*
R	Oct 7 8-10AM	<b>Examination 2: Chapters 5, 7, and 8</b>				

\* Assignments marked by an asterisk must be submitted to Canvas. See Canvas assignment for due dates and other details.

\*\* All graded homework problems must be completed in Connect (via Canvas). See Canvas for submission due dates. (Estimated completion time is included in parenthesis in minutes next to graded homework problems). Estimated completion times for practice problems range from 15-60 minutes.

P = End-of Chapter Problem in Textbook

**Students who miss an evaluation event (exam, quiz, or assignment) receive a zero grade for the event unless the professor excuses the absence. Excuses are considered if notification occurs prior to the event and for legitimate documented reasons. Students with approved excuses may reschedule the evaluation at a date approved by the professor.**