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ACCOUNTANCY PRACTICUM

By

Connor James McCarthy

A thesis submitted to the faculty of The University of Mississippi in partial fulfillment of
the requirements of the Sally McDonnell Barksdale Honors College.

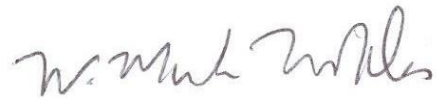
Oxford, MS

May 2021

Approved By



Advisor: Dr. Victoria Dickinson, PhD, CPA



Reader: Dean Mark Wilder, PhD, CPA

Abstract

The cases enclosed within this thesis discuss a variety of accounting topics. These were selected by Dr. Dickinson to focus on a number of concepts that aid young professionals like myself in addressing the expectations of the financial reporting world.

Each case involved either formal research or a completion of a task that represented the fulfillment of this overarching goal. A synthesis of knowledge gained was usually included unless otherwise instructed. Two of the enclosed cases were completed alongside fellow students – Case 4 and Case 8, but two case competitions not featured here were also team-based.

The conclusions reached herein were developed thoroughly through the associated casework. Through the completion of this work, I chose Tampa as my exit location, completed an upskilling program for Microsoft Excel, and improved my political, economic, and financial researching skills. Additionally, I gained experience in conducting audio interviews.

Overall, I believe the professionalism training within the associated course will have the longest lasting effect on my career. Specifically, participating in firm presentations, going to Meet the Firms, and participating in case competitions were incredibly important to developing comfort and proficiency in this area.

Table of Contents

Case 1	1
Case 2.....	15
Case 3.....	16
Case 4.....	20
Case 5.....	33
Case 6.....	34
Case 7.....	39
Case 8.....	43
Case 9.....	47
Case 10.....	52
Case 11.....	57
Case 12.....	62
List of References	68

Case 1

A Tale of Two Cities

This assignment entails students selecting two cities in which they see themselves making a start to their professional careers and further drawing a direct comparison between these two locations. Students were asked to answer a list of seventeen questions to the best of their ability, providing both answers and interpretations of the questions given. For the responses, it was left largely up to students how they would proceed. On the official handout, no word limits were given, and no bibliography is specifically required. However, it is generally expected that students follow the case format which can be found on a document posted to Blackboard. This format asks of students to follow a few typical guidelines that include font size, font style, spacing, page margins, and the inclusion of a title page, introduction, and signed honor code.

To fulfill this goal, I investigated the Floridan cities of Tampa and Jacksonville in the descriptive categories of population, climate, seasons, weather, topography, scenery, geography, criminality, taxation, transportation, industry, healthcare, education, criminality, housing, shopping, laundry, philanthropy, entertainment, transportation, and budgeting. Initially, these cities were chosen as a means to address my larger overall goal of living and working in a tropical coastal town. However, by examining them in this in-depth context, not only was I able to gather a stronger understanding of the two cities, I was further able to strengthen my professional development and improve my capability to conduct research. Ultimately, I came to the conclusion that Jacksonville is not as attractive as I thought it would be, and decided that I should look into Miami more closely than I had originally envisioned.

1.

First, a comparison of the populations of Tampa and Jacksonville gives valuable insight into an important characteristic of any city's quality of life. These populations can be investigated in a variety of angles, but for the sake of brevity, this query was limited to raw population size. The US Census data's current projections place the two cities at 392,890 for Tampa and 903,889 for Jacksonville. On paper, this would initially imply that Jacksonville is much larger than Tampa. However, this is purely considering the metro populations of the two regions. It would be much wiser to look at a larger area of investigation for this investigation. In doing so, this emphasizes the existence of a greater Tampa-St. Petersburg-Clearwater region and reveals a number that better represents the habitation of the Tampa Bay region. For when you examine the population of a combined Tampa-St. Petersburg-Clearwater, the number balloons to 3.1 million - triple that of Jacksonville.

In general, the size of a city bears little relevance to my feelings. Over the summer, I spent 3 months in Sydney, Australia - which is a city of 5 million. This had no effect on me even though I come from a comparatively tiny town in Mandeville. I do not expect the size of either city to affect me.

2.

The climates of Tampa and Jacksonville are nearly identical in their tropical-ness, and they both exist in a state that is impressively close to that of my hometown of Mandeville, Louisiana. This should not be an issue in any way, shape, or form.

3.

The topography of Florida is that of the flattest state in the entire country. Louisiana, my home, is additionally known for being flat or even below sea level in some cases. There shall be no issues with handling mountains, hills, or forms of higher elevation. Additionally, Florida is known for its existence as a peninsula sticking into the tropical Gulf of Mexico. Notably in Tampa, there is an ecological reserve providing visits to Manatees, which are my favorite animal. Manatees and the other sea creatures that can be found in Florida are a major part of my attraction to the state. In summation, I am eager to live in a Florida, especially given the state's access to the tropics and beaches.

4.

The tax rates of Jacksonville and Tampa will be identical on the state and federal level as they share the same government in these respects. Notably, there is no state income tax in Florida or a local income tax in either Hillsborough or Duval county, leaving me with an overall income tax of 11.27%. Given a rough salary estimate of \$55,000 a year, my prospective yearly salary amounts to \$44,594, or \$858 a week, regardless of city. Additionally, one should recognize that Florida has a state sales tax of 6.00%, which when added to local tax rates, gives Tampa a local sales tax of 8.50% and Jacksonville a local sales tax rate of 7%. As for property taxes, Duval County has a median property tax of .85% and Hillsborough County has a median property tax of 1.09%. Overall, I am not concerned about taxes having a large effect on me in my decision making. In this area, the cities are nearly identical.

5.

Tampa has three major airports: Tampa International, Sarasota-Bradenton, and St. Petersburg-Clearwater. Jacksonville has one major airport, Jacksonville International. Both hubs regularly have connecting flights to Atlanta and Miami, in the event of a planned leave, finding a way of departing will not be an issue.

6.

According to the most recent US census statistics, the largest industries in the Tampa Bay area are in medicine, retail, and hospitality. Additionally, the highest paying industries are in corporate management, resource extraction, and high-end service industries including science and technology. The largest industries in Jacksonville, FL are medicine, retail, and, and finance/insurance, and the highest paying industries are utilities, finance/insurance, and high-end professional service industries including science and technology. According to the *Tampa Bay Business Journal*, the largest employers are BayCare Health System, Publix Super Markets Inc., Hillsborough County School District, HCA West Florida Division, and MacDill Air Force Base. According to the *Jacksonville Business Journal*, the largest employers are the Naval Air Station, Duval County Public Schools, Baptist Health, UF Health Jacksonville, and the Mayo Clinic Hospital.

The only aspect of this category that sways me toward one city or another involves the fact that hospitality is in the top 3 of Tampa's largest industries, while for Jacksonville it is not.

7.

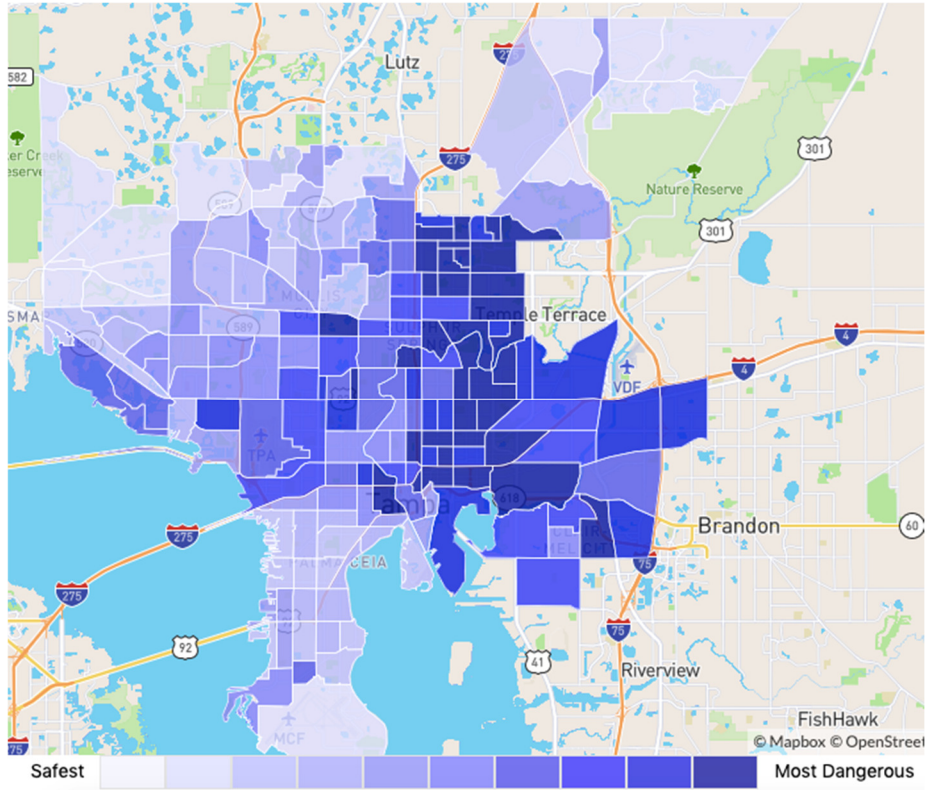
Using Medicare.gov, the federal government assigns stars to all the hospitals in Florida. It has assigned one five-star, three four-star, and three three-star hospitals to Tampa and three four-star, and one three-star hospital to Jacksonville. Furthermore, according to US Census data, 91.8% of Hillsborough county had access to exercise equipment in 2018. 88.5% of Duval County had access to exercise equipment in 2018. In general, Tampa appears to have a superior medical system, this is especially emphasized by their possession of a five-star hospital in St. Joseph's. I would prefer to be treated at St. Joseph's over any of the lower-starred hospitals.

As I plan to never pursue any form of romantic relationship, the question of childcare is irrelevant to my city selection. That being said, in the event of unforeseen circumstances any child will be given up to the state and attend the school of the state's choosing. Speaking of which, Florida's K-12 is ranked 27th by a USNews.com study and 26th in a Huffington Post study.

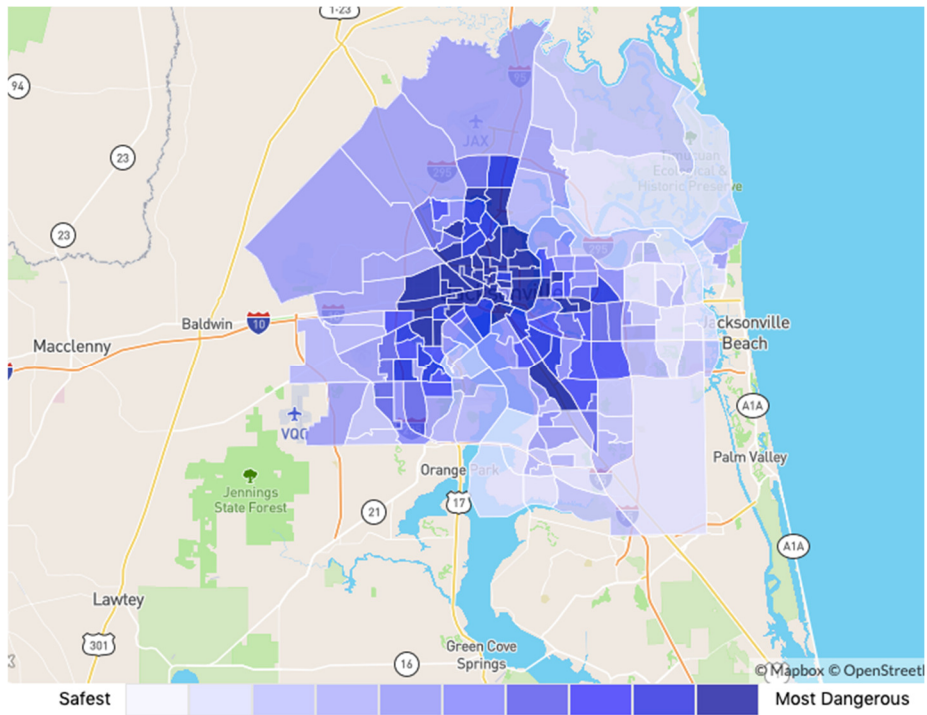
8.

According to research conducted by neighborhoodscout.com, the most common crimes in both Tampa and Jacksonville are theft, burglary, robbery, rape, and murder in that order. They have also provided the following maps to aid the user's understanding of crime distribution patterns. North-central Tampa and northwest Jacksonville appear to be the most violent regions in the two cities.

Tampa:



Jacksonville:



As for my feelings on this matter, I would say that I am shocked at how Jacksonville poorly ended up fairing in this crime comparison. Specifically, Duval County, where Jacksonville is located, had the second-highest murder rate in Florida in 2018. Furthermore, Jacksonville's murder per capita dwarfs Tampa's. This is most likely a deal-breaker. I always understood that New Orleans was a violent, poor town, but I had no idea that Jacksonville is even worse.

9.

After looking over my options in the respective cities, I chose the following one-bedroom apartments: JTB Apartments in Jacksonville at \$1210 a month and Lola Apartments in Tampa at \$1240 a month. The apartment complexes provided the following information on their availability listings.

Lola Apartments

9960 Jonas Salk Dr., Riverview, FL 33578



New Construction \$ Rent Specials

LOLA APARTMENTS ★★★★★ (3)

9960 Jonas Salk Dr., Riverview, FL 33578 10+ units available now

1 Bed \$1,240+ 2 Beds \$1,440-\$1,630 3 Beds \$1,814-\$1,949

CONTACT
LOLA APARTMENTS
(813) 280-3061

Name*

Community Features

- Accepts Credit Card Payments
- Accepts Electronic Payments
- Business Center
- Clubhouse
- Emergency Maintenance
- Extra Storage
- Fitness Center
- Full Concierge Service
- Garage
- Gated Access
- High Speed Internet Access
- Individual Leases
- Pet Park
- Playground
- Swimming Pool
- Wireless Internet Access
- Conference Room
- Controlled Access
- Media Center
- On Site Maintenance
- On Site Management
- Pet Friendly

AMENITIES

Apartment Features

- Air Conditioning
- Balcony
- Cable Ready
- Dishwasher
- Elevator
- Garden Tub
- Internet Included
- Island Kitchens
- Microwave
- New/Renovated Interior
- Oversized Closets
- Some Paid Utilities
- Vaulted Ceilings
- View
- Washer & Dryer In Unit
- Deck
- Garbage Disposal
- Patio
- Refrigerator

[View Less Apartment Features -](#)

Special Features

- Disability Access
- Furnished Available
- Pets
- Short Term Available
- Corporate Billing Available

Additional Features

- Property-wide Fiber Optic High-speed Internet Included
- Spectrum Cable Package Included
- Elevators in Climate Controlled Corridors
- 24 - Hour Yoga Studio w/ Virtual Fitness Classes
- 24 - Hour Strength and Cardio Facilities
- Bark Park w/ Pet Friendly Features
- Pet Spa
- Business Center
- Game room with PS4 Virtual Gaming System
- Resident Game Room
- Parcel Pending Package System
- Outdoor Living Room with TV, Fire Pit and Grills
- Poolside Cabanas
- Rentable Storage Space
- Cyber Cafe w/ Free Wifi
- Library
- Coffee Station
- On-Sit Courtesy Officer
- Guest Suite Rental For Visitors
- Short Term Housing Available
- 24hr. Emergency maintenance
- Recycling Program
- Tot Lot Play Area
- Bicycle Racks

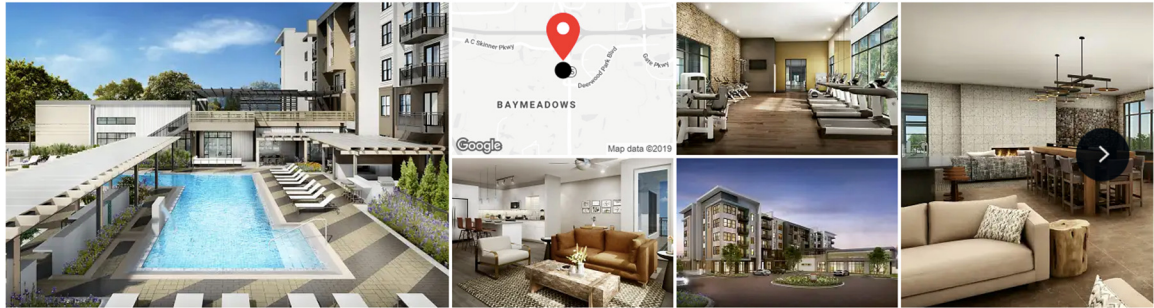


Renderings are intended only as a general reference. Features, materials, finishes and layout of unit may be different than shown.

1 Bed 1 Bath | \$1,240-\$1,370 | 734+ sqft | Deposit:\$250

JTB Apartments

8876 A C Skinner Pkwy, Jacksonville, FL 32256



New Construction Rent Specials

JTB APARTMENTS ★★★★★ (46)

8876 A C Skinner Pkwy, Jacksonville, FL 32256 10+ units available now

Studio \$1,210 1 Bed \$1,300+ 2 Beds \$1,581-\$1,800 3 Beds \$2,060-\$2,235

CONTACT
JTB APARTMENTS
 (904) 621-3189

Name*

Apartment Features

- Air Conditioning
- Balcony
- Ceiling Fan(s)
- Dishwasher
- Elevator
- Hardwood Flooring
- Island Kitchens
- Microwave
- Oversized Closets
- Stainless Steel Appliances
- View
- Washer & Dryer In Unit
- Garbage Disposal
- Patio
- Refrigerator

[View Less Apartment Features -](#)

Community Features

- Accepts Electronic Payments
- Clubhouse
- Emergency Maintenance
- Fitness Center
- Garage
- Gated Access
- Pet Park
- Swimming Pool
- Trail, Bike, Hike, Jog
- Controlled Access
- On Site Management
- Recreation Room
- Pet Friendly

[View Less Community Features -](#)

Special Features

- Pets

Additional Features

- Hardwood Floors
- BBQ/Picnic Area
- Granite Countertops
- Fire Pit
- Stainless Appliances
- Rooftop Lounge
- Walk-In Closet
- Balcony
- Yoga Room
- Washer/Dryer
- Walking Trail
- Bark Park
- Cyber Cafe
- TV Lounge
- Elevator Buildings
- Online Rent Payments

Azure

2D Floor Plan



Renderings are an artist's conception and are intended only as a general reference. Features, materials, finishes and layout of subject unit may be different than shown. ©2019 JTB.com

Studio 1 Bath | \$1,210 | 640+ sqft | Deposit:\$300

10.

The typical method of commuting in both cities is through individual driving. In Tampa, driving from Lola Apartments to one of PwC, EY, KPMG, or Deloitte will take about 45 minutes in the morning and 30 minutes in the evening. In Jacksonville, it would take me 13 minutes to get to the EY office, and 22 minutes to get to the KPMG, PwC, and Deloitte offices. Upon return, it would take me 16 minutes for the former and 27 minutes for the latter. Ultimately, I am pleasantly surprised by how short the commute times are in both cases. I am used to a roughly 20-minute commute from my time spent commuting to high school, so this is a familiar and desired territory for me.

11.

In Jacksonville, I will become a Costco member and shop at the Costco grocery store, which is a ten-minute drive away. In Tampa, I will do my grocery shopping at the neighborhood Walmart, which is a 20-minute walk away. Overall, this had no effect on my feelings. As long as grocery stores are accessible, I will be satisfied.

12.

As both of the apartments I chose for my examples include washers and dryers, I will utilize these machines to fulfill my laundry duties. I am glad that I will be able to afford this amenity in both of these cities.

13.

I would like to be active in Habitat for Humanity, the Roman Catholic Church, and the Florida Veterans Assistance Association, which all have locations in my two chosen cities. I am thankful these organizations exist, and given the ability to get involved, I will gladly do so.

14.

The activities in Tampa I will most likely be involved with are the watching the Tampa Rays, seeing the Tampa Bay Buccaneers, visiting Busch Gardens Tampa, relaxing on local beaches, and experiencing local wildlife including my favorite animals at Tampa Electric's Manatee Viewing Center. In Jacksonville, I will be watching the Jacksonville Jumbo Shrimp, seeing the Jacksonville Jaguars, visiting the local beaches, journeying to state and local parks like Little Talbot Island State Park, and experiencing local wildlife including spending time at the Jacksonville Zoo. I am very happy these opportunities exist in these respective cities. I do not feel anyone is massively superior to the other, but I would give a slight edge to Tampa based on the existence of Busch Gardens.

15.

Both locations are within driving distance to my hometown. Tampa is a 10-hour drive and will roughly cost 6 fill-ups or about 200\$. Jacksonville is an 8-hour drive and will roughly cost 4 fill-ups or 133\$. I am familiar with long drives as I drive to Orlando every year already. I do not expect to visit home frequently after I graduate, as I do not do so even now. This will not be an issue.

16.

Tampa

Estimated monthly take home pay:	\$4,009
Less Monthly Rent + Internet:	1240
Less Monthly Utilities	110
Less Groceries	150
Less Gas	500
Less Cell Phone	50
Less Savings	1000
Amount leftover	<u>959</u>

Jacksonville

Estimated monthly take home pay:	\$4,009
Less Rent	1210
Less Monthly Utilities	150
Less Groceries	150
Less Gas	500
Less Cell Phone	50
Less Savings	1000
Amount leftover	<u>949</u>

Generally, this amounts to about 30\$ a day for arbitrary spending. I was not expecting this much left over to be quite honest, so I anticipate that the number I set aside for savings will be broken up in reality by other, unknown expenses. As there really is not a difference between the two budgets at the moment, this has little effect on my feelings on either city.

17.

I have come to the conclusion that Tampa, Florida is the city which overall performs superiorly when directly compared to the city of Jacksonville, Florida. Specifically, Tampa's relative success in the categories of entertainment, healthcare, and topography alongside Jacksonville's massive failure in crime has led me to this conclusion. Looking to the future, I have officially identified Tampa as my priority, and have relegated Jacksonville to a backup position behind Miami.

Case 2

Excel Crash Course



The Board of Directors of the
Corporate Finance Institute® have conferred on

Connor McCarthy

who has pursued studies and completed all the
requirements for the certificate of

Excel Crash Course

with all the rights and privileges
pertaining to this certificate.



Certificate number
13855004

Tim Vipond
Chair of the Board

Scott Powell
Director

Lisa Dalton
Director

Oct 2, 2019

Case 3

ABC: A Brexit Contemplation

This assignment entails students summarizing and analyzing Martin Durkin's 2018 documentary which primarily focuses on the circumstances and causes of the 'yes' result in the Brexit referendum. Students are asked to address a number of topics. These include developing a writeup of viewpoint portrayed in the film, finding opposing views to these views, and then drawing a personal conclusion with an accompanying forecast. Students were asked to produce responses to the best of their ability, providing both in-depth answers and cited interpretations to the prompts given. For these responses, it was left largely open-ended as to how students should proceed. No official handout, word limit, or hard guidelines for this assignment were given outside of the ordinary thesis requirements, which of course ask students to follow expected font sizes, text styles, spacing, margins, and associated formatting decisions.

To fulfill these goals, I drew from three primary sources: Martin Durkin's independent documentary and two mainstream news articles from the New York Times and the BBC. This dynamic I feel gives an appropriately two-sided perspective on the situation. By examining them in this multifaceted contextualization, not only was I able to gather a stronger understanding of Brexit, I was able to further the development of my argumentative writing and research skills. Ultimately, I came to the conclusion that, while I feel that the underlying philosophical arguments of the Pro-Brexit side of things more closely align with that of my own, the current government has shown such incompetence in transitioning and acting on Article 50 that I have little faith in this process actually working out for the UK people in the long run.

At the onset of the documentary, Durkin sets the stage as his perspective being that of an outsider. He affirms that his work was funded entirely independent of foreign or corporate interests, and he continuously emphasizes this 'down-to-earth' perspective via his consistent use of humor and eyewitness accounts. This emphasis helps show audiences that his interpretations are focused on the everyday harsh realities of life, which are then contrasted by the pristine environments featured in the EU backing footage. All of this serves the purpose of strengthening the major points in favor of Brexit. In the film, these include how the EU denies UK citizens' right to self govern, consists of an elitist plutocracy, features confusing and disorganized leadership structures, suppresses competition, discourages start-ups, encourages political extremism, and provides little value in relation to trade negotiations.

Overall, I find that the documentary focused on being a critique based, informational piece rather than a roadmap with clearly articulated plans and solutions to the issues with Brexit that continue to this day. This way of thinking, while entertaining, is one I often find issue with long term. It is supremely easy to sit back and poke holes in systems in comparison to actually acting on planned processes. The articles I found specifically highlight the logistical and legislative issues that have yet to be resolved, going on 3 years now. One notorious sticking point concerns the installation of an Irish border; another involves the 'intensity' of Brexit. The questions I find seem to have no answer from the current government. Will Ireland be divided? Will a divided Ireland rekindle the Troubles? Should Brexit be hard or soft? What defines a hard or soft Brexit? What position should the Conservative Party take? Does anyone know?

Looking toward the future, I expect the UK to struggle economically as long as the uncertainty in government exists. Uncertainty puts UK businesses at a disadvantaged position for negotiating and leaves the value of the pound much weaker than it ought to be. Additionally, the current Prime Minister seems increasingly incapable of fulfilling the role asked of him by Brexiteers, making these aforementioned uncertainties even worse. In August Boris Johnson “announced that he would cut short the time lawmakers have to debate his Brexit plans before the Oct. 31st withdrawal deadline,” which really seems to have drawn ire from his contemporaries and the voters of the UK, “The move drew swift and fierce backlash from the opposition — and some lawmakers within Mr. Johnson’s own Conservative Party — and caused the British pound to plunge.” This story just makes for another example of the systematic failures and ill-preparedness that have plagued the Brexit transition since its onset. Only time will tell what is to come, but I feel pretty confident in saying that the immediate future does not look bright in the United Kingdom.

Case 4

Bank of America 10-K Analysis

This assignment entails students being assigned a corporation in which they could potentially see themselves working on as they start their professional careers in accounting. Students were asked to answer a list of eight questions to the best of their ability, providing both answers and interpretations of the questions given. For the responses, it was left largely up to students how they would proceed. On the official handout, no word limits were given, and no bibliography is specifically required. However, it is generally expected that students follow the case format which can be found on a document posted to Blackboard. This format asks of students to follow a few typical guidelines that include font size, font style, spacing, page margins, and the inclusion of a title page, introduction, and signed honor code.

To fulfill this goal, I, alongside my assigned group, analyzed the corporation of Bank of America through the data provided concerning their structure, audit practices, balance sheet, customer base, suppliers, other operating expenses, revenues and expenses, income and cash flows, and estimated balance sheet accounts.

Initially, the assignment of a banking corporation in inland North Carolina seemed to fail to address my larger overall goal of living and working in a tropical coastal town. Ultimately, by examining the company in this in-depth context, I was able to gather a stronger understanding that the best location for my preferred professional development cannot be found in North Carolina or with the Banking industry.

I. OVERVIEW

Bank of America (BofA) is a global banking corporation which provides finance and investment banking services. Started in Delaware in 1998, BofA was built from a merger of multiple banks including Massachusetts Bank, NationsBank, and Bank of Italy. Now headquartered in Charlotte, North Carolina, Bank of America serves individuals, businesses both large and small, government sectors, and investors throughout the United States and in an additional 35 countries.

Audited by the Charlotte, NC office of PriceWaterhouseCoopers (PwC), Bank of America submitted their latest 10-K Annual Report for Year End December 31, 2018 on February 26, 2019 at a total of 178 pages. 10-K Reports are SEC mandated reports for all publicly-traded companies which include in-depth descriptions of the business itself, disclosure of the major events throughout the year, and financial statements. The overall purpose of the annual report is to allow investors and creditors to evaluate the financial position of the company and to maintain control over public companies. The Sarbanes-Oxley Act (SOX) of 2002 established this practice as a preventative measure against fraud and misleading financial information.

The business of banking is vastly different from manufacturing and retail businesses. Part of the financial sector of business, Bank of America drives the majority of its profits from customer interest and service fees. No matter the economy, people will always need loans, bank accounts, and other financial services. BofA currently sits at number 25 on the Fortune 500 List, due to its large client base and global presence. These strengths give Bank of America a strong foundation and this allows them to grow during periods of higher interest and lower taxes.

II. DESCRIPTION OF BALANCE SHEET LINES

Assets

Cash and Cash Equivalents

The assets section of the balance sheet includes many categories of both current and long-term assets. Cash and Cash Equivalents includes cash on hand, cash items in the process of collection, cash segregated under federal and other brokerage regulations, and amounts due from correspondent (other) banks, the Federal Reserve Bank and certain non-U.S. central banks. Certain cash balances are restricted as to withdrawal or usage by legal binding contractual agreements or regulatory requirements. Cash and due from banks is a subcategory which includes Due From accounts which enable the transfer of funds between banks. These accounts are used to facilitate the collection of cash items and cash letters, the transfer and settlement of security transactions, the transfer of participation-loan funds, the purchase or sale of Federal funds, the purchase or sale of Federal funds, and many other purposes. Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks is another subcategory of Cash and Cash Equivalents. Bank reserves are the cash minimums that must be kept on hand by banks, which is set by the U.S. Federal Reserve.

Short Term Investments

Time deposits-placed and other short-term investments is the next category on Bank of America's balance sheet. A time deposit is an interest-bearing bank deposit

account that has a specified date of maturity. These deposited funds must remain in the account for the fixed term to receive the stated interest rate. The short-term investments are debt or equity securities that are expected to be converted into cash in the next three to twelve months.

Federal funds-sold and securities borrowed or purchased under agreements to resell (includes \$56,399 and \$52,906 measured at fair value) follows the Time deposits. Federal funds sold are immediately available funds lent under agreements or contracts that have an original maturity of one business day or roll over under a continuing contract, excluding such funds lent in the form of securities purchased under agreements to resell. Securities purchased under agreements to resell, are the securities bought regardless of the maturity date.

The next subcategory is Trading account assets (includes \$119,363 and \$106,274 pledged as collateral). Trading assets include but are not limited to U.S. Treasury securities, U.S. Government agency obligations, securities issued by states and political subdivisions in the U.S., other bonds, notes, and debentures certificates of deposit, commercial paper, and bankers' acceptances. They also include the amount of revaluation gains on assets from the "marking to market" of interest rate, foreign exchange rate, commodity, equity, and credit derivative contracts held for trading purposes.

Other Investments

Derivative assets, the next line on the balance sheet, are most commonly stocks, bonds, commodities, currencies, interest rates, and market indexes. They are assets that

derive their value from price fluctuations in the underlying asset. Debt Securities follow and have a few subcategories. Financial assets classified as held-to-maturity, trading, or available-for-sale based on management's intent. These securities must be paid in full before any amount can be distributed to shareholders. The Carried at Fair Value securities are listed at the market value of the debt securities, while the Held-to-Maturity securities are listed at their cost with their fair value also disclosed. Held-to-Maturity are securities that management intends to hold until the specified maturity date.

Loans and Leases

Loans and leases, net of allowance, are comprised of two separate lines. Loans and leases (includes \$4,349 and \$5,710 measured at fair value), and Allowance for loan and lease losses. The Loans and Leases line states the gross amount of loans and leases Bank of America has as an asset. Allowance for loan and lease losses represents the amount of loans and leases that are expected to be unpaid, which is deducted from the Loans and Leases line to arrive at the net balance.

Remaining Assets

Premises and Equipment, Net include the cost, less accumulated depreciation, of land and buildings actually owned and occupied right now. Bank premises also include leasehold improvements. Goodwill is an intangible asset. It is comprised of the company's good reputation, loyal client base, brand recognition and identity, and certain technologies. Loans held-for-sale (includes \$2,942 and \$2,156 measured at fair value) are loans that are intended to be sold in the foreseeable future, including residential mortgages, loans syndications, consumer finance, and commercial real estate. Customers

and other receivables include sales receivables and other receivables that are expected to be collected within the operating cycle. The last line, Other assets (includes \$19,739 and \$22,581 measured at fair value), is a grouping of accounts that contain minor assets that don't fit into main asset categories.

Liabilities

Deposits in U.S. offices is the largest liability for Bank of America. It includes money-market accounts, savings, and checking accounts. Specifically, for the U.S. bank offices. The deposits have two subcategories; Noninterest-bearing and Interest-Bearing. Noninterest-bearing simply means that there is no interest on the liability accounts, while the Interest-bearing (includes \$492 and \$449 measured at fair value), accrues interest on the liability accounts. The following sections are the same as the previous deposits section. However, they are listed separately because of the non-US status.

This section also contains Non-interest-bearing and Interest-bearing subsections. Federal funds-purchased and securities loaned or sold under agreements to repurchase (includes \$28,875 and \$36,182 measured at fair value) follows the deposits. Federal funds-purchased is the amount of short term borrowing a bank borrows, at the federal funds rate, from another bank. Securities sold under agreements to repurchase is the amount of funds outstanding borrowed in the form of a security repurchase agreement. Trading account liabilities are the amount of net short position in certain securities held for trading purposes. Derivative Liabilities are the net liabilities of Bank of America resulting from a derived price of an underlying liability. Short-term borrowings (includes \$1,648 and \$1,494 measured at fair value) are the amount of debt that is owed to the lender within an operating cycle. Accrued expenses and other liabilities (includes

\$20,075 and \$22,840 measured at fair value and \$797 and \$777 of reserve for unfunded lending commitments) include liabilities that don't fall under the major categories, as well as expenses where the service has been performed but the payment has yet to be made. The final line, long-term debt, includes \$27,637 and \$31,786 measured at fair value and is not due until a time period past the current operating cycle.

Stockholders' Equity

Stockholders' Equity includes stocks, retained earnings, and accumulated other comprehensive income. The first line is Preferred stock, \$0.01 par value; authorized - 100,000,000 shares; issued and outstanding - 3,843,140 and 3,837,683 shares. Preferred stock means the owners receive dividends before common stockholders. The par value represents the lowest value a share could be worth. Authorized is the amount of shares Bank of America is legally allowed to issue, whereas issued and outstanding is the number of shares actually issued. Common stock and additional paid-in capital have a \$0.01 par value and feature 12,800,000 shares authorized; 9,669,286,370 shares issued; and 10,287,302,431 shares outstanding. Common stock is the typical shareholder, and they receive dividends after the preferred shareholders. Additional paid-in capital is the value of share capital above the stated par value. Retained earnings represents the amount of net income left over after dividends have been distributed to shareholders.

Accumulated other comprehensive income (loss) includes unrealized gains and losses that are excluded from net income. For the current year, 2018, Bank of America has unrealized losses in this section.

III. CUSTOMERS AND REVENUE

Bank of America's customer base is made up of individual consumers, small and middle-market businesses, institutional investors, large corporations, and governments. Individual consumers primarily make up Bank of America and are responsible for setting up checking and savings accounts of which most of BOA's income comes from.

For example, Bank of America's main sources of income from most lucrative to least lucrative are interest income; service charges, investment banking fees, card income, and investment and brokerage fees. Interest income directly arises from customers taking out loans such as mortgages and having to pay them back plus interest. Service fees come directly from customers such as individuals or businesses open accounts and the charges placed on them for the services required to maintain and use the account. Investment and brokerage services obtain revenue through asset management fees and brokerage fees. Asset management fees are earned from the management of client assets under advisory agreements or the full discretion of the corporation's financial advisors. Brokerage fees come from income earned from transaction-based services that are performed as part of the investment management services; distribution fees, sales commissions. Card income, which comes from the use of debit and credit cards, results from annual, late and over-limit fees as well as fees earned from interchange. Investment banking income comes from fees earned for the placement of a customer's debt or equity securities and commissions on such placements. Income from financial advisory services are fees earned for assisting customers with transactions related to mergers and acquisitions and financial restructuring. Furthermore, Bank of America handles the business of many global banks, amassing a total income of \$19,644,000 in global banking.

IV. SUPPLIERS

Bank of America generates revenue primarily through financial activities and services. Consequently, this excludes it from having a 'true' supplier for its business. However, in a more general sense, the US Treasury Department could be seen as a direct supplier of BofA. It prints and services the currency on which BofA relies.

Similarly, BofA lacks a true 'good' with associated production costs, but broadly, one can say that a good equivalent for the COGS would be the interest expenses associated with its service operations. These include expenses stemming from interest-bearing deposits, federal funds purchased, securities loaned or sold under agreements to repurchase, short-term borrowings, other interest-bearing liabilities, trading account liabilities, and long-term debt.

V. OTHER OPERATING EXPENSES

Bank of America lists eight other operating expense categories on the income statement that are considered non-interest expenses. These include Personnel, Service, Occupancy, Equipment, Marketing, Professional fees, Data processing, Telecommunications, and Other expenses. For personnel, BofA describes its importance as due to the company's success being "heavily dependent on the talents and efforts of highly skilled individuals," and elaborates that, "Competition for qualified personnel within the financial services industry and from businesses outside the financial services industry is intense." For service, BofA believes in the importance of adapting and developing their "products, services and technology to evolving industry standards and consumer preferences [as] there is increasing pressure by competitors to provide products and services on more attractive terms, including higher interest rates on deposits, which may impact our ability to grow revenue and/or effectively compete." For occupancy and equipment, the company refrains from addressing the account, but it can be inferred that having locations and machinery for customers to physically meet with representatives and physically withdraw cash remains a crucial aspect of banking activity. Like any other business, BofA utilizes marketing to target appropriate demographics and spread brand awareness. As for data processing, professional fees, and other expenses, these likely have the least impact on generating revenue; these primarily facilitate general aspects of the business.

VI. REVENUE EXPENSE ANALYSIS

In the past 3 years income has been growing steadily from 17,822 in 2016, 18,232 in 2017, 28,147 in 2018 in billions. This is the result of expenses dropping in the last 3 years by around 1 billion a year. Expenses dropped almost consistently across the board for all expenses except in the case of expenses for data processing, which went up over 200 million in the past 3 years and occupancy which went up around 20 million. I believe this to be the result of the world-wide increase in need of data processing which ultimately makes the rest of the business run more efficiently. In the case of Revenues, they went up by around 8 billion in the last 3 years. This was mainly the result of net interest revenues and total interest revenues. Total interest revenue went up around 16 billion in 3 years and net interest revenue went up around 8 billion. In looking for a reason for these increases in income I looked at the articles written by seekingalpha.com. In reading this article I discovered one of the main reasons is because of Bank of America's overall effectiveness in operations. Also, under the Trump administration banks of all kinds have seen a great few years. This is the result of the Trump administration decreasing regulations and helping to increase interest rates.

VII. NET INCOME AND CASH FLOWS FROM OPERATIONS ANALYSIS

In 2018, Bank of America's net income was reported at \$28,147,000. This is an increase of approximately \$4,000,000 from 2017 and is largely due to a significant increase in interest income for the year. The Cash Flows from Operations, found in the Statement of Cash Flows, was reported to be \$39,520,000 for the year. This difference

between net income and cash flows from operations of \$11,373,000 can be attributed to a variety of factors. The adjustments to reconcile net income to net cash provided by operating activities portion of the operating activities section accounts for the majority of the difference. The net changes in Trading and Derivative Instruments, Other Assets, and Accrued Expenses and Other Liabilities roughly cancel out to cause no overall change to net income. Similarly, the Adjustments for the Loans Held-for-Sale also balance out to cause little difference in the cash flows from operating activities and net income. Under the adjustments for reconciliation, the Deferred Income Taxes and Provision for Credit Losses both account for the largest difference adding \$3,041 and \$3,282 respectively to cash flows from operations.

VIII. BALANCE SHEET ESTIMATES

Under the assets section, allowance for loan and lease losses is an estimate of the amount that is expected to be uncollected. There is also an estimate on accumulated depreciation which is used as a valuation method. Given that goodwill is an intangible, there is also an estimable piece in terms of valuing what, for example, a brand's customer base is worth. Allowance for credit losses is also based on an estimate. Estimates are additionally found wherever an asset can be valued at fair value. The liabilities section includes portions of estimates mainly coming from valuing liability accounts at fair value as well.

Case 5

We were instructed to include [IN CLASS ACTIVITY] in place of a writeup here.

Case 6

Political Economics Overview

This assignment entails students spontaneously and quickly breaking down their beliefs on two prompts centered around political mechanics, watching an interview describing the general political beliefs Thomas Sowell - a renowned supply-side economist of the Chicago tradition - and then compose a one page summary of their thoughts and feelings on the general topics discussed.

For the content of their responses, it was left up to students how they would proceed. According to prior set standards, students are unlimited by word count or citation expectations, but it is generally expected that students follow the case format found on Blackboard.

To fulfill this goal, I accordingly summarized my two reactions to the prompts on the following page, and then described my general thoughts on the words of Dr. Sowell. Of the three topics, I am most familiar with the electoral college prompt given its prominent role in my high school social studies curriculum and my own personal research into the FPTP abolishment movement. As such, it is the portion I wrote most intensely. Secondly, I touched on the UBI social welfare topic, but my thoughts here were not nearly as well researched. Thirdly, I spoke on the comments of Dr. Sowell as to what aspects I felt most strongly about.

Overall, by examining these three prompts, I feel that I was able to strengthen my my capability to interpret political and economic jargon, and come to a more substantial conclusion as to my position on these policies. Generally, I feel that my positions were unaffected by the introspection expected from this assignment.

Electoral College Prompt

In relation to the first written prompt, I first considered from where this denouncement of the electoral college originates. Simply put, this most recent popularity finds root in the tremendous dissatisfaction and, in some cases, anger that Democratic Party voters feel for their loss in the 2016 US Presidential Election. Despite winning the popular vote, the campaign for Hillary Clinton lost due to a number of key upsets in swing states from which the electoral college was able to award key votes to the Republican nominee, and current president, Donald Trump.

The thing is, policy makers have struggled with balancing the needs of regions rural/urban and small/large even as far back as the writing of the US Constitution. Arguments over what powers would be granted to states - both small and large, rural and urban - drew significant amounts of discussion time.

I believe that to best address these current issues in disbursing power we must replace the Electoral College and our FPTP voting system with a ranked choice voting system, which would better represent the will of the people. As it stands, the acting powers should not have nearly 60% of the population chomping at the bit to impeach and a remaining 30% maintaining a die hard level of support. In my opinion, the best government would be one that appeases most and thrills none, and, because of fundamental flaws in FPTP systems, the US will ALWAYS have two massive political parties that appeal to extremist beliefs and discourage bipartisan developments. As such, I believe the US's election system should not continue in its current state.

UBI Prompt

In my current understanding of the US economy, UBI would provide spendable dollars to lower-class folk at the expense of citizens in upper tax brackets. As for its consequences, I would think that in terms of the US economy this would drive immigration from poor nations, set a price floor on consumer goods, and encourage the rapid implementation of automation.

Theoretically, a benefit of UBI would be in providing a simulated economy in the face of near ubiquitous and irreparable unemployment. As automation capabilities rapidly improve, a job market crisis looms large. Take, for example, how drivers make up the single largest employment sector in the US. When self-driving delivery trucks, taxis, and shuttles are finally rolled out, millions of people will lose their jobs. In the past, when technological improvements have uprooted industries, workers could find another position to hold.

However, I submit that we are approaching a point where automation can and will be able to replace the human labor market to the point that a majority of people do not have and can not attain the level of proficiency required to perform in the highly demanding fields that are left, at least for the moment, untouched. As AI implementation increases this will push out the majority of working class jobs. UBI would seemingly address this consequence. As for whether this is the absolute best solution to this issue, I cannot say.

Dr. Sowell Interview

Dr. Thomas Sowell spoke with great vigor and eloquence in his interview for the Hoover Institute. However, I must say that, given the great deal of topics and theories discussed within the hour long overview, I will unfortunately be unable to touch on everything mentioned within the single page limit.

As to what aspects stuck with me the most, I loved his descriptions of his time spent as a young adult in New York. Specifically, I enjoyed hearing about him studying at Harvard, Columbia, and the University of Chicago, as well as the time he spent working as a Telegram deliverer and as a clerk in the US Dept. of Labor.

In regards to the Labor Department story of Puerto Rican agriculture, the bureaucratic insanity and the willful ignorance that story involved really appealed to my own iconoclastic values, and I find some of the themes within to be very reminiscent of one of my favorite films, *Brazil* by Terry Gilliam.

Furthermore, I loved his usage of 'amelioration' within his discussion of the family unit as it relates to societal functionality. Word choice and fanciful speech in the aforementioned segment really drew me in as a viewer, and I really appreciate the bit of knowledge that learning a new word provides. Also, his breakdown of familial nuclearity providing on-going personal stability within individuals and thus communities in general certainly helped confirm my prior belief in such eventualities.

Overall, I found his words to be well worth an in-depth discussion, and I look forward to doing further research on the topics and ideas Dr. Sowell set forth.

Case 7

Regulation Fair Disclosure Explanation

This assignment entails students summarizing, analyzing, and explaining the SEC's 2000 issuance of the Regulation Fair Value Disclosure to the modern CEO of a theoretical public accounting client in understandable layman's terms. Utilizing three primary source documents, students were expected to answer three questions related to the REG FD topic to the best of their ability. After this, a fourth question with its own associated document provides students an opportunity to reflect upon their decision.

The first article discusses the importance of WorldCom and analyst Jack Grubman's relationship to the implementation of REG FD. Grubman's critics claim he unfairly gave wildly optimistic reports about WorldCom to inflate prices and to allow ownership sell off overpriced stock before it busted. The second article discusses how REG FD "blocks corporate managers from sharing material information only with select Wall Street analysts" and that Wall Street resisted this change to hold power over individual investors. The third article describes a disgruntled analyst's opinion of the changes REG FD brought. Specifically, the provisions make procedures more difficult and redundant for analysts and companies at the expense of a public, accessible knowledge base.

From these articles, I learned that WorldCom's collapse was a key reason for the implementation of disclosure regulation and that the system of financial disclosure relationships I am currently familiar with is only about 20 years old. Additionally, I learned that Netflix's CEO played a role in setting a legal precedence for social media.

In the future, I anticipate reading reports required by the regulation in question and having to inform others of federal law as in the theoretical questions listed in the prompt.

1. What is Reg FD? How does it affect the client's financial reporting actions?

According to the NY Post, Reg FD is “the Securities and Exchange Commission’s regulation on fair disclosure.” It requires all qualifying financial information to be relayed to the public through public channels rather than in behind closed doors meetings such as the one Jack Grubman attended.

It mandates that information be disclosed in an organized, public, and timely fashion through events like quarterly earnings reports. The CEO in the hypothetical will have to meet with his or her advisors and prepare to give such a disclosure. It also prevents our CEO in question from becoming unfairly partial to an analyst and allowing for improper pumping of stock prices.

2. Why does Reg FD exist?

Reg FD exists to prevent companies from abusing analysts-executive relationships as was alleged in the case of Grubman, as well as allowing smaller, independent investors to gain a foothold in the investment world. The latter is accomplished by requiring that all investors from the head of an international firm to a leveraged options trader on Robinhood have easy and public access to financial information.

3. Did the CEO violate Reg FD?

Assuming the CEO does not regularly post company updates on his personal page and that the data provided has not been public provided elsewhere, I would advise that the CEO did in fact violate the Reg FD procedures as a personal Facebook page is not sufficiently public enough to fairly disseminate information.

4. Read this Fortune article after your answer to 3. How did your opinion change?

The hypothetical CEO still violated Reg FD as he or she failed to alert investors of the post being made. Additionally, if the page had been set to friends/family only, this would further violate the Reg FD. In conclusion, I believe that my initial opinion was correct, pending further information.

Case 8

Tax Team with Bridget McMillian

Introduction

In summary, this case outlines the tax laws associated with YouTube influencers and the potential ramifications of misrepresentation of tax information. For this case, we were asked to put ourselves in the place of a tax accountant who specializes in international tax. This tax accountant has worked with an important audit client for nearly twenty years, filing his personal tax returns.

During lunch with the client one day, the tax accountant realized that the client's thirteen-year-old daughter, Emma, had been a YouTube star for the past four years, with her monthly revenue averaging between \$10,000 to \$15,000 per month. The tax accountant is concerned upon hearing this news because it could have major implications on the accuracy of the client's personal tax returns.

The following case outlines a memo from the tax accountant to the partner group back at the firm, outlining the potential ramifications of the misrepresentation of personal tax information. The case also includes a memo from the tax accountant to the CEO explaining what the new information means for his past tax returns.

Overall, by examining this prompt, I feel that I was able to strengthen my capability of researching previous years' tax laws, interpreting tax laws, and relaying difficult information to partners and clients.

According to prior set standards, students are unlimited by word count or citation expectations, but it is generally expected that students follow the case format found on Blackboard.

592 Bienile Street

WRpR Global Limited

February 12, 2020

Dear WRpR Nashville Partner Group,

It has been brought to my attention that David Smith, CEO of Tooth Shine, Inc. requires a brief retrospective examination of the information supporting his tax filings, specifically as it relates to his previous two-child-dependent status and subsequent qualification for Dependency Exemptions and Child Tax Credits.

As of February 12th, the facts as they stand lead Bridget and I to believe that Emma's online music entertainment services may have led her to become self-sustaining. This suspicion creates a need to examine supporting documents to determine whether Emma has exceeded the 50 percent of support qualifier for her Qualifying Child status.

We do not expect this to have material ramifications as Mr. Smith has remained in the highest tax bracket for the entire duration of Emma's operational materiality, and this eliminates the influence of a child tax credit or personal exemption amount.

Best regards,

Bridget McMillaan

Connor McCarthy

124 Barney Lane
Tooth Shine, Inc.

February 12, 2020

Dear Mr. Smith,

I enjoyed meeting you for lunch the other day. It was wonderful hearing about Emma's YouTube success; however, it did raise some concerns on my end, as she will most likely have to file a 1040 for every year she made more than the relevant standard deduction for her appropriate filing status, and to pay associated penalties for the lateness. I would like to meet with you again to discuss these matters. We will need to determine Emma's filing status as far back need be to pay the appropriate tax liabilities.

To do this, we will need to gather verification of the level of support Emma has provided to herself and that which had been provided by your own resources. If she is providing more than 50 percent of her own support then she no longer qualifies as a dependent and will need to file under the single status.

Her advertising revenues of roughly \$12,500 a month will result in her being taxed under self-employment regulations, about 15.3 percent, as YouTube does not withhold any taxes for their channel providers. Additionally, her interest revenue and income from vendor packages/deliveries will need to be tallied up to generate a taxable income amount.

Best regards,

Bridget McMillaan
Connor McCarthy

Case 9

A Monopoly on Blockchains

This assignment entails students summarizing, analyzing, and explaining blockchain technology by utilizing one primary source article in addition to experiences gathered through the monopoly-based in-class assignment. Students were expected to answer a few questions related to the nature of blockchain to the best of their ability, to generate appropriate financial statements via the results of an altered game of big-team, blockchain-based monopoly, and to describe their experiences learning about blockchain through the communication game.

Klint Finley and Gregory Barber published my chosen article¹ this past June in Wired Magazine, and it provides forecasting in addition to an adequate run through of the history of blockchain. My role assignment ended up being that of a business manager, which entailed my enacting and recording the business transactions affecting my company that were created by our collective dice rolls. Following the end of the game, I created an Income Statement, a Statement of Retained Earnings, and a Balance sheet using the journal entries I had written down.

From this overall learning experience, I read in greater detail the level of impact experts forecast blockchain will have and, through the game experience, I realized that the communication issues blockchain aims to solve are incredibly rapid and volatile. In the future, I anticipate that having greater familiarity with the topic of blockchain will allow me to more easily read and interpret additional information as well as help be able to help others become accustomed to the concepts. In becoming more familiar with these topics, I have furthered my growth as an accounting professional and discovered interesting insights into the realm of frontier-level tech development.

Part I – The “Blockchain”

Reading through the Wired article, it was relayed to me that the conception and realization of blockchain is actually hidden behind a fascinating pseudonym – Satoshi Nakamoto. This person as far as we know does not exist outside of the digital realm. Many have been thrown around as candidates, but from my understanding it seems as though the closest we’ll ever get to its origin is through Bitcoin’s first transaction recipient – Hal Finney. Finney, who unfortunately died a number of years ago, has been predominantly speculated as being the man behind the curtain.

Regardless of its founder’s identity, what is known for sure is that the development of Bitcoin in the late 2000s created a system for operating decentralized ledgers. In short, a circle of computers is connected via the internet. Each stores a copy of a contract or a transaction. The file then exists in a sense that it cannot be altered unless every computer within the system agrees to a change - no single computer can edit the details of a transaction. This is beneficial as it assures both parties in a transaction of honesty and provides assurances to auditors that the information is true without the need for centralized oversight.

Looking to the future, the Wired article addresses a number of key fields in which blockchain could have a significant economic effect, while also acknowledging some of its current issues. Primarily, Wired’s writers affirm that the blockchain technology’s most impactful benefits will be felt in the financial realm and emphasizes that large corporations are developing private blockchains to run their ‘decentralized finance’ or ‘DeFi’ services, among other uses. It lists off JP Morgan’s Quorum and Facebook’s Libra as examples of this market development. This privatization allegedly comes as a result of

the difficulty tech-savvy entrepreneurs have been facing in efficiently utilizing the blockchain tech in its current state. The system of encryption and interconnected computers, while highly effective in its purpose, comes at a heightened energy cost and time investment in comparison to alternatives. Even Bitcoin, the original blockchain product, has seen its usage in real world transactions fall off due to these cost and time concerns.

Part II – Blockchain in Action

With this context in mind, I was able to appropriately analyze the experience of working as a part of a “human blockchain” for the duration of an ACCY420 class. In this time, I worked as a “Business Manager,” a slightly altered version of the traditional players of Monopoly. I rolled dice, bought property, took in cash from rent revenue, etc. in this position, recording each financial event in my ledger. The primary differences between what I did and what is involved traditionally relates to the banking system utilized. Instead of communicating with a local player for transactions, I was required to communicate with a central hub – “the big two” – who would then relay my transaction data to a group of people recording information as though they were a “cloud database.”

Though we started off slow and disorganized, over the course of the night everyone rapidly improved in the efficiency of their financial roles. I was able to play five turns of Altered Monopoly – purchasing one property and accruing many assorted expenses. The ledger entries I entered were substantive enough to allow me to create the financial statements on the following page.

<u>Inc. State.</u>		<u>St of R/E</u>	
Rent Revenue	\$ -	Beg R/E	\$ -
Salary Revenue	\$ 200.00	Net Income	\$ 72.00
(Expenses)	\$ (128.00)	(Dividends)	\$ -
Net Income	\$ 72.00	End R/E	\$ 72.00

<u>Bal. Sheet</u>			
<u>Assets</u>		<u>Liabilities</u>	\$ -
		<u>Equity</u>	
Cash	\$ 1,252.00	C/S	\$ 1,500.00
Property	\$ 320.00	R/E	\$ 72.00
Bldg	\$ -		
Net Assets	\$ 1,572.00	Net Liab & Eq	\$ 1,572.00

Overall my company saw a net income of \$72.00, and assuming no dividend expectations, the same amount was added to my Retained Earnings account. In addition to this increase in R/E, my Balance Sheet displays how I purchased a property at a cost of \$320.00.

Part III – Projecting Efficacy on the Real World

As of now I cannot say with any real certainty that blockchain will be an earthshattering revelation to the level it had previously been hyped. Wired's description of its current development and ongoing implementation, in addition to the interpersonal experiences provided by ACCY420 class period, emphasize that this technology is still in its infancy, relatively speaking. An especially discouraging quote from the article mentions how despite "the internet's foundational technologies [having been] created in the 1960s, it took decades for the internet to become ubiquitous." I agree with this level of hesitancy. While blockchain tech is fascinating in both history and potential, it will not find a true place in the global economy for many years.

Case 10

The Interview

This assignment asks students to speak with any well-established or retired business professional, record the conversation, analyze the knowledge gained, and to then generate a nice biography including the lessons learned.

To serve this purpose, I analyzed the life of my father, a veteran of the accounting and human resources sectors, specifically the oil and gas industry. Students were given a few questions related to the history of their chosen subject, but also were provided an opportunity to create questions of their own. In general, I fulfilled the sample questions in addition to a few I created independently.

In short, as a native of “Kenner-Brah, Louisiana” Tim McCarthy began his professional career close to home, at a small company called Otaco in New Orleans. Then in the following decades worked for Arthur Andersen and then with started his current place of employment, Hornbeck Offshore, on the north shore of Lake Ponchartrain in the summer of 2002.

From this overall learning experience, I learned in greater detail the level of impact my decisions in life have and, through the personal interview experience, I gathered a more appreciative insight into how my father worked to attain the place in life he is today. In the future, I anticipate that having greater familiarity with path my father took will allow me to more easily interpret situations and make decisions in life, as well as give back to others what I have learned. Overall, I can soundly say that I have furthered my growth as an accounting professional and will be able to take this valuable package of information with me into my career.

Tim McCarthy was born in Kenner, Louisiana in 1967 and attended Archbishop Rummel High School in New Orleans. In 1985, he attended Louisiana State University for an Undergraduate's degree and then after graduating in 1989 began working for Otaco back home. Upon saving up enough funds, he entered and graduated from the University of New Orleans with a Master's of Business Administration in 1994, and took an audit position with Arthur Andersen. In 2002, he left his Audit Manager position with AA to become a Corporate Controller for Hornbeck Offshore. Within Hornbeck, he was eventually promoted to Chief Accounting Officer in 2008 and then to Executive VP of Human Resources in 2014, which he holds to this day.

As an undergrad, Tim portioned out his time to schoolwork, friends, family and hobbies. Originally, he had planned to become a dentist. However, after barely surviving his introductory biology course with a professor called 'Killer' Collins, he switched majors to Accounting, as he remembered liking his Bookkeeping class from high school. Tim admits that while his grades were not always A's, the lessons he learned about himself and about life more than made up for it. At LSU, he built a long-lasting friendship with his roommate, Jeff Osborne, and eventually met his wife Lisa Dugan. Tim made sure to emphasize that the relationships you build in life are what have the greatest effect on your life's outcome, and that one of his regrets looking back was that while he had a few strong friendships, he never put enough effort into networking and building a larger social circle, an issue that would not rear its head until after graduation.

In 1989, Tim graduated LSU with a 3.0 GPA but found it difficult to find a position in the workforce. He had not marketed himself as other students had, and this led to his eventual acceptance of a position with Otaco, a job he described as "awful." This

experience led to a rejuvenated level of dedication within Tim. He went back into education at UNO, but this time joined Beta Alpha Psi and worked at the campus career center's office. This involvement led to him having active interaction with public accounting recruiters, and, upon graduation from UNO with a 3.7 GPA, Tim accepted a position with Arthur Andersen.

Concerning his time with AA in New Orleans, Tim emphasized how thankful he was of all the training he received as a young professional. Among the skills he retained were an appreciation for the importance of attention to detail, a thorough and concise set of interpersonal communication skills, as well as a proficiency in public speaking and presentation. These skills would also help him later with his work for Hornbeck Offshore, and his development as a strong, caring family-man.

With Hornbeck, Tim spoke of the company's expectations of adaptability and strong emotional intelligence, and in how developing these traits played a key role in his professional ascension. Moving from Accounting to HR was not always an easy transition for Tim, but with dedication and time he was able to shift gears and achieve his goals in the role.

Outside of work Tim dedicates his time to coaching youth sports, watching his cherished New Orleans Saints and LSU Tigers, going fishing, leading the neighborhood's homeowner's Association, chairing the board of directors of the local community college, and running marathons. With his family, he enjoys going on vacation, playing video games with his sons, going on bike rides along the local trails, watching movies, and reading non-fiction history.

In a retrospective look on life, Tim admits he wishes he would have tried harder in networking at LSU and had developed the emotional intelligence skills he possesses now a lot earlier than decades years into his career. He sees a lot of young applicants through his position in HR and wishes that young professionals entering the work force would have greater interpersonal skills, rather than repeating the same mistakes he made at that age. He also wonders how much of that has to do with the rise of technology as a medium of socialization.

In closing, we discussed Tim's views on the future and what he felt his greatest triumph was in life. Concerning his generation, he described his dissatisfaction with the health of his contemporaries, lamenting their sedentary and gluttonous habits. Tim emphasized the health benefits he feels have been provided to him since his switch to a pescatarian diet with regular exercise. However, for my generation he espoused concerns over the current recession, the growing US debt, the erosion of professional etiquette, and the 'lost art' of talking to people face to face. Ultimately, Tim says his proudest accomplishment would be his family's closeness and functionality.

Case 11

The Interview 2: Students Calling

This case assigned each student an accountancy senior through which they were expected to gather an appropriate amount of information concerning any topics that bore relevance to their own personal considerations. Afterward, students were to analyze the knowledge gained and to then generate a summary including the lessons learned as it relates to potential benefits on their future career.

To complete this task, I conducted an interview with Kara Kennedy, who completed a Deloitte internship this past winter in Philadelphia and who at times has lived in New Jersey and Florida. Importantly, she is familiar with my top location choice, Tampa, and was able to provide crucial insight to this market space.

Students were not given a set list of questions related to the history of their chosen subject. Rather, they were provided an opportunity to create questions of their own. In short, we discussed topics that related to my insecurities over the internship and recruiting processes, as well as their interplay with the ongoing coronavirus pandemic.

From this experience, I learned in greater detail the level of impact these upcoming events will have and, through the personal interview experience, I gathered a more appreciative understanding of my work in undergraduate studies. In the future, I anticipate that having greater familiarity with the internship process will allow me to more easily interpret situations and make decisions, as well as give back to others what I have learned. Overall, I can soundly say that I have furthered my growth as an accounting professional and will be able to take this valuable package of information with me into my career.

In general, the topics we covered in our conference include dates and timing, the audit profession, summer leadership programs, audit clients, industry categorization, recruiter swag, quality of ole miss education, first week orientation, management structures, mentor figures, audit software, audit sampling, hometowns, intern housing, and transportation.

Regarding her experience with Deloitte Audit, Kara suggested that each firm and office varies in terms of start time and start date, but generally when assigned to an audit site the expectation is that you follow the audit site's policy. Typically, she said, her hours were usually around 9 am. Similarly, I had concerns over start dates. My grandfather's birthday is on January 1st and my family usually holds a party for him on that date. I was worried that my internship might conflict, but Kara said she had only ever heard of a single KPMG office ever starting that early. Even though KPMG did not extend me an offer, I made a note to ask my EY and PwC recruiters what a Tampa internship's expectations were.

The next point of discussion concerned hometowns, accommodations, familiarity, traffic flow, housing locations and transportation. I spoke of my affinity for beaches and the state of Florida, and Kara mentioned that she had lived for a time in Brandon, Florida – a city about half an hour outside downtown Tampa. Being so close to my offers' location I was thankful to be able to talk about the location in greater detail. Concerning transportation, Kara supported my previous research in while public methods were insufficient, commute times are easily manageable. Additionally, she affirmed that interns could afford to live downtown as I had been planning to do, and that interns had typically utilized VRBO or Air-BNB for this purpose.

Additionally, Kara and I went over summer leadership programs (SLPs) and how they would have proceeded had they not been canceled given the obvious pandemic concerns. We spoke of their general structure and the great benefit in terms of acclimatization they would have provided through their various components. Kara's perspective on these were that they were 'leadership focused, full of presentations, cooperative learning opportunities, office tours, and professional panels.' We agreed that virtualizing SLPs will likely eliminate crucial aspects of the process and thus make it unusually difficult for this year's generation of interns to make a fully well-formed decision.

After discussing SLPs, Kara relayed her retrospective on the internship she completed this past winter. Generally, she feels that Ole Miss's Accountancy program had prepared her well for the role. Specifically, she mentioned the Systems class as having given her crucial experience with Excel skills. We also went over what the general structure of the experience was and some of the tasks that she completed. To start, her first week was entirely dedicated to training and orientation. There, she got a feel for some of the skills she would be utilizing in the next few years through tutorials in Deloitte's proprietary audit software. Over the next few weeks, she was assigned to two teams in different industries, giving a view into what both commercial and financial audits were like. She even joked about some of the stereotypical intern tasks she had to do, like fetching food and drink or even office supplies. Lastly, we talked about management structures and how teams are built. Specifically, the totem pole of management in public accounting firms goes from Intern to Associate to Senior to Manager to Senior Manager to Partner.

In closing, we discussed a variety of topics ranging from calendars all the way to excel skills and proprietary audit software. It was a productive conversation, and in the following days I added Kara to my LinkedIn account and saved her email in case I find a question she could help with. Ultimately, I believe that taking advantage of networking opportunities like this will have the longest lasting effect on my growth as a young professional.

Case 12

Fin – Financial – Final

This case assigned students a series of articles and videos through which they were expected to gather an appropriate amount of information concerning the future of the US's socio-economic/political climate as well as their role in professional and private society, especially as they relate to a growing virus-driven financial crisis. Afterward, students were to analyze the knowledge gained, answer a series of premade questions, and to then generate a summary including the lessons learned as it relates to potential benefits on their future lives.

To complete this task, I viewed a YouTube video on Crony Capitalism, rented 2010 Academy Award winner *Inside Job*, and then read three articles by Wired, Rolling Stone, and Vanity Fair which respectively concerned a catastrophic risk formula, a history of Goldman-Sachs profiting off market crashes, and an interview with an anonymous senior banker on Wall Street. Importantly, students were asked to work through this material in a predetermined order, which additionally was accomplished. Together, these resources gave in-depth insight into the regulatory relationship between government and free markets, the causes of the 2008 financial crisis, the history of financial crises in the US, the tools of the 2008 financial crisis, as well of the intersection of politicians, lobbyists, consultants, and business professionals.

From this experience, I learned in greater detail the factors leading into past financial crises and thus, in the future, I anticipate that having greater familiarity with the behaviors of the financial sector will allow me to more easily interpret relevant situations and make decisions, especially when it comes to the US's socio-economic/political climate.

How did the materials affect your overall beliefs? What effect will this augmentation of knowledge have on you in the long run?

Overall, the most interesting pieces of information to me tended to come from both the documentary and the Rolling Stone article. I was especially interested in how Goldman-Sachs' name repeatedly appeared in the histories of the main figures involved, and in these resources ability to impart upon me a thorough explanation of the 2008 crash. I take pride in the fact that I can rattle off an answer like 'it was essentially due to the market for derivatives being unregulated' and then being able to elaborate by going into how this open season on investors allowed predatory firms to package, market, and sell thousands of incredibly risky assets they had already leveraged multiple times over, while also simultaneously betting against those same assets behind the scenes.

Politically, I believe this research has added a new piece of governmental reform to my position that falls in line with my ideology of small, independent systems. Specifically, I believe Glass-Steagall should be reinstated and that the financial conglomerations that have become 'too-big-to-fail' should be thought of as 'too-big-to-exist'. A fitting comparison would be that of an investment portfolio; rather than trusting the nation's funds to a few giant banks, regulators should spread the risk out by via dividing financial behemoths into smaller divisions. Additionally, this action would encourage competition and new growth, via the offshoot pieces competing with one another.

How did they affect your views on your role in society as a professional and as an individual?

As for my views on society from the two listed perspectives, I would say they became more focused then changed outright. Truthfully, I was not well informed of the 2008 crisis growing up; my family was thankfully not directly affected. Technically, this was the first time I have read into what had happened. Really, the only similar experience I had was with watching and reading into the Enron scandal, as my father had once worked for Arthur Andersen. Similar to that case, I felt irritated but not surprised by the systematic and bipartisan corruption in the US. Relating to my personal political views, I do think that regulation is a necessary evil, but simplified processing should be the goal. Think simplification and restructuring of tax filing, rather than outright elimination.

Relative to my work as a professional, I expect one day having to deal with the unsavory types described in the materials, so being more aware of the potential malicious machinations going on behind my back is always useful. For example, I will be more cognizant of what my IRA and my 401K is invested in, and I will certainly be more wary of a AAA rating going forward.

Will the current virus crisis change the economic / political climate in the US? If so, how? If not, why? Can anything from our recent financial history be used to forecast the effects of the current epidemic?

Economically the nation's GDP will retract, transactions will slow, joblessness will increase, and people are going to suffer. This is already happening, and it will continue happening as long as the virus is a national threat. However, the pessimist in me

says the political climate will not change. Since the fall of the Soviet Union in the 1990s, politicians lack a common enemy to mobilize a voter base and have since reverted to demonizing the opposing party to garner support. The division in the nation will continue for as long as the two-party system is in effect. Until then, people will continue to fall in line with whatever their favorite flavor of news service tells them. Additionally, I expect the federal government to use this as an opportunity to expand the breadth of its powers and to refuse to give them up even after the crisis concludes, as it has always done.

Honestly, I do not see this coronavirus crisis having any accurate recent comparisons. This is due to the perplexing and counterintuitive improvements the stock market has made since February. If any comparison is to be made, I believe that the Spanish flu pandemic in the early 20th century would be a much better choice in terms of long run financial impact.

Is it possible to change the status quo? Is the upheaval from the virus a chance to do this?

A dramatic shift in the status quo requires a dramatic event to cause it. As of now the Coronavirus has the potential to cause a dramatic shift in the entire makeup of the United States. For example, all three branches of the federal government, and many of the state governors, are represented by people in at risk age brackets. If the virus were to infect and kill many of these figures, then that would have dramatic consequences on the stability of the nation. Potentially, new figures could step in, regulate, and clean up the government, but it is just as likely that the replacements would be no different or even worse. Alternatively, the virus could cause a massive, years-long global depression that would push politicians and citizens to take federal action to combat it, as was done during

the Great Depression. Either of these consequences could see a massive change in the status quo of the government, though I cannot say with any certainty which is more likely if at all.

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