

ACCOUNTING, ECONOMICS, AND FINANCE

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Faculty

Leonard K. Gashugi, *Chair*
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Darlene Kausch
Jim Sprow
Patrick A. Williams

Academic Programs	Credits
BBA: Accounting	72
BBA: Business Economics	72
BA: Economics	36
BBA: Finance	72
Minor in Accounting	21
Minor in Economics	21
Minor in Finance	21
Graduate programs are listed on p. 238.	

MISSION

The Department of Accounting, Economics, and Finance offers majors that are intellectually stimulating, professionally challenging, and rewarding. We endeavor to provide the best preparation possible for careers in business, government, academia, and the church.

The faculty seeks to provide students with training and education which will qualify them for employment in a multicultural and global environment. A Christian education encourages an awareness of moral and ethical responsibilities in one's personal and professional life. It is in this context that the department holds up Jesus Christ as the best model for personal responsibility and development and seeks to encourage its students to follow His example.

Undergraduate Programs

ACCOUNTING

Accounting is concerned primarily with (1) measuring income, expenditures, and wealth generated by a business enterprise, and (2) communicating information about the financial condition of economic organizations and the results of their financial activities. Thus, accounting is the language of business—the backbone of the free enterprise system.

The accounting major is designed to meet the needs of students preparing for accounting careers in business, government, not-for-profit organizations, or public accounting, including those who

desire to secure, through state examination, the status of Certified Public Accountant (CPA) or that of Certified Management Accountant (CMA).

Students planning to sit for the CPA exam should consult their state's Board of Public Accountancy before planning their accounting program. Each state has its own rules, regulations, and specific course requirements. Assistance may be obtained from the Accounting faculty.

BBA: Accounting

Required courses—18

ACCT321, 322, 330, 365, 456, 465

Elective major courses—9

Major Group A electives—6-9 credits

ACCT455, 467, 476; BSAD487

Major Group B electives—0-3 credits

FNCE397, 410, 474

BBA core—39

BBA cognates—6

General Education—47

General electives—5

(Must be taken outside the School of Business)

Total credits for the BBA degree—124

Minor in Accounting

Required courses—15

ACCT121, 122, 321, 322, 330

Minor electives—6

must include FNCE317 and one other accounting course

Total credits for the minor—21

ECONOMICS

The two programs in economics are devoted primarily to the study of the economic principles and institutions that affect business activity. Given the substantial business component required in the core, the BBA in Business Economics prepares students for master's programs in business administration as well as entry-level work in business. In contrast, the Bachelor of Arts major in economics grounds the student more deeply in liberal arts education. It offers greater opportunities for electives and, if desired, a minor. Thus, it serves as a general preparation for graduate and professional school; it is selected frequently by pre-law and pre-med students.

Students expecting to study economics at the graduate level should consult with the economics faculty to develop necessary quantitative skills. A minor in mathematics or physics is highly recommended.

BBA: Business Economics

To satisfy the general education requirement in mathematics, the student may substitute MATH141, 142 for MATH166, 182.

Required major courses—6

ECON334, 335

Elective major courses chosen from—21

ECON275, 308, 328, 330, 367, 415, 427, 440, 454

BBA core—39

BBA cognates—6

General Education requirements—47

General electives—5

(Must be taken outside the School of Business)

Total credits for the BBA degree—124

BA: Economics

This liberal arts degree is distinct from the BBA in Business Economics. The General Education requirements for the BA degree apply. Students considering a graduate economics program should substitute MATH141 for MATH182. Students also should take an upper division course in political thought such as HIST400 or a similar course.

Required major courses—12

ECON225, 226, 334, 335

Elective major courses chosen from—18

ECON275, 308, 328, 330, 367, 415, 427, 440, 454

Cognate requirement—6

MATH166 or 182; STAT285

General Education requirements—56-62**General electives or minor—26-32**

Total credits for the BA degree—124

Minor in Economics**Required courses—12**

ECON225, 226, 334, 335

Minor electives—9

Courses at the 300 or 400 level chosen from ECON offerings

Total credits for the minor—21

FINANCE

The finance major is designed to prepare students for careers in financial management. Through a carefully coordinated sequence of courses, the program covers many of the factors that influence financial decision making and provides specific tools for analyzing and interpreting financial data. Students will acquire skills that will help them launch a career in the areas of corporate finance, investments, banking, and financial planning.

Minor in Finance**Required Courses—12**

ACCT121, 122, FNCE317, 397

Minor Electives—9

Chosen from the following: FNCE330, 394, 426, 429, 474, ECON328

Total credits for the minor—21

BBA: Finance**Required major courses—9**

ACCT321; FNCE397, 410

Electives—18

Chosen from ACCT322; ECON328, 330, 415; FNCE330, 394, 426, 429, 474; BSAD487

BBA core—39**BBA cognates—6****General Education requirements—47****General electives—5**

(Must be taken outside the School of Business)

Total credits for the BBA degree—124

Courses**(Credits)**

See inside front cover for symbol code.

ACCOUNTING**ACCT121, 122****(3, 3)*****Fundamentals of Accounting***

Emphasis upon understanding the accounting cycle and the content and preparation of financial statements. Cost and managerial concepts examined. *Fall, Spring*

ACCT321, 322**(3, 3)*****Intermediate Accounting***

Accounting theory and problems in the classification of transactions, asset and liability valuation, income determination, and the presentation and interpretation of financial statements. Study of generally accepted accounting principles. A grade of C or higher in ACCT321 is required for admission to ACCT322. Prerequisite: ACCT122. *Fall, Spring*

ACCT330**(3)*****Cost and Managerial Accounting***

Study of cost determination, accumulation, and allocation procedures. Preparation and utilization of financial information for internal management purposes; emphasis on job order, process and standard costs systems cost-volume-profit relationship, relevant cost, budgeting, performance evaluation, and control. Prerequisite: ACCT122. *Fall*

ACCT365**(3)*****Individual Taxation***

Study of federal income taxation of individuals, of business expenses, and of property transactions. Prerequisite: ACCT122. *Fall*

ACCT455**(3)*****Accounting for Not-for-Profit Organizations***

The study of the fundamental accounting systems used by government, hospitals, schools, and other not-for-profit organizations. Topics include the budgeting process, and the analysis and interpretation of non-profit financial statements. Prerequisite: ACCT122. *Fall*

ACCT456**(3)*****Advanced Accounting***

Study of accounting for business combinations and the preparation of consolidated financial statements; foreign currency financial statements; SEC reporting. Prerequisite: ACCT322. *Spring*

ACCT465**(3)*****Auditing***

Internal and external auditing; current professional standards, ethics of the auditor with emphasis on internal control, and evidence gathering. Prerequisite: ACCT322. *Fall*

ACCT467**(3)*****Corporate Taxation***

Studies federal income taxation of corporations, partnerships, estates, and trusts. Prerequisite: ACCT365. *Spring*

ACCT476**(3)*****Accounting Information Systems***

Planning and operation of electronic data-processing systems in accounting and the use of the information generated for financial

reporting and control. Prerequisites: ACCT122 and junior class standing. *Spring*

ACCT500 (2)
Survey of Accounting

Studies fundamental concepts of financial accounting. Topics include the accounting cycle, financial statement preparation, content and analysis of financial statements. Not available for MBA program. *Fall, Spring*

ACCT586 (3)
Tax Research

Study of the legislative, administrative, and judicial sources of tax law, as well as the resources and techniques used to find a competent and professional conclusion to a tax problem. Extensive research of tax issues and presentation of research is required. Prerequisite: ACCT365. Recommended: ACCT467. *Fall*

ACCT615 (3)
Accounting Theory

An examination of the standard-setting process and selected accounting research, and analysis of major problem areas of financial accounting. A research paper is required. Prerequisite: Equivalent of 1 year of intermediate accounting. *Spring*

ACCT625 (3)
Financial Analysis and Reporting

Develops business leaders' financial-statement literacy. Topics include: understanding the nature of business transactions; identification of relevant economic events for reporting; determination of appropriate financial measures for those events; analysis of the effects of those events in organization's performance and financial condition. Not available for MBA program.

ACCT630 (3)
Advanced Auditing Topics

An examination of current issues facing the auditing profession. Considers the evolution of auditing in the United States and reviews contemporary auditing literature. Case analyses are required. Prerequisite: ACCT465. *Fall*

ACCT635 (3)
Accounting and Finance for Managers

Specialized topics in accounting and finance to aid in making well-informed business decisions. Accounting topics include basic financial, managerial and cost accounting concepts and the interpretation and analysis of financial statements. Finance topics include capital budgeting, cost of capital, long term financial planning, capital structure decisions, and working capital management. Case analyses are required. Prerequisites: ACCT121, 122; FNCE317. *Spring*

ECONOMICS

ECON225 (3)
Principles of Macroeconomics

Analysis of national income and expenditures according to current theories. Inflation, economic growth, and unemployment are examined, as well as modern banking and the money supply. Applicable toward General Education requirements in the social sciences. *Fall*

ECON226 (3)
Principles of Microeconomics

Explores theories currently used to explain how people choose what to consume and produce. Analysis extended to well-defined

groups such as business firms; also explores the phenomenon called "the market" with its prices and the way people react to them. Algebra used extensively. *Spring*

ECON275 Alt (3)
Economic Thought

The development of economic thinking from late medieval times to the present. Survey begins with the Mercantilists, extends through Adam Smith, to 20th-century thinkers such as Joan Robinson and Milton Friedman. *Spring*

ECON308 Alt (3)
Economic History of the Industrialized Nations

Historical approach to "What makes nations rich?" Emphasizes the rise of capitalism, industrialization, 20th-century trends, and the growth of market economies in contrast to socialist planning.

ECON328 Alt (3)
Money and Banking

Commercial banking, the operation and controls of the Federal Reserve System, money and credit in circulation, and the effect of monetary policies. Prerequisites: ECON225, 226. *Fall*

ECON330 Alt (3)
Health Economics

An application of economic principles to the health-care industry. Demand for and supply of health-care services are analyzed to determine their effect on cost. Examines the impact of insurance, technology, and regulation on the industry. Prerequisite: ECON226.

ECON334 (3)
Intermediate Microeconomics

Theoretical analysis of consumer behavior, individual prices, and the allocation of specific resources to particular uses in a market setting. The economic behavior of individuals and well-defined groups of people is examined, with an introduction to welfare economics. Prerequisites: ECON226, MATH141 or 182. *Fall*

ECON335 (3)
Intermediate Macroeconomics

Determinants of aggregate employment, income, consumption, investment, and the price level in contemporary models. Prerequisites: ECON225, 226. *Spring*

ECON367 Alt (3)
Labor Economics and Relations

An analysis of the labor market focusing on labor demand, supply, wage differentials, human capital, discrimination, and unions. *Spring*

ECON415 Alt (3)
Introduction to Econometrics

Topics include probability sampling, hypothesis testing, regression techniques, and problems of multicollinearity, heteroscedasticity, and auto-correlation. Prerequisites: STAT285 or 340, MATH182. *Fall*

ECON427 Alt (3)
Economic Development

A study of the problem of poverty in the world and theories about the growth of the Less-Developed Countries (LDCs). The effects of trade and aid, alternative strategies for expansion, and challenges facing the LDCs are evaluated. Prerequisites: ECON225, 226.

- ECON440** Alt (3)
Public Finance
A study of the economic effects of fiscal policy prescriptions, with particular reference to tax theory. Prerequisites: ECON225, 334. *Fall*
- ECON454** Alt (3)
International Economics
A description and theoretical analysis of international trade, balance-of-payments accounts, the mechanisms of international economic adjustment, the theory of comparative advantage, and economic integration. Prerequisites: ECON225, 226. *Spring*
- ECON500** (2, 2)
Survey of Economics: Micro- and Macroeconomics
An analysis of national income and expenditures according to current theories to understand how the overall economy works, as well as a study of theories currently used to explain how people choose what to consume and produce within the capitalistic system. Not available for MBA program. *Fall, Spring*
- ECON525** (3)
Global Macroeconomic Analysis
The study of global macroeconomic issues facing firms. Within the context of competing economic theories, the course considers domestic policies, international trade and payment issues, economic growth, international institutions and the spread of regional crises, and the impact of stabilization policies on firms. Development of a spreadsheet model of an economy is required. Prerequisite: ECON225. *Spring*
- ECON530** (3)
Operations/Managerial Economics
The use of economic theory and optimization techniques as tools of management decision making within a business firm are studied. Statistical analyses such as regression techniques will be utilized. A case study is required. While microeconomics serves as a foundation, emphasis on quantitative approaches also requires knowledge of basic calculus and statistics. Prerequisites: ECON226, BSAD475 or INDT460, STAT285, MATH182. *Fall*
- FINANCE**
- FNCE206** (3)
Personal Finance
A comprehensive look at the management of one's personal finances; covers budgeting, use of and cost of credit, life and property insurance, income and state taxation, housing, wills, trusts, estate planning, and savings and investments. Does not apply to a business major. *Fall*
- FNCE317** (3)
Business Finance
A managerial approach to financial analysis, planning, and control. Management of working capital, long-term assets, and long-term financing. Prerequisites: ACCT122, MATH166. *Fall, Spring*
- FNCE330** Alt (3)
Financial Planning
An integrative approach to financial planning incorporating time value of money, financial statements, federal taxation, risk management and insurance concepts. Emphasis will be placed on developing a framework for formulating sound financial plans. Prerequisite: FNCE317. *Spring*
- FNCE394** Alt (3)
Futures and Options Markets
The theory of futures pricing and options pricing, and the application of the theory to develop a framework for analyzing hedging and investment decisions using futures and options. Attention to practical considerations in the use of these investments. Prerequisite: FNCE317. *Fall*
- FNCE397** (3)
Investments
The techniques, vehicles, and strategies for implementing investment goals in light of risk-return tradeoffs. Key factors that determine the composition of the individual or institutional portfolios emphasized. Prerequisite: FNCE317. *Spring*
- FNCE410** (3)
Corporate Financial Management
A study of more advanced topics in corporate finance and an application of previously covered topics with the use of cases. Prerequisite: FNCE317. *Spring*
- FNCE426** Alt (3)
International Financial Management
The financial management and maintenance of international enterprises. Short- and long-term capital sources and uses. Capital budgeting in changing foreign exchange conditions. Exchange exposure coverage, taxation impacts, and global-risk diversification. Prerequisite: FNCE317. *Fall*
- FNCE429** Alt (3)
Portfolio Theory
Theories and techniques for management of portfolios; emphasis on the portfolio manager's role in diversification and meeting investors' goals, and a review of empirical literature. Prerequisite: FNCE317. *Spring*
- FNCE474** Alt (3)
Estate Planning
Introduction to the various tools of estate planning, including the purpose and use of wills, trusts, gifts, and life insurance. Stresses the role of the professional. Estate and gift tax consequences considered. Specific applications to non-profit organization development programs are made. *Fall*
- FNCE526** (3)
International Financial Management
The financial management of international enterprises and global portfolio analysis. Short- and long-term capital sources and uses. Capital budgeting in changing foreign-exchange conditions. Exchange exposure coverage and taxation impacts. Research paper/presentation is required. Prerequisite: FNCE317. *Spring*
- FNCE680** (3)
Investment Strategy
Study of security risk-and-return concepts, security analysis, and concepts of market efficiency. Emphasizes equity investments, bonds, options, future, and international securities. Case analyses are required. Prerequisite: FNCE317. *Spring*