

Intermediate Accounting

SPICELAND • SEPE • NELSON

SIXTH EDITION



Intermediate Accounting

SIXTH EDITION

J. DAVID SPICELAND

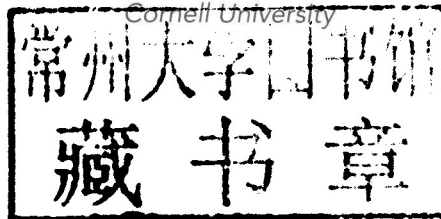
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**McGraw-Hill
Irwin**



INTERMEDIATE ACCOUNTING

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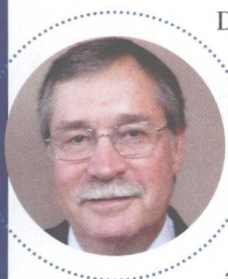
Dedicated to:

David's wife Charlene, daughters Denise and Jessica, and sons Michael David, Michael, and David
Jim's wife Barbara, children Kristina, Matt, and Dave, son-in-law Bob and daughter-in-law Donna,
and granddaughters Kaitlyn and Meghan

Mark's wife Cathy, daughters Lizzie and Clara, and parents Mary and Richard H. Nelson

About the Authors

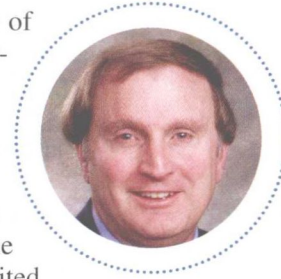
DAVID SPICELAND



David Spiceland is professor of accounting at the University of Memphis, where he teaches intermediate accounting and other financial accounting courses at the undergraduate and master's levels. He received his BS degree in finance from the University of Tennessee, his MBA from Southern Illinois University, and his PhD in accounting from the University of Arkansas.

Professor Spiceland's primary research interests are in earnings management and educational research. He has published articles in a variety of journals including *The Accounting Review*, *Accounting and Business Research*, *Journal of Financial Research*, and *Journal of Accounting Education*. David has received university and college awards and recognition for his teaching, research, and technological innovations in the classroom.

JIM SEPE



Jim Sepe is an associate professor of accounting at Santa Clara University where he teaches primarily intermediate accounting in both the undergraduate and graduate programs. He previously taught at California Poly State University–San Luis Obispo and the University of Washington and has visited at Stanford University and the Rome campus of Loyola University of Chicago.

Professor Sepe received his BS from Santa Clara University, MBA from the University of California–Berkeley, and PhD from the University of Washington. His research interests concern financial reporting issues and the use of financial information by capital markets. He has published in *The Accounting Review*, the *Journal of Business Finance and Accounting*, *Financial Management*, the *Journal of Forensic Accounting*, the *Journal of Applied Business Research*, and the *Journal of Accounting Education*. He is a past recipient of the American Accounting Association's Competitive Manuscript Award and has served as a member of the editorial board of *The Accounting Review*.

Jim has received numerous awards for his teaching excellence and innovations in the classroom, including Santa Clara University's Brutocao Award for Excellence in Curriculum Innovation.

MARK NELSON



Mark Nelson is the Eleanora and George Landew Professor of Accounting at Cornell University's Johnson Graduate School of Management, where he teaches intermediate accounting at the MBA level. He received his BBA degree from Iowa State University and his MA and PhD degrees from Ohio State University. Professor Nelson has won teaching awards at Ohio State and Cornell, including three of the Johnson School's Apple Award for Teaching Excellence.

Professor Nelson's research is focused on decision making in financial accounting and auditing. His research

has been published in *The Accounting Review*, the *Journal of Accounting Research*, *Contemporary Accounting Research*, *Accounting Organizations and Society*, *Auditing: A Journal of Practice and Theory*, and several other journals. He has won the American Accounting Association's Notable Contribution to Accounting Literature Award, and also the AAA's Wildman Medal for work judged to make the most significant contribution to the advancement of the public practice of accountancy. He has served three times as an editor or associate editor of *The Accounting Review*, and serves on the editorial boards of several journals. Professor Nelson also served for four years on the FASB's Financial Accounting Standards Advisory Council.

Thank You

The authors and McGraw-Hill's *Intermediate Accounting* team thank Larry Tomassini for his many contributions to the book over the last few editions. Larry is an innovator in the use of technology to tutor students, most notably through his creation of Coach. We wish him the best of luck in his future endeavors!

Your Vehicle to Success

"I am very impressed with this textbook and its supplements. The authors have carefully developed the book to meet the needs of a wide range of student learners. It is clearly written in understandable terms. There are many features available to provide your students with the best chance to master this material."

—Robert Gruber, University of Wisconsin—Whitewater

"SSN do a marvelous job of explaining the conceptual underpinnings of the accounting standards before describing the details of the rules. In sum, this is an excellent textbook that should be strongly considered for any intermediate accounting course."

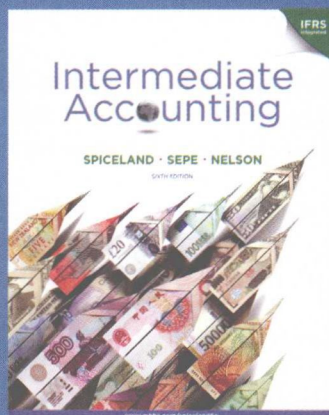
—Albert Nagy,
John Carroll University

"After reviewing this text, I would describe this text to our colleagues as an outstanding learning package and outstanding textbook."

—Habib El-Yazeed,
Minnesota State University

As your students embark on their professional careers, they will be challenged to think critically and make good decisions. This new edition of *Intermediate Accounting* has been designed to ensure that your students' careers soar to the greatest heights—to be their vehicle to success!

Intermediate Accounting is the work not just of its talented authors but of the more than 175 faculty reviewers who shared their insights, experience, and opinions with us. Our reviewers helped us to build *Intermediate Accounting* into the vehicle that can propel your students to success in their accounting course.



Our development process began in the summer of 2008, when we received the first of what would become more than 175 in-depth reviews of *Intermediate Accounting*. A blend of Spiceland users and non-users, these reviewers explained how they use textbooks in their teaching, and many answered detailed questions about every one of Spiceland's 21 chapters. And the work of improving *Intermediate Accounting* is ongoing—even now, we're scheduling new symposia and reviewers' conferences to collect even more opinions from faculty.

Intermediate Accounting is ongoing—even now, we're scheduling new symposia and reviewers' conferences to collect even more opinions from faculty.

Intermediate Accounting was designed from the start to be not simply a textbook, but a complete learning system, encompassing the textbook, key ancillaries, and online content, all of which are written by authors Spiceland, Sepe, and Nelson. The *Intermediate Accounting* learning system is built around five key attributes:

in Intermediate Accounting

- ① **Clarity:** Reviewers, instructors, and students all have hailed *Intermediate Accounting's* ability to explain both simple and complex topics in language that is clear and approachable. Its highly acclaimed conversational writing style establishes a friendly dialogue between the text and each individual student. So readable is Spiceland that we've even received letters from students who bought the book themselves—despite their instructors using competing books in the course!
- ② **A Decision-Making Perspective:** Recent events have focused public attention on the key role of accounting in providing information useful to decision makers. The CPA exam, too, is redirecting its focus to emphasize the professional skills needed to critically evaluate accounting method alternatives. *Intermediate Accounting* provides a decision maker's perspective to emphasize the professional judgment and critical thinking skills required of accountants today.
- ③ **Flexible Technology:** Today's accounting students have come of age in a digital world, and Spiceland's Learning System reflects that trend through its comprehensive technology package. The sixth edition contains even more technology features than the previous editions of Spiceland's Learning System, featuring: McGraw-Hill Connect Accounting, Self-Quiz and Study, LearnSmart self-study technology, and Tegrity Campus. See pages xii, xiii and xvii for more details!
- ④ **Consistent Quality:** The *Intermediate Accounting* author team ensures seamless compatibility throughout the Spiceland learning package by writing every major supplement themselves: Study Guide, Instructor's Resource Manual, Solutions Manual, Testbank, and website content are all created by authors Spiceland, Sepe, and Nelson. The end-of-chapter material, too, is written by the author team and tested in their classrooms before being included in *Intermediate Accounting*.
- ⑤ **A Commitment to Currency:** Few disciplines see the rapid change that accounting experiences, and the Spiceland team is committed to keeping your course up to date. The sixth edition fully integrates the latest FASB standards, including SFAS No. 168, "The FASB Accounting Standards Codification™ and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162"; SFAS No. 166, "Accounting for Transfers of Financial Assets—an Amendment of FASB Statement No. 140"; SFAS No. 165, "Subsequent Events"; and FSP No.'s 115-2 and 124-2, "Recognition and Presentation of Other-Than-Temporary Impairments."

"The best available text for the intermediate accounting courses at both the graduate and undergraduate level."

—Gerard M. Engeholm,
Pace University

"An excellent textbook that covers accounting procedures thoroughly from a real-world perspective. It is very current and is accompanied by a great variety of learning aids to help students succeed."

—Kathy Hsiao Yu Hsu,
University of Louisiana–Lafayette

"When someone other than the authors prepares the [end-of-chapter material] they generally do not mirror the material that is presented in the chapters and they contain quite a few errors."

—Gloria Worthy, Southwest
Tennessee Community College

"Overall, I find the Spiceland end-of-chapter material far superior to that in Kieso in terms of quantity, especially as it relates to the diversity of the problem material."

—Chula King,
University of West Florida

What Stands Out in the Sixth Edition?



The United States is moving rapidly toward converging U.S. GAAP with the **International Financial Reporting Standards (IFRS)** that are followed by most of the rest of the world. Therefore, a premier intermediate text must not only offer thorough coverage of U.S. GAAP, but also provide clear coverage of key differences between U.S. GAAP and IFRS with end-of-chapter assignment material to test student understanding of those differences. In light of this need, we have made the following changes for the sixth edition:

- (1) Updated our overview of the background and current status of the convergence process in Chapter 1.
- (2) Expanded our IFRS coverage significantly. This coverage is integrated with text content by including boxes at appropriate points in each chapter, allowing instructors to identify key differences between U.S. GAAP and IFRS as they so choose and discuss those differences in the context of the chapter topics. Many of these "IFRS boxes" now include numerical illustrations demonstrating the differences from U.S. GAAP, providing comparative illustrations, and showing real world examples.
- (3) Expanded and revised end-of-chapter assignment materials to provide extensively more opportunities for students to apply their knowledge of IFRS and the differences between IFRS and U.S. GAAP. IFRS assignments are included in end-of-chapter questions, brief exercises, exercises, problems and cases. The Testbank also contains many new IFRS items for most chapters.
- (4) To provide students the experience of considering a set of IFRS-based financial statements from an all-inclusive perspective, we added the **Comprehensive British Airways Case**. That case has questions appearing as Broaden Your Perspective cases in most of the text's chapters, allowing instructors to discuss IFRS and U.S. GAAP differences in the context of a single IFRS-based financial reporting setting. For instructors who prefer to cover IFRS on fewer days in a more concentrated fashion, the British Airways Case questions are repeated in Appendix C but divided into six broad topical classifications to permit coverage in logical groupings during the course.

"Provides up to date material on many topics, for example IFRS. Students will find it easy to follow and to find examples in working homework."

—Terry G. Elliott,
Morehead State University

BRITISH AIRWAYS



Revising a book as successful as **Intermediate Accounting** takes careful consideration and a strong vision of what a textbook should be. New features aren't piled on for their own sake; the Spiceland team only implements changes that constitute real improvements that have been identified through extensive research with users. The result is a book that never loses its original strengths as it gains in usefulness and flexibility with each revision.



WHERE WE'RE HEADED

● LO12

The FASB and IASB are working together on a standard that would have a dramatic impact on the format of financial statements.

The FASB and IASB are working together on a project, Financial Statement Presentation, to establish a common standard for presenting information in the financial statements, including classifying and displaying line items and aggregating line items into subtotals and totals. This standard will have a dramatic impact on the format of financial statements. An important part of the proposal involves the organization of elements of the balance sheet (statement of financial position), statement of comprehensive income (including the income statement), and statement of cash flows (SCF) into a common set of classifications.

The FASB and IASB (International Accounting Standards Board) have set a June 2011 target date for the completion of 11 major joint projects that are intended to improve the standards of both Boards while further aligning U.S. GAAP and IFRS. We have placed **Where We're Headed** boxes throughout the text to describe the potential financial reporting effects of many of these projects or of other pronouncements by the Boards. Because an unprecedented concentration of major changes is scheduled to occur in an unusually short time frame, not only do we feel that these carefully delineated descriptions of not-yet-GAAP potentialities are warranted, but that it would be a disservice to students to ignore them.

"Very well written in a streamlined 21 chapter approach with IFRS incorporated throughout and excellent end of chapter materials."

—Michael Slaubaugh, Indiana University/Purdue University

The FASB Codification became effective on July 1, 2009 and now represents the single source of authoritative nongovernmental U.S. GAAP, except for rules and interpretive releases of the SEC which remain also as sources of authoritative GAAP. All other literature is now nonauthoritative. Throughout the sixth edition, we use the new Accounting Standards Codification System (ASC) in footnotes when referencing generally

If your school has paid for a site license of the Academic Accounting Access Program, faculty and students will have free access to the FASB Codification. Check with your accounting department to determine if your school has registered for this program. All of the features available with the Professional View version (<http://asc.fasb.org>) are included with the Academic Accounting Access Program.

accepted accounting principles (FASB ASC followed by the appropriate number). For ease of transition, each citation also includes a reference to the original accounting standard that is codified in ASC. End-of-chapter exercises and cases have been added that provide students with practice in researching the FASB's Accounting Standards Codification.

The **financial statements** and **disclosure notes** of Dell are included in Appendix B of the text. The statements and notes also are available through a link provided at the text website. These replace the Google statements packaged with the fifth edition. The Dell statements and notes are the basis for text references and cases in most chapters.

Market-Leading Technology



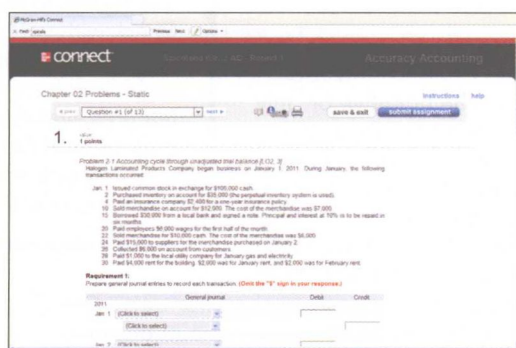
McGraw-Hill Connect Accounting

Less Managing. More Teaching. Greater Learning.



McGraw-Hill *Connect Accounting* is an online assignment and assessment solution that connects students with the tools and resources they'll need to achieve success.

McGraw-Hill *Connect Accounting* helps prepare students for their future by enabling faster learning, more efficient studying, and higher retention of knowledge.



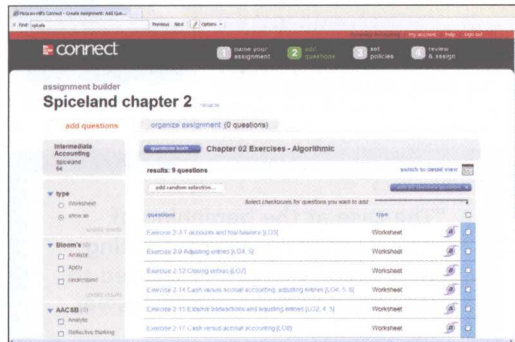
McGraw-Hill Connect Accounting Features

Connect Accounting offers a number of powerful tools and features to make managing assignments easier, so faculty can spend more time teaching. With *Connect Accounting*, students can engage with their coursework anytime and anywhere, making the learning process more accessible and efficient. *Connect Accounting* offers you the features described on the next page.

Student Study Center

The *Connect Accounting* Student Study Center is the place for students to access additional resources. The Student Study Center:

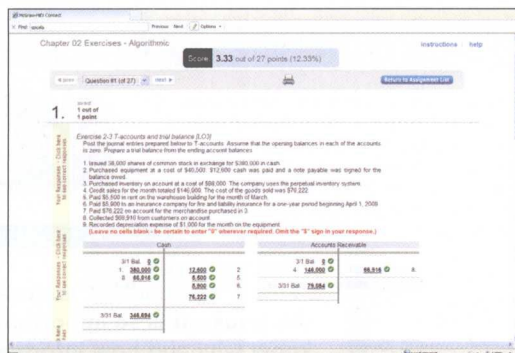
- Offers students quick access to lectures, practice materials, eBooks, and more.
- Provides instant practice material and study questions, easily accessible on the go.
- Gives students access to the Self-Quiz and Study resource described on page xvii.



Simple Assignment Management

With *Connect Accounting*, creating assignments is easier than ever, so you can spend more time teaching and less time managing. The assignment management function enables you to:

- Create and deliver assignments easily with selectable end-of-chapter questions and test bank items.
- Streamline lesson planning, student progress reporting, and assignment grading to make classroom management more efficient than ever.
- Go paperless with the eBook and online submission and grading of student assignments.



Smart Grading

When it comes to studying, time is precious. *Connect Accounting* helps students learn more efficiently by providing feedback and practice material when they need it, where they need it. When it comes to teaching, your time also is precious. The grading function enables you to:

- Have assignments scored automatically, giving students immediate feedback on their work and side-by-side comparisons with correct answers.
- Access and review each response; manually change grades or leave comments for students to review.
- Reinforce classroom concepts with practice tests and instant quizzes.

Instructor Library

The *Connect Accounting* Instructor Library is your repository for additional resources to improve student engagement in and out of class. You can select and use any asset that enhances your lecture. The *Connect Accounting* Instructor Library includes:

- eBook
- PowerPoints

What Keeps Spiceland Users Coming Back?

Financial Reporting Cases

Each chapter opens with a Financial Reporting Case that places the student in the role of the decision maker, engaging the student in an interesting situation related to the accounting issues to come. Then, the cases pose questions of the student in the role of decision maker. Marginal notations throughout the chapter point out locations where each question is addressed. Finally, the questions are answered at the end of the chapter.

FINANCIAL REPORTING CASE SOLUTION

1. How would you explain restructuring costs and its negative amount in 2009 to Becky? Are restructuring costs something Becky should worry about? (p. 177) Restructuring costs include employee severance and termination benefits plus other costs associated with the shutdown or relocation of facilities or downsizing of operations. Certain restructuring costs must be estimated. The negative number in 2009 is a consequence of overestimating restructuring costs. The costs are not necessarily bad. In fact, the objective is to estimate the costs. The costs are incurred now in hopes of better earnings in the future.
2. In addition to discontinued operations, what other items are reported separately in the income statement?



"The case at the beginning of each chapter is very captivating. After I read the case, I wanted to get paper and pencil and answer the questions."

—Carol Shaver,
Louisiana Tech University

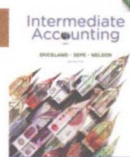
Decision Makers' Perspective

These sections appear throughout the text to illustrate how accounting information is put to work in today's firms. With the CPA exam placing greater focus on application of skills in realistic work settings, these discussions help your students gain an edge that will remain with them as they enter the workplace.

DECISION MAKERS' PERSPECTIVE

Cash often is referred to as a *nonearning* asset because it earns no interest. For this reason, managers invest idle cash in either cash equivalents or short-term investments, both of which provide a return. Management's goal is to hold the minimum amount of cash necessary to conduct normal business operations, meet its obligations, and take advantage of opportunities. Too much cash reduces profits through lost returns, while too little cash increases risk. This trade-off between risk and return is an ongoing choice made by management (internal decision makers). Whether the choice made is appropriate is an ongoing choice made by investors and creditors (external decision makers).

A company must have cash available for the compensating balance required by the bank in the previous section as well as for planned disbursements related to operating, investing, and financing cash flows. However, because cash inflows and outflows are planned amounts, a company needs an additional cash cushion as a safety net.



"This is an excellent feature of the book. It is so important to know why and how information is used and not just memorizing the 'right' answers."

—Jeff Mankin, Lipscomb University

Star Problems ★

Star problems were a new feature in the fifth edition. These are problems (more than one-third new) in each chapter that are designated by a ★ to indicate that they are particularly challenging, requiring students to combine multiple concepts or requiring judgment beyond explicit explanation in chapter discussions.

"The Star Problems are challenging—a good way to illustrate the more difficult concepts and calculations."

—Kenneth R. Henry,
Florida International University

In talking to so many intermediate accounting faculty, we heard more than how to improve the book—there was much, much more that both users and nonusers insisted we keep exactly as it was. Here are some of the features that have made Spiceland such a phenomenal success in its previous editions.

ADDITIONAL CONSIDERATION

We discuss in significant depth in Chapter 7 the problem of accounting for bad debts.

However, bad debts related to receivables on sale create a unique problem. The reason a company cannot reliably estimate bad debts. Therefore, the company must expense or create an allowance for uncollectible bad debts are dealt with implicitly by deferring the expense until the debt is never is collected, the related deferred gross profit is realized. To illustrate, assume that in the example described, the company collected the first payment but the customer defaulted on the second. Typically, the seller would repossess the item.

Repossession inventory.....		
Deferred gross profit.....	100,000	
Installment receivable.....		600,000

This entry removes the receivable and the remaining deferred gross profit and records the repossessed land in an inventory account. This example assumes that the repossessed land's current fair value is equal to the net receivable of \$420,000. If the land's fair value at the date of repossession is less than \$420,000, a loss on repossession is recorded (debited).

"This is a good technique that I actually use in my class and it's good to see it in a book!"

—Ramesh Narasimhan,
Montclair State University

Additional Consideration Boxes

These are "on the spot" considerations of important, but incidental or infrequent aspects of the primary topics to which they relate. Their parenthetical nature, highlighted by enclosure in Additional Consideration boxes, helps maintain an appropriate level of rigor of topic coverage without sacrificing clarity of explanation.

Ethical Dilemmas

Because ethical ramifications of business decisions impact so many individuals as well as the core of our economy, Ethical Dilemmas are incorporated within the context of accounting issues as they are discussed. These features lend themselves very well to impromptu class discussions and debates.

Broaden Your Perspective Cases

Finish each chapter with these powerful and effective cases, a great way to reinforce and expand concepts learned in the chapter.



ETHICAL DILEMMA

The Precision Parts Corporation manufactures a profit every year since the company's inception. The company is proud of its accomplishment and believes one important part of its success is a bonus plan that rewards top management a bonus if the operating income goal for the year is achieved and prospects for attaining the income goal are good.

Tony Smith, the company's chief financial officer, is reviewing the December sales by an amount sufficient to meet the goal. The company's top management parts to be shipped on January 15, 2012. Tony can get that order ready by December 31 if he works overtime. We can then just leave the order on the lot and ship it on January 15, 2012, without recognizing the sale in 2011, since we do have a firm order from a reputable customer to ship goods f.o.b. destination and to recognize the sale in 2012.

"Having ethical dilemma boxes in every chapter is much more significant than having a separate chapter devoted to ethics. Students can relate to the importance of being ethical in every aspect of business dealings."

—Gloria Worthy,
Southwest Tennessee
Community College

BROADEN YOUR PERSPECTIVE

Ethics Case 6-1
Rate of return
• LO1

Analysis Case 6-2
Bonus alternatives

Apply your critical-thinking ability to the knowledge you've gained. These cases will provide you an opportunity to develop your research, analysis, judgment, and communication skills. You also will work with other students, integrate what you've learned, apply it in real world situations, and consider its global and ethical ramifications. This practice will broaden your knowledge and further develop your decision-making abilities.

The Damon Investment Company manages a mutual fund composed mostly of speculative stocks. You recently saw an ad claiming that investments in the fund have been earning a rate of return of 21%. This rate seemed quite high so you called a friend who works for a mutual fund company and asked for more information. The figure was determined by dividing the two-year return by two. In other words, \$100 invested in the fund would grow to \$141 in two years.

Required:

Discuss the ethics of the 21% return claim.

Sally Hamilton has performed well as the fund manager and has earned a bonus. She has a choice among the following alternatives:

"I think students would benefit tremendously from the cases."

—Joyce Njoroge, Drake University

How Does Spiceland Help My Students

Online Learning Center (OLC)

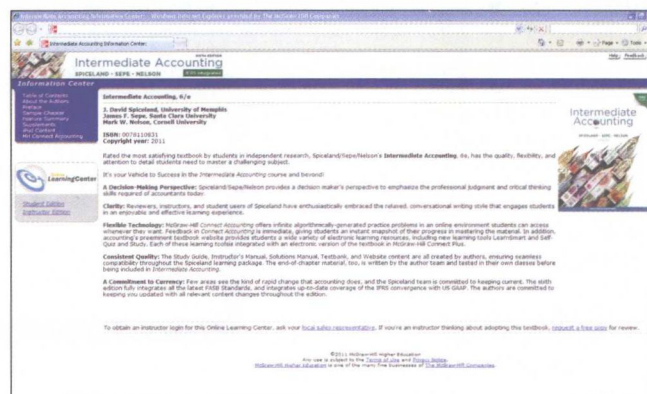
www.mhhe.com/spiceland6e

Today's students are every bit as comfortable using a web browser as they are reading a printed book. That's why we offer an Online Learning Center (OLC) that follows *Intermediate Accounting* chapter by chapter. It doesn't require any building or maintenance on your part, and is ready to go the moment you and your students type in the URL.

As your students study, they can refer to the OLC web-site for such benefits as:

iPod content	Check figures
Self-grading quizzes	Practice exams
Electronic flash cards	FASB pronouncements,
Audio narrated PowerPoint	summaries and updates
Alternate exercises and problems	Text updates

A secured Instructor Resource Center stores your essential course materials to save you prep time before class. The Instructor's Resource Manual, Solutions Manual, PowerPoint, and sample syllabi are now just a couple of clicks away. You will also find useful packaging information and transition notes.



CPA and CMA Review Questions

A CPA and CMA Review Questions section includes multiple choice questions used in the Kaplan CPA Review Course and focus on the key topics within each chapter, permitting quick and efficient reinforcement of those topics as well as conveying a sense of the way the topics are covered in the CPA exam. The CMA questions are adapted from questions that previously appeared on Certified Management Accountant (CMA) exams.

CPA AND CMA REVIEW QUESTIONS

CPA Exam Questions



• LO3

The following questions are used in the Kaplan CPA Review Course to study current liabilities while preparing for the CPA examination. Determine the response that best completes the state questions.

1. On March 1, 2010, Fine Co. borrowed \$10,000 and signed a two-year note bearing interest compounded annually. Interest is payable in five equal payments on February 28, 2012. What amount of interest expense should be recorded on the balance sheet as of February 28, 2011?

"Intermediate Accounting is current, complete, well written, and highly detailed. It belongs in the library of anyone who is preparing for the CPA exam."

—Barbara K. Parks, American Intercontinental University—Online



iPod Content

Harness the power of one of the most popular technology tools students use today—the Apple iPod®. Our innovative approach allows students to download audio and video presentations right into their iPod and take learning materials with them wherever they go.

Students just need to visit the Online Learning Center at www.mhhe.com/spiceland6e to download our iPod content. For each chapter of the book, they will be able to download audio narrated lecture presentations, slide-shows and even self-quizzes designed for use on various versions of iPods.

Improve Their Performance?

CPA Simulations

Kaplan CPA Exam Simulations allow students to practice intermediate accounting concepts in a web-based environment similar to that used in the actual CPA exam. There will be no hesitation or confusion when your students sit for the real exam: they'll know exactly what they need to do.



Self-Quiz and Study

Self-Quiz and Study (SQS) resource in *Connect Accounting* connects each student to the learning resources needed for success in the course. For each chapter, students:

- Take a practice test to initiate the Self-Quiz and Study.
- Immediately upon completing the practice test, see how their performance compares to chapter learning objectives or content by sections within chapters.
- Receive a Self-Quiz and Study resource that recommends specific readings from the text, supplemental study material, and practice work that will improve their understanding and mastery of each learning objective.

Diagnostic and Adaptive Learning of Concepts: LearnSmart

Students want to make the best use of their study time. The LearnSmart adaptive self-study technology within *Connect Accounting* provides students with a seamless combination of practice, assessment, and remediation for every concept in the textbook. LearnSmart's intelligent software adapts to every student response and automatically delivers concepts that advance the student's understanding while reducing time devoted to the concepts already mastered. The result for every student is the fastest path to mastery of the chapter concepts. LearnSmart:

- Applies an intelligent concept engine to identify the relationships between concepts and to serve new concepts to each student only when he or she is ready.
- Adapts automatically to each student, so students spend less time on the topics they understand and practice more those they have yet to master.
- Provides continual reinforcement and remediation, but gives only as much guidance as students need.
- Integrates diagnostics as part of the learning experience.
- Enables you to assess which concepts students have efficiently learned on their own, thus freeing class time for more applications and discussion.

Student Progress Tracking

Connect Accounting keeps instructors informed about how each student, section, and class is performing, allowing for more productive use of lecture and office hours. The progress-tracking function enables you to:

- View scored work immediately and track individual or group performance with assignment and grade reports.
- Access an instant view of student or class performance relative to learning objectives.

