

Faculty Senate Curriculum Committee

2

Approval Form

Proposal Title: "Law for Accountants" Course

Sponsor(s): Carol Welsh Eleanor Fillebrown Dept.: School of Business Admin.

Check one: [X] Course [ ] Specialization [ ] Concentration [ ] Achievement Certificate [ ] Certification Program [ ] Major Program [ ] Minor Change (please name: deletion or credit/title/catalog change)

[X] Undergraduate [ ] Graduate 3 Credit Hours

Step 1 (Department) [X] Approved 11/14/85 Date Dept. CC Chairperson [ ] Not Approved [ ] Reviewed

Step 2 (Receipt) SCC# 85-86-36 Proposal Received 11/15/85 Date Chairperson, SCC

Step 3 (School CC) Reviewed 11/14/85 Date [X] Approved [ ] Not Approved Comments: Chairperson School Curr. Comm.

Step 4 (Academic Dean) Comments: Reviewed Date Signature, Dean of School

Step 5 (SCC) Open Hearing Date [X] Approved by Senate Curriculum Committee Date [ ] Returned to sponsor(s) for the following reasons:

Step 6 (Faculty Senate) Presented to Faculty Senate: Date [X] Approved [ ] Not Approved Notification to Vice-President Academic Affairs 2/3/86 Date Signature, SCC Chairperson

**Step 7 (Vice-President for Academic Affairs)**

Received 2/13/86  
Date

Approved  Yes  No

If no, reasons are as follows:

Student credit hours 3

Faculty load hours 3

Equalized credit hours 3

Official copy and approval sheet filed \_\_\_\_\_  
Date

Signature \_\_\_\_\_

*John Taylor*  
Vice-President for Academic Affairs

---

**Registrar**

Approved course description received \_\_\_\_\_  
Date

Hegis Taxonomy and Course Number assigned \_\_\_\_\_

Signature \_\_\_\_\_  
Registrar

\_\_\_\_\_  
Date

---

Notification forwarded: Senate Curriculum Committee Chairperson, Department Chairperson(s),  
Academic Dean(s), Registrar, Sponsor(s).

TRANSMITTAL 4/18/86

School of Business Administration

Course Proposal - Law For Accountants

1. Course Proposal Details:

- a. Course Title: Law for Accountants
- b. Sponsor: Eleanor Fillebrown, Carol N. Welsh,  
School of Business Administration
- c. Course level: Junior-Senior *UND GRAD - 3 SH KAC 3/11/84*
- d. Curricular effect: Major requirement for Accounting  
specialization in School of Business  
Administration
- e. Prerequisites: Legal Environment of Business
- f. Implementation: Fall, 1986, will be required of all  
students entering as of Fall 1986.
- g. Adequacy of present resources: Classes will take place  
in a conventional classroom setting. Savitz  
Library already contains sufficient resources.  
Faculty presently teaching courses in Business Law  
will be able to teach this course.
- h. Short-term evaluations: This course has never been  
offered before.

2. Course Proposal Rationale

The AACSB accreditation standards require that students possess a "background of the legal environment as it pertains to profit and non-profit organizations, along with the ethical considerations and social and political influences as they affect these organizations." As the AACSB consultants brought in by the School of Business, pointed out, only one law course was needed to meet AACSB standards-Legal Environment of Business. Accounting majors in the normal course of their chosen vocation require a broader background in business law matters than one course allows. Furthermore, six semester hours in business law is a standard academic requirement for accounting majors to be granted permission to take the CPA (Certified Public Accountant) examination. Therefore, an additional business law course geared to the particular needs of the accounting students will better prepare them to perform effectively and knowledgeably in a professional position.

3. Essence of the Course:

- a. Course Objectives - Outcomes:  
Students who complete this course will be able to:
  1. Understand and utilize basic business law terminology and concepts.
  2. Comprehend and analyze basic business law transactions.
  3. Examine and evaluate the effects of specific legal transactions within the business environment.

3. Essence of the Course: (continued)

b. Course Content

The course will build on the basics of the subject matter covered in "Legal Environment of Business" and will continue to examine material necessary in the development of a knowledgeable understanding of business law.

The course will consist of the following subject matter:

I Sales

- A. Characteristics of Sales Transactions
- B. Product Liability
- C. Warranty Liability
- D. Performance of Sales Contract
- E. Breach of Sales Contract and Remedies
- F. Consignments
- G. Statute of Limitations

II Negotiable Instruments

- A. Concept of Negotiability
- B. Types of Negotiable Instruments
- C. Interpretation and Construction of Negotiable Instruments

III Secured Transactions

- A. Nature of Secured Transactions
- B. Classification of Collateral
- C. Creation of Security Interest
- D. Priorities between Secured Parties and Purchasers of Collateral

IV Property

- A. General Property Concepts
- B. Interest in Real Property
- C. Contracts for Sale of Land
- D. Conveyance by Deed
- E. Adverse Possession
- F. Mortgages
- G. Landlord - Tenant Relationships

V Insurance

- A. General Insurance Concepts
- B. Insurance Contracts
- C. Types of Insurance
- D. Standard Clauses
- E. Co insurance
- F. Assignment of Insurance Contracts

VI Trust and Estates

- A. General Estate Concepts
- B. Federal Estate Tax
- C. General Trust Concepts
- D. Allocation of Principal and Income

VII Accountant's Legal Liability

- A. Common Law Liability to Clients and Third Parties
- B. Statutory Liability to Third Parties
- C. Criminal Liability
- D. Applications of Legal Liability

c. Evaluation

- 1. Evaluation of students and grading procedures for the course will be based on several writing assignments, mid-term and final examinations and class participation.

- 2. The course will be evaluated as follows:

Student evaluation of course  
Evaluation of course by instructor  
Departmental evaluation

4. Results of Consultation

- a. List of parties consulted.

Kimble Byrd, School of Business Administration  
New Jersey State Board of Certified Public Accountants  
Pennsylvania State Board of Certified Public  
Accountants

- b. Results:

Both the representatives of the New Jersey and Pennsylvania Boards of Accountancy stated that it was essential to accounting majors that a basic awareness of business law material be dealt with at the undergraduate level and that such material would not be totally covered in the "Legal Environment of Business" course. Additionally, in both states six semester hours are considered as standard academic credentials for individuals wishing to sit for the CPA exam. Mr. Kimble Byrd, Assistant Professor of Law, expressed his support for the course and verified that the course content proposed will not be covered in the foundation course.

5. Catalog Description:

This course builds on the foundation course, "Legal Environment of Business," and examines specific legal issues and their respective applications as they relate to the business environment and the accounting profession.

Prerequisite: Legal Environment of Business