



NORTH AMERICAN MOBILITY PROGRAM (NAMP) 

CONSORTIUM “CONTABILIDAD MEXICO ESTADOS UNIDOS Y CANADA (COMEC)”

Participating Institutions:

- Niagara University -USA
- Southern Oregon University-USA
- Université du Québec a Montreal-Canada
- University of Windsor- Canada
- Universidad Autónoma del Estado de México-Mexico
- Universidad de Guanajuato-Mexico

Course Title:

***“Doing Business in North America: Accounting and Taxation”
SYLLABUS***

Host Institution: Universidad de Guanajuato
Fall 2005 Mexico

Course Number and Section: COMEC 0165
Prerequisites: Terminal level status
 Semester Hours: four
 Classroom: UG –UCEA B301
 Meeting Times: August 8 to December 9, 2005

Course timetable

Date	Topic
August 12	Introduction to course: business culture, organization, legislation, national structure and practices. Professor Martin Pantoja
August 15-18	Financial accounting in the U.S. Professor Al Oddo
August 22-25	Financial accounting in Canada. Professor Roger Hussey and Professor Audra Ong
August 29	Financial accounting in Mexico and summary. Professors Ruben Mosqueda and Martin Pantoja
September 2	Examination in financial accounting
September 5-8	Taxation in Canada. Professor Suzanne Landry
September 12-15	Taxation in the U.S.. Professor Al Case
September 19	Taxation in Mexico and summary. Professor Alberto Valdez
September 23	Examination in taxation
September 26	General summary and comparison of accounting and taxation in the three countries. Professors Ruben Mosqueda, Alberto Valdez and Martin Pantoja
Oct. 3 to Nov. 18	Time for working on Global Case and advise from professors
November 25	Global case is due
December 9	Final grades

INTRODUCTION TO COURSE

August 12, 2005

Professor Martin Pantoja, Universidad de Guanajuato

Instructor information

Martin Pantoja is a Professor of Finance and also the vice-president of Administration at the Universidad de Guanajuato. He has taught the course of Corporate Finance at the University since January 2003. He has been leader for several Consortia at the North American Mobility Program in which the University has participated. Full time professor with certification from PROMEP, the national accreditation system for professors at public educational institutions. He is the academic leader of COMEC in representation of the Mexican partners. Previously, worked as Director of Finance for the University in 1997-1999. Worked also as Director of International Relations at the University during 1999-2003.

- Office Hours: Professor Martin Pantoja will be available for academic counseling throughout the week by appointment.
- e-mail: pantojam@quijote.ugto.mx

Topic description

Introduction to course: business culture, organization, legislation, national structure and practices

This part of the course will provide a general overview of the topics of study for the course. A detailed description of the course time, subjects of study, grading system and methodology of the course will be provided. Introduction will include a general overview of the three countries regarding businesses culture, their organization, legislation, national structure and practices.

Topic objectives

After completing orientation and introduction to the course, you should:

1. Understand the structure and format of the course.
2. Understand how every topic will be presented and how they are integrated to the global case.
3. Understand the differences and similarities in organization and structure between companies in Canada, Mexico and the USA.
4. Be able to research and analyze accounting and taxation information of companies under a framework provided.

FINANCIAL ACCOUNTING IN THE U.S.

August 15-18, 2005

Professor Al Oddo, Niagara University

Instructor information

Alfonso R. Oddo is a Professor of Accounting and Associate Director of Niagara University's *Center for International Accounting Education and Research*. His publications include interactive computer software programs and numerous articles and research papers. He has presented seminars for accounting educators around the country on the user approach to teaching accounting. His current research interests include innovative education methods, business ethics, and international accounting issues. He received the Sears Roebuck award for teaching excellence and campus leadership, and the Vincentian Mission Award.

- Office Hours: Professor Oddo will be available for academic counseling throughout the week
- e-mail: aroddo@niagara.edu

Topic description

Financial Accounting in the U.S.

This topic covers financial accounting in the United States. Subjects include the conceptual framework of the U.S. Financial Accounting Standards Board (FASB), financial markets in the U.S., financial statements and financial reporting, financial ratios, professional certification of accountants in the U.S., and regulation of financial markets and the accounting profession.

Topic objectives

After completing this topic, you should:

5. Understand financial markets and regulation in the U.S.
6. Understand financial accounting and reporting standards in the U.S.
7. Be able to analyze and interpret financial statements
8. Know the professional certification rules for accountants in the U.S.
9. Be able to research, analyze, write, and present information about accounting issues

Class schedule for Financial Accounting in the U.S.

<u>Date</u>	<u>Subject</u>	<u>Class materials</u>
August 15	Introduction to course	
	<ul style="list-style-type: none"> • FASB conceptual framework 	Conceptual framework ppt
	<ul style="list-style-type: none"> • Convergence toward international standards 	Convergence, IASB, Convergence to IFRS
	<ul style="list-style-type: none"> • Using financial information to make decisions 	Financial Information ppt
August 16	Financial markets	
	<ul style="list-style-type: none"> • Market information 	NYSE
	<ul style="list-style-type: none"> • Types of securities 	Securities ppt
	<ul style="list-style-type: none"> • Regulation (SEC, FASB) 	SEC, FASB
August 17	Financial statements	
	<ul style="list-style-type: none"> • Balance sheet, income statement, and SCF 	Financial statements ppt
	<ul style="list-style-type: none"> • Financial statement ratio analysis 	Ratios ppt
	<ul style="list-style-type: none"> • Accounting policies and MDA 	Disclosure ppt
August 18	The accounting profession	
	<ul style="list-style-type: none"> • Certification of accountants 	CPA, CMA, CIA, Certification of accountants ppt, Careers pdf
	<ul style="list-style-type: none"> • Dual certification in two countries 	AICPA
	<ul style="list-style-type: none"> • Sarbanes-Oxley and compliance issues 	SOX, Sarbanes-Oxley ppt

FINANCIAL ACCOUNTING IN CANADA

August 22-25, 2005

Professor Roger Hussey and Professor Audra Ong, University of Windsor

Instructor information

Roger Hussey, Ph.D., M.Sc., FCCA is Dean of the Odette School of Business, University of Windsor, Ontario, Canada. He started his career by qualifying as a member of the Association of Chartered Certified Accountants, a leading UK professional accounting body. After a number of years in senior position in industry, he returned to university and took a graduate degree in industrial relations. This led to his appointment at St Edmund Hall, Oxford University as Research Director into Employee Communications. He remained in this position for 6 years and established a national reputation for his work in financial communications.

In 1982 he moved to Bristol Business School where he held a number of senior positions. His earlier research at Oxford was extended and expanded, leading to a number of books, articles and conference presentations. His teaching and training was conducted not only in the UK but also in Australia and Europe.

After many years as an academic at Bristol Business School, Dr Hussey accepted the position of Dean at the Odette Business School in 2000. The School has 50 full-time faculty, 1500 full-time and 500 part-time undergraduate students as well as 500 graduate students. The main programs offered are four-year honors Bachelor of Commerce and an MBA. Since Dr Hussey's appointment, the School has streamlined its programs and adopted a greater international focus.

Although the position of Dean is demanding, Dr Hussey still continues to be academically active both in teaching and research. In 2003 he has 3 books being published in the UK and is currently under contract to write a guide to international accounting which will appear in Chinese.

AUDRA ONG, PhD, MBA, BSc, is an accounting professor at the University of Windsor, Canada. She received her PhD in accounting from Bristol Business School (U.K.) and MBA and undergraduate degrees from the University of Wales, Cardiff, and the Queen's University of Belfast (U.K.), respectively. She has a Certificate in International Financial Reporting from the Association of Chartered Certified Accountants (ACCA) and has also published in professional and research journals.

- Office Hours: Professors Hussey and Ong will be available for academic counseling throughout the week.
- e-mail: rhussey@uwindsor.ca; aong@uwindsor.ca;

Topic description

This course examines the financial accounting and reporting in Canada with particular attention to Canada's recent decision to converge with International Financial Reporting Standards in the next five years. Details of the topics covered are given later in this document.

Topic objectives

After completing this course, you should be able to:

1. Understand the importance of conceptual frameworks in financial reporting and accounting.
2. Understand the standard setting regulations and processes in Canada and the changes that will take place with international convergence.
3. Critically examine some of the more controversial topics on accounting
4. Analyze and interpret financial statements
5. Research, analyze and present information on accounting issues

Detailed description of topics to be covered

Conceptual Frameworks – Differences and Directions

The U.S. under Statement of Financial Accounting Standard (SFAS) No. 2 sets out the fundamentals of one specific conceptual framework. Other countries have different approaches depending on their legislation, business organizations and practices, and culture. This session looks briefly at the conceptual approach in Canada and examines closely the International Accounting Standards Board “Framework for the Preparation and Presentation of Financial Statements”. In particular, we will consider the users of financial statements, the structure of the Income Statement and the Balance Sheet, and key definitions.

Accounting Structures and Regulations in Canada and International Convergence

This session examines the existing organizations and regulations for financial accounting and reporting in Canada, where they differ from the U. S. The main professional accounting bodies in Canada, and the recognition agreements they have with other countries are explored. The most appropriate regulatory system in Canada and the international movement towards convergence of accounting standards are discussed.

Asset Valuation and Capital Maintenance Concepts

The regulations in Canada for the accounting treatment of non-current assets are examined in comparison to the U.S. This is used as a basis for considering different approaches to asset valuations, their advantages and disadvantages and the impact on the Balance Sheet and Income Statement. The session also examines different approaches to capital maintenance and the impact on our opinions on the performance of businesses.

Goodwill and Intangible Assets

One of the most long-standing controversies in the accounting world is the appropriate accounting treatment for goodwill and other intangible assets. The differences between U.S. and Canadian approaches are examined. This is used as an introduction to the various accounting treatments that may be used and the implications for the financial statement.

Certification and Compliance in Canada

An examination of the role, authority, and responsibility of the auditor in Canada. The main features of the audit process will be considered and the distinction made between the role of the internal and external auditor. The Canadian view on corporate governance is studied, and examples given of corporate practices. This will incorporate the assessment of the impact of Sarbanes-Oxley (SOX) on Canadian regulations.

Limitation of financial statements and ratios

The concluding session brings together the issues discussed in previous sessions with a critical examination of the financial statements and the interpretations that can be drawn from them. Particular attention will be paid to the problem of comparing financial statements that have been prepared in accordance with different national regulations.

Class Schedule: Financial Accounting in Canada

Date	Subject
August 22	Introduction to courses
	<ul style="list-style-type: none"> ▪ Reviewing the language of accounting ▪ The standard setting structure and process in Canada ▪ The IASB's Conceptual Framework ▪ Structure of the Income Statement and Balance Sheet
	This session provides a revision of the terms used in English to describe financial transactions and events. An examination is conducted of the IASB's "Framework for the Preparation and Presentation of Financial Statements" and key definitions highlighted
August 23	Asset Valuation and Capital Maintenance
	<ul style="list-style-type: none"> ▪ Concepts of capital maintenance ▪ Different methods of asset valuation ▪ The treatment of goodwill and intangible assets
	Asset valuation and capital maintenance concepts are key to understanding the assumptions used in preparing financial statements. In part of this session students will be working in small groups.
August 24	<i>The evaluation of financial reports</i>
	<ul style="list-style-type: none"> ▪ The Accounting Cycle ▪ Potential users and uses of financial statements ▪ The main accounting ratios
	This session provides a strong foundation for the Global case study. For a large part of the session students will be working in groups
August 25	Certification, Compliance and Governance
	<ul style="list-style-type: none"> ▪ The main accounting bodies in Canada ▪ The audit process ▪ Developments in Corporate Governance

The final session will be concentrating on current issues and placing them in the perspective of the material covered in previous sessions

FINANCIAL ACCOUNTING IN MEXICO AND SUMMARY

August 29, 2005; September 26, 2005

Professor Ruben Mosqueda, Universidad de Guanajuato

Instructor information

Ruben Mosqueda is a Professor of Corporative Finance of Universidad de Guanajuato. He has a PhD in Business and Financial Administration in the Universidad de Valencia development the thesis "The Transfer Pricing and the Multinationals firms". He received the Mexican Financial Award to my financial study called "Economic Study of Transfer Pricing: Mexican Multinational Evidences", and the III National Accounting Award. His publications include articles and research papers related to accounting and finance. His current research interests, among others, include Corporative Financial Bankruptcy, Earning Management, international accounting, and the Transfer Pricing Effect into Global Yield issues.

- Office Hours: Professor Ruben Mosqueda will be available for academic counseling throughout the week by appointment.
- e-mail: rmosqueda@lycos.com

Topic description

This part of the course will provide a general framework about the financial accounting in the United States, Canada and, particularly, in the case of Mexico. So, the summary will show a comparative study of the Accounting rules, Financial markets, Financial Statements, The Accounting profession, and The Certification, Compliance and Governance among the three countries.

Topic Objectives

After completing this topic, you should:

1. Understand the differences in the financial markets and regulations among U.S., Canada and Mexico
2. Understand the similarity in financial accounting and reporting standards among U.S., Canada and Mexico
3. Compare the professional certification rules for accountants in Canada, Mexico and the USA.
4. Critically examine some of the more controversial topics on accounting

TAXATION IN THE U.S.

September 12-15, 2005

Professor Al Case, CPA, Southern Oregon University

Instructor information

Al Case is an Assistant Professor of Accounting and Coordinator for the Accounting Concentration at the Southern Oregon University School of Business located in Ashland,

Oregon. He is currently finishing his first accounting book, in two volumes, entitled *Problem Solving Strategy Guide*. Although the book is aimed more at intermediate financial accounting students, Al's background and teaching emphasis is in taxation. Before teaching, Al was the international tax manager at SGI—a billion dollar company with headquarters in the Silicon Valley. For more, see:

<http://www.sou.edu/business/case>

- Office Hours: Al will be available for academic counseling after class in Cubiculo D 43 through Thursday the 15th.
- e-mail: caseA@sou.edu (probably won't be accessing it during the week of September 12th)

Topic description Taxation in the U.S.

This week will cover taxation in the United States. Subjects include types of taxes (income, consumption, payroll, etc.), rates, treaties, and international taxation issues.

Topic objectives

After completing this topic, you should:

1. Understand the different kinds of taxation that occur in the U.S.
2. Be familiar with the rates that are applied to the various types of taxes in the U.S.
3. Know some of the main elements of the tax treaties between Mexico and the U.S.
4. Recognize the basic multi-jurisdictional issues of foreign tax credits, transfer pricing, and profit repatriation as they apply to the U.S.
5. Be aware of the compliance requirements in the U.S.

Class schedule

<u>Date</u>	<u>Subject</u>	<u>Class materials</u>
September 12	Introduction to course	
	<ul style="list-style-type: none"> • Federal income taxation at the individual and corporate levels 	PowerPoint slides (on BB under Course Documents— print out and bring to class for use during in-class problems)
	<ul style="list-style-type: none"> • Rates 	WWW Links (on BB under External Links—no need to print)
	<ul style="list-style-type: none"> • State taxation 	
September 13	Multi-jurisdictional issues	
	<ul style="list-style-type: none"> • Foreign tax credits 	PowerPoint slides (on BB under Course Documents)
	<ul style="list-style-type: none"> • Transfer pricing 	WWW Links (on BB under External Links)
	<ul style="list-style-type: none"> • Cash repatriation 	
September 14	Payroll	
	<ul style="list-style-type: none"> • Withholding requirements 	PowerPoint slides (on BB under Course Documents)
	<ul style="list-style-type: none"> • Social security / self-employment tax 	WWW Links (on BB under External Links)

	<ul style="list-style-type: none"> • Unemployment insurance, SDI, etc. 	
September 15	Consumption and compliance issues	
	<ul style="list-style-type: none"> • Customs, duties, import/export taxes 	PowerPoint slides (on BB under Course Documents)
	<ul style="list-style-type: none"> • Compliance (forms, etc.) 	WWW Links (on BB under External Links)

TAXATION IN CANADA

September 5-8, 2005

Suzanne Landry, Ph. D. (University of Florida), M. Fisc., FCA, CMA

Instructor information

Suzanne Landry is a Professor of Taxation at the École des sciences de la gestion of the Université du Québec à Montréal since 1992. She is also the Director of the CMA-MBA executive program. She is a Member of the Ordre des comptables agréés du Québec (CA) and the Ordre des comptables en management accrédités du Québec (CMA). She received the Fellow Distinction (FCA) of the Ordre des comptables agréés du Québec in 2004.

She has published many scientific and professional articles in many journals on topics such as the market valuation of R&D investments, the accounting of stock options and on business transfer of ownership. Her current research interests include tax planning of charitable donations, the effect of taxation on compensation package and the use of taxable income in financial statements analysis.

www.er.uqam.ca/nobel/r27500/princ.htm

- Office Hours: AI will be available for academic counseling after class in Cubiculo D 43 Monday through Thursday the 8th.
- e-mail: landry.suzanne@uqam.ca

Topic description

Topic objectives

This section of the course examines the tax implications of doing business in Canada. Many topics are covered including income taxes, payroll taxes and consumption taxes.

After completing this section, you should :

- Understand the different types of taxes effective in Canada
- Discuss the basis of the Canadian income tax system
- Discuss the different payroll taxes and the employer obligations in Canada
- Discuss the general concepts applicable to consumption taxes in Canada

Class schedule

Date	Subject
September 5	Introduction <ul style="list-style-type: none"> ○ Overview of the tax system

	<ul style="list-style-type: none"> ○ Income tax – general concept <p>Corporate taxation</p> <ul style="list-style-type: none"> ○ Structure of the tax rates ○ Taxable income/operating losses <ul style="list-style-type: none"> ○ Business income ○ Investment income ○ Capital gain
September 6	<p>Corporate taxation</p> <ul style="list-style-type: none"> ○ Minimum tax/Capital tax ○ Multi jurisdictional issues <ul style="list-style-type: none"> ○ Foreign tax credits ○ Transfer pricing ○ Profit repatriation ○ Tax treaties (Canada-USA-Mexico)
September 7	<ul style="list-style-type: none"> ○ Payroll taxes and employer obligations ○ Canada/Quebec pension plan ○ Health services fund ○ Unemployment insurance ○ Labour standard, labour health and security commissions ○ Training ○ Compliance issues
September 8	<p>Consumption taxes/Sales taxes</p> <ul style="list-style-type: none"> ○ Goods and services taxes/Quebec sales taxes ○ Compliance issues

TAXATION IN MÉXICO

September 19, 2005

Professor José Alberto Valdés Villareal, Lic. en Derecho, Universidad de Guanajuato

Instructor information

JOSE ALBERTO VALDÉS VILLARREAL MIRANDA. Licenciado en derecho por la Universidad Nacional Autónoma de México, graduado con mención honorífica.

También obtuvo mención honorífica en el primer curso para abogados hacendarios impartido en 1978 por la Procuraduría Fiscal de la Federación.

Colaboró en la Secretaría de Hacienda y Crédito Público durante 17 años, de 1974 a 1990, llegando a ocupar el cargo de Delegado Regional.

Ha impartido cátedra universitaria por más de 25 años; actualmente colabora en la Maestría en Fiscal tanto en la Universidad de Guanajuato como en otros centros de educación superior de la región.

Es socio del “Colegio Nacional de Profesores e Investigadores de Derecho Fiscal y Finanzas Públicas”, al que pertenece hace más de 20 años.

Es miembro de la Comisión Fiscal del Colegio de Contadores Públicos de León.

Ha impartido múltiples cursos, conferencias y diplomados sobre la materia fiscal, destacando cursos del Poder Judicial de la Federación y del Consejo de la Judicatura del Tribunal Contencioso Administrativo del Estado de Guanajuato.

Es Director Fundador de la Firma “DEFENSA Y CONSULTORÍA FISCAL, S. C.”, con más de 12 años asesorando a empresas y a despachos de contadores del centro del país.

León, Gto. Julio de 2005.

- Office Hours: I will be available for academic counseling throughout the week by appointment.
- e-mail: abogadofiscal52@prodigy.net.mx

Topic description

Topic objectives

Class schedule

Course requirements and grade

Examination

You will have an examination after completing each part of the course.

Homework assignments

You will be given homework assignments to be completed for each class.

Global case study (team project)

You will be assigned to a team of two students to prepare a global case study in financial accounting. The global case will focus on comparative analysis of financial reporting in the U.S., Canada, and Mexico using three companies, one in each country. Please get information from the following web sites prior to the first financial accounting class:

[Molson](#)

[Anheuser-Busch](#)

[Modelo](#)

1. For the three companies, calculate appropriate ratios for financial performance, financial stability and working capital requirements. The ratios should be presented as a comparative table.
2. Write a report addressed to the investors of the companies explaining the main features, the reasons for differences and particular issues of interest.

Attendance and participation

You are expected to arrive on time and actively participate in all class sessions. Your grade may be reduced if you do not attend all class sessions.

Academic counseling

Professors will be available for academic counseling throughout the week in which the topics are presented. Additional counseling will be provided by email and by the Mexican professors during the time for Global Case preparation, by appointment.

Course requirements will count as follows:

<u>Course requirement</u>	<u>Points</u>
Financial accounting exam	25
Taxation exam	25
Global case	40
Attendance	<u>10</u>
Total points	<u>100</u>

Using the above point system, your grade will be determined as follows:

Points	Grade	GPA
100	10	10
95	9.5	9.5
90	9	9
85	8.5	8.5
80	8	8
75	7.5	7.5
70	7	7
65	6.5	6.5
60	6	6
55	5.5	5.5
50	5	5

Academic honesty

The integrity of an academic community necessitates the full and correct citation of ideas, methodologies, and research findings to the appropriate source. This is necessary to protect the original work, whether it is found in reference material, other published matter, or unpublished communication from faculty, other scholars, and fellow students. In addition, each student can promote academic honesty by protecting his or her work from inappropriate use. Academic honesty is essential to ensure the validity of the grading system and to maintain a high standard of academic excellence. The principal violations of academic honesty are cheating and plagiarism. Please refer to the UG policies and procedures for further information.

Global case study

Format of paper

- Use the research paper style specified by your professor at orientation session
- Papers must be typed, double-spaced, and on one side of the paper
- Paper should be 8 to 10 pages, not including charts, tables, and graphs
- Side margins and top and bottom margins must be 1 inch
- Mistakes in grammar and spelling will decrease your grade
- Use Arial font, size 12

- Sources must be documented in the body of the paper
- A list of works cited should be at the end of the paper
- Your paper should include a title, abstract, section headings, and works cited

Grading criteria

- Writing style—grammar, punctuation, readability, etc.
- Correct research paper style
- Substance—what you say, including the clarity and quality of your research objectives, methodology, and analysis