

ECONOMICS-ACCOUNTING

The purpose of the program in economics-accounting is to offer students an opportunity to learn accounting as the language of business within a liberal arts setting. Emphasis is on developing the analytical, communication, and interpersonal skills of individual students. Students are encouraged to combine study in economics-accounting with other areas of study for a dual or double major.

Major Requirements

The major in economics-accounting requires eleven courses, distributed as follows:

1. **Economics 86. Accounting for Decision Making**
2. **Economics 150. Theoretical Foundations of Accounting**
3. **Economics 191. Business Law**
4. **Core Requirement in Economics** (three courses; see “Economics”)
5. **Statistics Skills Requirement** (see “Economics”)
6. **Economics-Accounting Electives.** Four additional courses in accounting. At least two of these courses must be chosen from among Level Two accounting electives (see below).

Elective courses in economics-accounting are arranged in two categories: Economics 150-152 are *Level One accounting electives* for economics-accounting majors; Economics 154-160, as well as Economics 149, are *Level Two accounting electives* for economics-accounting majors.

Note: All Economics-accounting courses, except for 151 and 157, are *Level One elective courses for economics majors*.

Special Options for Majors

Dual Majors

Students with a dual major including economics-accounting must complete the following nine courses:

1. **Economics 86. Accounting for Decision Making**
2. **Economics 150. Theoretical Foundations of Accounting**
3. **Economics 191. Business Law**
4. **Core Requirement in Economics** (three courses; see “Economics”)
5. **Statistics Skills Requirement** (see “Economics”), and
6. **Economics-Accounting Electives.** Two or more additional accounting courses, including at least one Level Two accounting course.

Please note the restrictions on honors in the major for students with a dual major under “Honors in Economics-Accounting” below. For further information on dual majors and the requirements for the other field of study of the dual major, please check the appropriate sections of this catalog.

Honors in Economics-Accounting

Requirements for honors in economics-accounting are:

- Complete a major in economics-accounting.
- Meet the College grade point average qualification requirement for departmental honors.
- Complete *Economics 159. Accounting Theory and Research*, during the senior year. In years when Economics 159 will not be offered, candidates may complete an elective course from a list of qualifying courses available from Professor Massoud, Director of the Accounting Program during the senior year; this course must be taken prior to or concurrent with senior thesis.

- Complete and defend a senior thesis on a subject in economics-accounting under direction of a member of the CMC Economics department.

Students with *dual majors* in economics-accounting who wish to be considered for honors in economics-accounting will only receive honors if they:

- have completed all requirements for a *full major* in economics-accounting and are granted honors, or
- qualify and receive honors in *both fields* of their dual major. See “Honors in the Major” for details.

Internship in Economics-Accounting

For information on summer internships in economics-accounting, see “Summer Internship Program in Accounting” in “Special Programs.”

Study Abroad

All CMC students have the opportunity to apply to study abroad during their junior year. Students planning to study economics-accounting abroad should consult with the Director of the Accounting Program to determine which off-campus courses will be accepted for the major. Please consult the Director of the Accounting Program for further information.

Courses

86. Accounting for Decision Making.

Principles of financial accounting. Analysis of business transactions and their effect on the three principal financial statements: the balance sheet, the income statement, and the cash flow statement of changes. Prerequisite: Economics 50. First and second semester. Staff

149. International Accounting, Taxation, and Transfer Prices.

An introduction to global accounting, cross-listings, cost of capital and international accounting standards, U.S. taxation of international transactions, including tax jurisdiction issues and the source of income rules, and a review of transfer pricing rules (a transfer price must be computed for controlled transactions in order to satisfy various financial reporting, tax, and regulatory requirements) as they affect how international income is allocated among members of a controlled group. Prerequisite: Economics 150. (Not offered in 2003-2004.)

150. Theoretical Foundations of Accounting.

Financial accounting: Basic concepts of financial statements, working capital, asset valuation, and income determination. Prerequisite: Economics 86. First and second semester. Rosett

151. Strategic Cost Management.

Explores different systems for measuring organizational costs. Topics include traditional cost measurement systems, such as Job-Order, Process, and Standard Costing Systems, and newer cost measurement systems such as Activity Based Costing and Target Costing Systems. Emphasis is placed upon the use of cost data for managerial decisions. Prerequisites: Economics 86 and 101. First semester. Mintz

152. Tax Planning.

Surveys the consequences of a variety of tax plans based on discretionary principles of tax recognition and treatment. Basic planning concepts are introduced for addressing the tax interests of business units and individual investors. Prerequisite: Economics 86. First semester. Taylor

154. Financial Statement Analysis.

Combines finance and accounting in a user-oriented, financial statement analysis approach. The goal is to expose students to the usefulness of accounting information for valuation and bankruptcy prediction. Part I introduces ratio analysis and discusses accounting information strengths and limitations. Part II is decision model oriented. It deals with the uses of accounting information for valuation of common stocks and corporate bonds in an efficient market. Prerequisites: Economics 86 and 150, or permission of instructor. First and second semester. Weis

155. Financial Instruments and Income Determination.

Financial accounting: capital structure of corporations and such special topics as pensions, leases, and accounting for inflation. Prerequisite: Economics 150. First and second semester. Mintz

156. Advanced Topics in Financial Accounting.

Various topics in advanced financial accounting including consolidations, foreign operations, financial derivatives, and accounting for the environment. Prerequisites: Economics 150 and 155, or permission of instructor. (Not offered in 2003-2004.)

157. Design of Adaptive Management Systems: Management as a Liberal Art.

Develops a systematic process for managing organizations in the information economy under conditions of both rapid change and stability. Develops procedures for measuring relevant changes occurring outside and inside an organization so that management may respond successfully to these changes. Emphasizes the broad range of skills that are necessary to manage complexity including technical, measurement, analytical, and leadership skills. Connects performance measurement and technology with knowledge acquired in the liberal arts. Prerequisites: Economics 86 and 101, or permission of instructor. (Not offered in 2003-2004.)

158. Auditing.

A study of standards and independent verification procedures for business, government, and tax-exempt organizations; methods for surveying adequacy and effectiveness of accounting systems and internal controls; practice in applying auditing procedures and preparing working papers. Prerequisite: Economics 150. Second semester. Mintz

159. Accounting Theory and Research.

An intensive study of the evolution and development of accounting standards, with emphasis on the normative rather than the descriptive model as well as enhancing the student's research capabilities.

Prerequisite: Economics 150, or permission of instructor. Second semester. Massoud

160. Information Technology and Accounting System Design (with Practicum).

This course provides students with the opportunity to master the skills required to design and implement an accounting information system. After mastering the underlying foundations of information technology and accounting systems, students will have the opportunity to work in teams to design a full accounting information system for a local business. Prerequisites: Economics 150 and 155, or permission of instructor. (Not offered in 2003-2004.)