

**Commerce 1AA3  
Financial Accounting  
Fall 2024 Course Outline**

**Accounting and Financial Management Services Area  
DeGroote School of Business  
McMaster University**

***INSTRUCTORS AND CONTACT INFORMATION***

**Sections 1, 2, 3 and 4  
Dr. Mohamed Shehata**

[shehata@mcmaster.ca](mailto:shehata@mcmaster.ca)

Office: DSB 326

Office Hours:

Tuesdays 12:30 pm – 1:15 pm  
Wednesdays 2:30 pm – 3:15 pm

Tel: (905) 525-9140 x27030

**Sections 5, 6, and 7  
A.S. Merali**

[merali@mcmaster.ca](mailto:merali@mcmaster.ca)

Office: DSB 318

Office Hours:

Tuesdays 10:00 am – 11:00 am  
Wednesdays 11:30 am - 12:30 pm

Tel: (905) 525-9140 x23897

**Instructional Assistant**

Mr. Karim Karim, [karimk7@mcmaster.ca](mailto:karimk7@mcmaster.ca). Karim will handle all the administrative and logistics of the course, such as managing tests, assignments, students' grades, MSAF's for missed components, SAS accommodations and text publisher coordination.

**Teaching Assistant**

Each student will be assigned a TA for virtual support, to be posted in Avenue by the end of the first week of class. Please go to Avenue/Assessment/Grades to view your assigned TA. You may email your questions to your assigned TA at any time who will endeavour to respond in a timely manner.

**Overview Video:** Please watch the overview video posted in Avenue prior to the first class. The video provides a good overview of the course requirements along with some important tips.

***COURSE ELEMENTS***

Credit Value:	3	Leadership:	Yes	IT skills:	No	Global view:	Yes
A2L:	Yes	Ethics:	No	Numeracy:	Yes	Written skills:	No
Participation:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	No	Final Exam:	No	Guest speaker(s):	Yes

## ***COURSE INFORMATION***

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Lectures: one weekly 1-hour lecture plus one weekly 2-hour lecture.

Course Delivery Mode: All classes will be in-person and will include live in-person participation by students.

Course Description: This is an introduction to the basic principles and practices of financial accounting, which includes an examination of income measurement and asset and liability valuation, to provide an understanding of financial accounting information and the ethics of financial reporting.

Lectures (three hours)

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## ***IMPORTANT LINKS***

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### **Course Website**

<http://avenue.mcmaster.ca>

### **MS Office Suite**

<https://portal.office.com/> or <https://office365.mcmaster.ca/>

All McMaster students have free access to Office 365 on up to 5 devices. Login with your MacID and Password to get access to Office 365.

### **Microsoft Teams**

Download MS Teams. Login with your McMaster email address and password. You will be added to the course team.

### **Top Hat**

<https://app.tophat.com/login>

You will be added to the relevant class by the Instructional Assistant prior to the first day of class and will be sent an email from Top Hat with a link to Register. Create an account on Top Hat using your McMaster email address and enter your 9-digit student number in place of Student ID. You must only use your McMaster email and not your personal email. Your first and last name on Top Hat should match exactly as shown in Avenue. The class join code for Dr. Mohamed Shehata's sections is 994797 and for Professor Aadil Merali's sections is 249102. Students registered with Dr. Shehata cannot register on A.S. Merali's Top Hat and vice versa. If you switch Instructors after registering in Top Hat, you must send an email to the Instructional Assistant at [karimk7@mcmaster.ca](mailto:karimk7@mcmaster.ca) to get your Top Hat marks transferred. There is no cost to use this platform.

### **Student Accessibility Services**

Students who require accommodations must submit their requests to [Student Accessibility Services](#) as soon as possible.

### **Other Important Links:**

[Mosaic](#)

[Avenue to Learn](#)

[McMaster University Library](#)

[Academic Integrity Policy](#)

## ***COURSE OBJECTIVES***

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This course will help students understand the purpose of accounting, its implementation, its usefulness for decision making, its effect on behaviour and contracts, and its surrounding controversies over accounting methods.

The specific objectives of this course are:

- 1) Help students develop a thorough understanding of accounting procedures and the choices possible in preparing corporate financial statements.
  - 2) Help students become intelligent readers and users of corporate financial reports, which include the fundamental statements (balance sheet, income statement, retained earnings statement, and cash flow statement) plus explanatory notes, auditor's report, etc.
  - 3) Develop students' appreciation of the usefulness and limitations of financial accounting information.
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## ***COURSE LEARNING OUTCOMES***

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Upon successful completion of this course, students will be able to complete the following key tasks:

1. Read and understand financial statements.
  2. Understand the accounting conceptual framework and relate it to all accounting transactions.
  3. Understand the accounting cycle and implement all its steps including analyzing, journalizing and posting accounting transactions, preparing end-of-period adjusting entries, preparing pre- and post-adjusting entries trial balance, and preparing closing entries.
  4. Prepare financial statements such as the Statement of Earnings, Statement of Retained Earnings, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows.
  5. Analyze internal control issues and employ some procedures to deal with them such as Bank Reconciliation Statement.
  6. Record and measure of individual elements within the financial statements such as accounts receivable, allowances, contingencies, inventory, long term depreciable and non-depreciable assets, short term and long-term liabilities, and shareholders' equity.
  7. Analyze and interpret financial statements using ratio analysis and vertical and horizontal ratio analysis with industry and within the firm over time.
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## ***REQUIRED MATERIALS AND TEXTS***

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### **Course Website**

<http://avenue.mcmaster.ca>  
<https://app.tophat.com/login>

FREE  
FREE

### **Required:**

Financial Accounting, Eighth Canadian Edition, comes with Pearson's MyLab Accounting  
By Thomas, Tietz, Berberich, and Seguin

Note - **COMM 1AA3 is participating in the Immediate Access Program with the Campus Store.** You will receive digital access to your eText on the first day of class via the MyLab Accounting link that will be posted in Avenue. More details on the Immediate Access Program will be posted in Avenue.

A required resource for this course is MyLab Accounting. You will need to register for the MyLab Accounting using the registration instructions posted in Avenue. MyLab Accounting is mandatory to complete the online assignments.

Titles Bookstore (McMaster’s campus bookstore) does not carry print copies of the textbook. If you prefer print, you will have the option to order within MyLab Accounting to have your print copy sent directly to you. McMaster students can also receive a discount by using the Voucher code MCMMASTER65 at the checkout. The Print offer is a separate purchase from the MyLab Accounting and will not be bundled with a MyLab Accounting access code.

### **COURSE OVERVIEW AND ASSESSMENT**

#### **Assessments**

Your final grade will be calculated as follows:

<b>EVALUATION</b>	<b>WEIGHT</b>	<b>DESCRIPTION</b>
<b>Online Assignments via Pearson MyLab Accounting</b>	10%	Best four of five assignments at 2.5% each. <b>It is a breach of academic integrity to do the assignments with a tutor or tutoring service or other students. The assignment must be done individually by the student.</b>
<b>Participation via Top Hat</b>	10%	Half the marks are for participation and the other half for getting the questions correct on Top Hat during live in-person classes. <b>It is a breach of academic integrity to do the Top Hat from outside the classroom or to receive answers from another section. You must be physically present in the classroom to attempt Top Hat.</b>
<b>Midterm: chapters 1, 2, 3, 4, and 9.</b>	40%	Date and time on the last page of the course outline.
<b>Final Exam: chapters 5, 6, 7, and 8.</b>	40%	Date and time TBA by the Registrar.

#### **NOTES:**

- Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a **faculty approved** Notification of Absence or MSAF.
- The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy.

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## ***COURSE DELIVERABLES***

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### ***Online Assignments on Pearson MyLab Accounting (best four of five x 2.5% = 10%)***

The online assignments are based on content delivered asynchronously. The mark on the lowest assignment will be dropped. Each assignment is worth 2.5% of your final grade and must be completed only by the student individually. Receiving direct answers on the assignment questions from any person constitutes a breach of McMaster Academic Integrity Policy. The assignments will be made available on Pearson MyLab from 9:00 pm on **release date** until 11:59 p.m. on **close date**. If an MSAF is used for an assignment, then the 2.5% weight for that assignment will be added to the next exam. Hence, if assignment 1 or 2 are MSAF, the weight will be added to the midterm exam and if assignments 3, 4, or 5 are MSAF, the weight will be added to the final exam. From the remaining assignments, we will drop the lowest one. Individual extensions for Assignments are not provided to any students (including SAS) since the answers are released to all students after the due date. The online assignment dates are as follows:

	<b>Release Date: 9 pm</b>	<b>Close Date: 11:59 pm</b>	<b>Coverage</b>
Assignment 1	Sept 20th	Sept 22nd	Chapter 1, 2, 3
Assignment 2	Oct 11th	Oct 20th	Chapters 3, 4, 9
Assignment 3	Nov 1st	Nov 3rd	Chapter 5
Assignment 4	Nov 8th	Nov 10th	Chapter 6
Assignment 5	Nov 22nd	Nov 24th	Chapter 7

### ***Participation (10%)***

Participation marks will be assigned during the lectures. Students will be asked questions in person during the lectures and will respond using the Top Hat platform. There is no cost to students for using the Top Hat platform. Half the marks will count for participating on the question and the other half for getting the answer to the question correct. Students must be physically present for the entire class time to attempt Top Hat. **It is a breach of academic integrity to do the Top Hat from outside the classroom or to receive answers from another section. You must be physically present in the classroom to attempt Top Hat.**

In the week prior to the midterm exam, all students will be given an irreversible option to opt-out of the participation mark. If a student decides to 'opt-out' of the participation mark, then the student's actual participation score will be ignored and 5% of the participation weight will be moved to the midterm exam and the other 5% to the final exam. More details and instructions will be posted in Avenue in the week prior to the midterm exam. The decision to 'opt-out' will be strictly irreversible.

The Top Hat will not be for marks before the drop/add date is over. At the end of the course, your Top Hat Mark will be bumped up by a 10% bonus to make up for any missed class.

### ***Midterm Exam (40%)***

The in-person midterm exam will be marked individually and will be for 2 ½ hours. The exam will cover material from the textbook, readings, lectures, online material, online assignments, Top Hat questions, and class discussion. The format of the exams may include True/False, Multiple-Choice, and Fill in the Blank questions. Past midterm exams are available on Avenue for practice. **Students**

**are required to bring their laptops (and AC charger) to write the midterm exam in person.** Respondus-Lockdown online proctoring platform will be used for invigilating the exams.

Since the midterm weight is more than 24%, students must submit apply for the MSAF from their faculty office if they cannot write the midterm on the scheduled time or if they miss the midterm.

***Students are allowed to bring in a double-sided letter size crib sheet to the midterm exam. The crib sheet must be on letter size 8 ½ x 11-inch paper, and it must be handwritten. It is not allowed to handwrite the crib sheet on a tablet and then print it. Scrap paper will be provided.***

### ***Final exam (40%)***

The final exam will be marked individually and will be for 2 ½ hours. The exam will cover material from the textbook, readings, lectures, online material, online assignments, Top Hat questions, and class discussion. The format of the exam may include True/False, Multiple-Choice, and Fill in the Blank questions. Past final exams are available on Avenue for practice. **Students are required to bring their laptops (and AC charger) to write the final exam in person.** Respondus-Lockdown online proctoring platform will be used for invigilating the exams.

If a student obtains a successful MSAF for missing a midterm, the final exam weight will include the weight of the missed midterm exam.

Students who miss the midterm, whether they obtain a successful MSAF or not, will write a **cumulative final exam that includes the midterm chapters.** Those who obtain a successful MSAF will have the midterm weight transferred to the final exam. Those who do not obtain a successful MSAF will get a zero on the midterm weight.

***Students are allowed to bring in a double-sided letter size crib sheet to the midterm exam. The crib sheet must be on letter size 8 ½ x 11-inch paper, and it must be handwritten. It is not allowed to handwrite the crib sheet on a tablet and then print it. Scrap paper will be provided.***

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## **COMMUNICATION AND FEEDBACK**

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Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student.

All students must receive feedback regarding their progress prior to the final date by which a student may cancel the course without failure by default.

- For Level 1 and Level 2 courses, this feedback must equal a minimum of 20% of the final grade.
- For Level 3 courses and above, this feedback must equal a minimum of 10% of the final grade.

Instructors may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

**Students who have concerns about the course content, evaluation methods, or delivery should first reach out to the course instructor. If your concern remains unresolved after speaking with the instructor, you may then reach out to the relevant Area Chair for further consideration.**

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## ***REQUESTING RELIEF FOR MISSED ACADEMIC WORK***

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In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below\*;

<http://ug.degrootemcmaster.ca/forms-and-resources/missed-course-work-policy/>

\* Non-Commerce students must follow the Missed Course Work protocols outlined by their home faculty and Program Office.

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## ***COURSE MODIFICATION***

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From time to time there may be a need to remove/add topics or to change the schedule or the delivery format. If these are necessary, you will be given as much advance notice as possible.

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## ***GENERATIVE AI***

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**USE STRICTLY PROHIBITED – No exceptions. Not even for email to professor or TA’s.**

Students are not permitted to use generative AI in this course. In alignment with [McMaster academic integrity policy](#), it “shall be an offence knowingly to ... submit academic work for assessment that was purchased or acquired from another source”. This includes work created by generative AI tools. Also stated in the policy is the following, “Contract Cheating is the act of “outsourcing of student work to third parties” (Lancaster & Clarke, 2016, p. 639) with or without payment.” Using Generative AI tools is a form of contract cheating. Charges of academic dishonesty will be brought forward to the Office of Academic Integrity.

## ***ACADEMIC INTEGRITY***

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You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

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## ***AUTHENTICITY/PLAGIARISM DETECTION***

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**Some courses may** use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. Avenue to Learn, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster’s use of Turnitin.com please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

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## ***COURSES WITH AN ON-LINE ELEMENT***

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**Some courses may** use on-line elements (e.g. e-mail, Avenue to Learn, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other



students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

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### ***ONLINE PROCTORING***

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**Some courses may** use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

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### ***CONDUCT EXPECTATIONS***

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As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

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### ***ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES***

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Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University’s [Academic Accommodation of Students with Disabilities](#) policy.

## ***ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)***

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Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

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## ***COPYRIGHT AND RECORDING***

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Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

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## ***EXTREME CIRCUMSTANCES***

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The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, Avenue to Learn and/or McMaster email.

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## ***ACKNOWLEDGEMENT OF COURSE POLICIES***

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Your enrolment in **Commerce 1AA3** will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

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**COURSE SCHEDULE**


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**Commerce 1AA3  
Introduction to Financial Accounting  
Fall 2024 Course Schedule**

<b>DATE</b>	<b>CHAPTER</b>	<b>ASSIGNMENT</b>
Week 1: Sept 3 – 6	Introduction & Chapter 1	The Financial Statements
Week 2: Sept 9– 13	Chapter 2	Recording Business Transactions
Week 3: Sept 16 – 20	Chapter 3	Accrual Accounting and the Financial Statements
Week 4: Sept 23 – 27	Chapter 9	The Statement of Cash Flows
Week 5: Oct 1 – 4	Chapter 4	Cash and Receivables
Week 6: Oct 7 – 11	<b>Catch up and review as needed</b>	
<b>Mid-term recess (Monday, October 14 to Sunday, October 20)</b>		
Week 7: Oct 21 – 25	Chapter 5	Inventory & Cost of Goods Sold
<b>Sat Oct 26</b>	<b>Midterm Exam – Chapters 1,2,3,9 &amp; 4. Timing and Location TBA in Avenue pending room availability.</b>	
Week 8: Oct 28 - Nov 1	Chapter 6	Property, Plant, and Equipment, and Intangible Assets
Week 9: Nov 4 – 8	Chapter 7	Current Liabilities
Week 10: Nov 11 – 15	Chapter 7	Long-Term Liabilities

Week 11: Nov 18 – 22	Chapter 8	Shareholders' Equity
Weeks 12/13: Nov 25 – Dec 5	<b>Catch up and review as needed</b>	
<p><b>Final Exam – Chapters 5, 6, 7, &amp; 8. Timing and Location TBA in Mosaic by Registrar.</b>                  Classes end: Thursday, December 5                  Final examination period: Friday, December 6 to Thursday, December 19                  All examinations <b>MUST</b> be written during the scheduled examination period.</p>		

**Suggested End of Chapters Exercises and Practice Problems**

Besides these suggested problems, students are highly encouraged to attempt all other end of chapter questions to enhance their understanding. Answers to problems are available and students may reach out to their assigned TA's for additional clarification help as needed.

Chapter	Suggested Exercises and Practice Problems
1	S1-7, E1-17, E1-21, P1-30A, P1-32A
2	S2-6, S2-9, E2-16, E2-18, P2-32A
3	S3-7, S3-10, E3-15, E3-20, P3-39A
9	S9-3, S9-5, E9-10, E9-11, E9-14
4	S4-2, S4-10, S4-11, E4-28, E4-36,
5	S5-4, S5-7, S5-9, E5-15, E5-32
6	S6-5, S6-9, E6-27, E6-38, E6-28
7	S7-4, S7-8, E7-13, E7-15, P7-35A
8	S8-7, S8-8, S8-10, E8-22, P8-43

The following text Learning Objectives will be briefly covered in class but will not be covered in exams

Chapter	Learning Objectives to Skim Through
1	5, 6
2	6
3	7
9	4, A1
4	1, 2, 7
5	4, 6, Appendix 5A
6	4, 5, 6, 7
7	5, 6, 7,8, 9, 10
8	1, 3, 5, 6