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## An Examination of Accountancy Through Case Studies

Evan Poag

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AN EXAMINATION OF ACCOUNTANCY THROUGH CASE STUDIES

by  
Evan J Poag

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

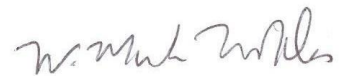
Oxford  
May 2021

Approved by



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Advisor: Dr. Victoria Dickinson



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Reader: Dean W. Mark Wilder

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*I would like to dedicate this thesis to my parents, John and Melinda Poag. Without their constant support and encouragement, there is no telling where I would be.*

## ABSTRACT

Evan Joseph Poag: An Examination of Accountancy Through Case Studies.

This thesis consists major accounting topics that are encompassed in the profession of accounting. Thanks to this thesis, I can say that I have a much more thorough understanding of the constantly evolving environment that is accounting. The University of Mississippi allows members of the Sally McDonnell Barksdale Honors College to write the thesis as part of a class titled Accountancy 420, which is taught by Dr. Victoria Dickinson.

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City Selection Case

Evan Poag

Dr. Victoria Dickinson

Accountancy 420

25 September 2019



## A Tale of Two Cities

During the recruiting process of accountancy, I have had the privilege of meeting several accounting firms and getting my name out there to them. I appreciate the opportunity to learn skills that I can use in order to help me in the recruiting process, and Accountancy 420 is definitely far more advantageous than I could have ever imagined. Without this class, I would miss out on key pieces of advice as well as procedures to follow in order to do a better job getting a job. One thing that I have noticed that every accounting firm has asked me is what city I would like to do my internship. I was initially unaware of how important the decision of what city to choose was, but I have now been made well aware.

For this assignment, I was tasked with choosing my top two cities and doing extensive research on both of them. The questions covered several aspects of what I would do on a daily basis, such as where I would do my grocery shopping and where I would try to live. This assignment allows me to compare and contrast the two cities that I have chosen, which will aide me in making a decision of where I would like to go. It is very easy to look at the overview of a city and choose what is good about it based on appealing aspects such as entertainment aspects and climatic conditions. However, there are far more things to look at other than the appealing aspects. The two cities that I have chosen for this assignment are Denver, Colorado and Nashville, Tennessee. Although the two cities are around the same size in population, that is about the only major similarity that the two cities share. I believe that after completing this case study, I will be able to look at the information that I have collected and make a decision that works out best for

me in every possible way. Without this assignment, I would not have thought nearly as much about which city would be appropriate for me.

### Nashville Skyline

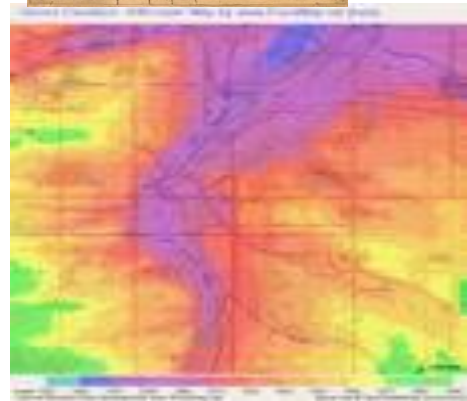


Denver skyline



1. The population of Denver, Colorado is 682,545 (2016). Denver is the eleventh fastest growing city in the United States, and Colorado is the second fastest growing state in the United States. One of the reasons that I am so interested in going to Denver is because of how fast the city is growing. The rate at which Denver is growing shows that there is a large appeal of living in the city. The population of Nashville is 659,042. Nashville is the second largest city in the state of Tennessee.
2. Denver has somewhat of a steady yearly climate. When one thinks of the climate of Denver, usually the first thing that comes to mind is how cold it is. However, the summers in Denver get surprisingly warm. For the winter months, the average high temperature is in the mid-forties, and the average low temperature is in the high teens to mid-twenties. For the summer months, the average high temperature is in the low-to-mid- eighties, and the average low temperature is in the mid-fifties. I come from northwest Mississippi, so I am used to an overall warmer climate. The only challenge that comes to mind when it comes to living in Denver is getting used to slightly colder days and a lot more snow. Nashville has a very mild and pleasant climate. There are only a few days of the year when the weather is extreme. There is a lot of snowfall in the winter. A benefit of Nashville's climate for me personally is that its climate is very similar to where I am from, so there would not be any adjustments for me.

3. Denver is located in the mountains. It has an average elevation of 6,800 feet above sea level. Denver has a lot of snowfall during the winter months, and even in the spring. I have never lived in mountains before, but I have visited the mountains before and I thoroughly enjoy mountainous areas. Nashville has fertile, flat, farmland. The lowest point in Nashville is 550 feet, and the highest point is 1,100 feet. It is in close proximity to the Smoky Mountains, which is a benefit to me because the Smoky Mountains offer a lot of recreational activities such as hiking. Along with that, Nashville has the Cumberland River.



4. The state of Colorado has a flat tax-rate of 4.63 percent. The property tax rate in Denver is 0.57 percent. The property tax rate is particularly appealing, as it is one of the lowest rates in the country. The state tax in Tennessee is 7 percent. The

property tax is 0.75 percent. The property tax for Nashville is below the national average.

**Denver Taxes**

Starting Salary (Monthly)		5,000
Federal Income	11.27%	-517
State Income	4.09%	-188
FICA	7.65%	-351
Take Home Pay		3529

**Nashville Taxes**

Starting Salary (Monthly)	5,000	5000
Federal Income	10%	-491
State Income	7%	-350
FICA	7.65%	-382.5
Take Home Pay		4159

5. The major transportation hub located in Denver is the Denver International Airport. The major transportation hub in Nashville is the Nashville International Airport.
6. The most prevalent industries in Denver are Aerospace, Aviation, Bioscience, Broadcasting and Telecommunications, Energy, Financial Services, and Information Technology. The city’s five largest companies are DaVita Kidney Care, Chipotle Mexican Grill, City and County of Denver, the Anschutz Corporation, and State of Colorado. The largest industries in Nashville are Education and Health Services, Trade, Transportation, and Utilities, Professional and Business Services, Leisure and Hospitality, Government, and Manufacturing. The five largest companies in Nashville are Vanderbilt University, State of

Tennessee, Metro-Davidson Co. Government and Public Schools, U.S.  
Government, and HCA Holdings, Inc.

7. Colorado has the eleventh best healthcare in the nation. They also have a very good school system, most notably the public-school system. I would send my children to public school, because the public school system is so good and I would not have to pay for their education. The healthcare in Nashville is one of the best healthcare systems in the nation. With Education and Health Services being the largest industry in the city, it shows that both the healthcare and education systems are exceptional. The quality of the city's school district seems to be very good overall. There are several schools that have great reviews, and I would definitely feel comfortable enough to send my children to a public school. I would very much like for my children to receive a good education, so I would definitely send them to a school that offers AP and Honors courses. Thankfully, it looks as if numerous public schools in the area do that.
8. The two most common types of crime committed in Denver are violent crimes and property crimes. The most dangerous parts of Denver are Lincoln Park, Cheesman Park, and the Civic Center. I do not feel as if Denver is that dangerous of a town, so I am not concerned with being a victim of a crime. Nashville has a pretty serious crime problem. Compared to the national average, Nashville has 81% higher crime rate than the national average. The most common types of crimes committed in Nashville are burglary and assault, which are two serious

crimes. When looking at violent crimes alone, Nashville has a 197% higher crime rate than the national average. This is something that I do not like to see.

However, I know that most large cities in the United States have a fairly high crime rate, and I would just ensure that I live in a safe area in order to reduce my risk of being affected by crime. The worst areas in the city are Hayes Street, West End Avenue, 6<sup>th</sup> Avenue South, and Buchanan Street.

9. I would definitely prefer to live in downtown Denver. Based on the expected salary I will be earning, I would prefer to spend no more than \$1,000 a month on rent. One property that I found has a rent price of \$1,900 a month. It has two bedrooms and 1.5 baths, so I would definitely try to have a roommate in order to spend less than \$1,000 a month on rent. It is located in Capitol Hill, which is a part of Denver where young people live.

Some of the amenities included are laundry machines, heating and air conditioning, and hardwood floors. It is 1,000 square feet, which is more than enough for me for when I am first starting out in my career. One drawback is that there is no garage, but there are places to park on the street. For Nashville, I would definitely try to live as close to downtown as possible. Based on my salary, I would try to spend no more than \$1,000 a month for rent. There is one unit in particular that caught my eye. It is \$1,170 a month for 2 bedrooms and 1 bathroom. I would get a roommate, which would help be well under my initial monthly rent budget. The unit is 1,125 square feet, and it has all that I need. The unit includes a washer, dryer, dishwasher, and refrigerator. It also comes with a



swimming pool and a balcony, which are both things that I would enjoy from somewhere that I live while starting out my career. There is a parking lot provided, so I would not have to worry about parking. It is also minutes away from downtown, so it is in the perfect location for me.



10. The typical mode of commuting in Denver is the RTD system. It is very affordable, with the premium monthly pass only being two hundred dollars a month. The method of commuting that I would use in Nashville is WeGo Transit. WeGo Transit is very affordable, with a weekly pass being \$20 and a monthly pass being \$65.

11. For my grocery shopping in Denver, I would like to find somewhere close to my home that would be both convenient and affordable. I will not be looking to go to luxurious grocery stores, because I only need the bare necessities and I do not want to spend too much money on groceries. Upon looking up grocery stores near Capitol Hill, I found several grocery stores that fit my criteria. For my grocery

shopping in Nashville, I would do my grocery shopping at either Walmart or Kroger. Both options would be great for me, since I only require the bare essentials and I am not looking to spend too much money.

12. In Denver, I do not plan on going anywhere to do my laundry, but instead I plan on doing it in the convenience of my own home. Thankfully, the place that I have identified as a potential place to live has laundry machines included as one of the amenities. In Nashville, I would do my laundry in the comfort of my own home with the washer and dryer that are provided for me.

13. Both in Denver and in Nashville, I would love to be involved in a Presbyterian church. I have been a Presbyterian my whole life, so it would mean a lot to me to continue with the church that I have grown up in. Denver and Nashville both also have the Boys and Girls Club, which I would also love to become involved in. I believe that molding the young minds of this day and age are of utmost importance, seeing as that one day they will literally run the world. Lastly, another organization that I would love to become involved in for both cities is Habitat for Humanity. I would love nothing more than to assist those in need, and what better way to do that other than joining such a worthy cause?

14. There are numerous things to do in Denver for fun. For starters, skiing is the number one recreational activity that I would participate in. I love skiing, and there is no excuse to live in Denver and not ski. I am also a huge sports fan, and Denver has numerous professional sports teams that I could go watch. I would go to Denver Broncos football games, Denver Nuggets basketball games, and

Colorado Rockies baseball games. Yet another entertainment venue that Denver has that I am interested in is the Red Rocks Park and Amphitheatre. At Red Rocks, there are some of the biggest names in music in the world that come to play. For Nashville, there are tons of things to do for entertainment. For starters, I could go to watch a number of professional sports teams. The first two that come to mind are the Tennessee Titans, which is an NFL team. I could also go watch the Nashville Predators, which is an NHL team. Along with that, I could go to Vanderbilt University sports events. However, sports are not the only thing in Nashville to keep one entertained. The Grand Ole Opry has several concerts that I could go to, as well as the Ryman Auditorium. Last but not least, there are all of the parks that Nashville has to offer. At the park, I could do a number of activities, such as jog, have a picnic, or find somewhere to relax and enjoy nature.

15. The only feasible mode of transportation from Denver to my hometown would be a plane. The drive is just under 17 hours, which is not something that I would ever willingly do. A round trip flight from Denver to Memphis, which is 45 minutes from my hometown, is \$559. Although the ticket is not cheap, I would not travel home very often, so I would only need to buy at most two plane tickets a year. The modes of travelling back to my hometown would be to fly or to drive. However, the easiest and most affordable would be for me to drive. It is only roughly a 4 hour drive, which is not far at all. The cost for me to drive from Nashville to my hometown would cost around \$50, which is more than affordable.

16.

<b>Nashville Budget Summary</b>		<b>Denver Budget Summary</b>	
Total Monthly Income	5000	Total Monthly Income	5000
Total Monthly Expenses	1810	Total Monthly Expenses	2175
Total Monthly Savings	300	Total Monthly Savings	300
Cash Balance	2890	Cash Balance	2525
<b>Monthly Income</b>		<b>Monthly Income</b>	
Item	Amount	Item	Amount
Salary	5000	Salary	5000
<b>Monthly Expenses</b>		<b>Monthly Expenses</b>	
Item	Amount	Item	Amount
Rent	585	Rent	950
Electric	100	Electric	100
Phone	50	Phone	50
Gas	150	Gas	150
Car Insurance	75	Car Insurance	75
Credit Card	300	Credit Card	300
Groceries	250	Groceries	250
Miscellaneous	300	Miscellaneous	300
<b>Monthly Savings</b>		<b>Monthly Savings</b>	
Item	Amount	Item	Amount
401K	300	401K	300

17. Based on the information that I have gathered, I would choose Denver as my city.

Denver is a safer overall city, and it is more appealing to me in most aspects. I like the recreational activities that are available in Denver, and I also like the climatic conditions that Denver has to offer. The distance from Denver to my hometown is further than Nashville to my hometown, but I will not be going to

my hometown very often, so I do not necessarily mind the extra distance and extra expense to travel home.

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Case 2



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*Director*

*Sep 26, 2019*



Brexit Case

Evan Poag

Dr. Victoria Dickinson

Accounting 420

9 October 2019

### Executive Summary:

The case study for this week was a little different than the ones have been in the past. I thoroughly enjoyed this case study, because it allowed me to learn a lot about a topic that I definitely need to be more aware of. The possibility of Great Britain exiting the European Union is commonly referred to as “Brexit”. The video was very thorough and provided excellent insight from people of all different statuses and lifestyles. Whether it was a politician or an elderly farmer, I could very easily tell that everyone in the video was very passionate about the Brexit.

The video that we watched in class, in my opinion, supports Great Britain exiting the European Union. There are few facts presented in the video that are good things that the European Union has done. This video taught me that there are some very sinister things going on in the EU, and I am glad that I was able to watch this video so I could become more informed. I always thought that the EU was a very good idea and that it was run very well, but the documentary shows just how much I was not aware of.

It is amazing how much I have learned from this case. For starters, I learned more about the Brexit than I could have ever imagined. I had heard of the term in the news, but I merely shrugged it off, because I did not realize the significance of what could happen. Another thing I learned about this case was how unfair some people are treated due to European Union practices. I had the opportunity to take a class in Europe this past summer that taught me a lot about money and banking globally. This case furthered my understanding of the current situation and I can now say that after watching the video and

reading more about it, I will definitely follow what happens very closely. I would highly advise anyone that I know to watch this video.

Britain's decision to exit the European Union is a major event in not only in Britain's news, but also a major event for the world as a whole. The European Union, commonly referred to as the EU, is made up of twenty-eight countries in Europe. The total amount of people in the EU is estimated to be 513 million people. Out of those 513 million people, 66 million people are from Great Britain.

Britain has had the opportunity to leave the European Union in the past, but the last time that Britain had the opportunity to leave was more than forty years ago. Most politicians think that this will be the last time that Britain has the opportunity to leave the EU. The most recent vote for Britain to leave the European Union was in 2016. The results from that vote showed that 52 percent of citizens voted for Britain to exit the EU.

The European Union is comprised of 7 branches. Those 7 branches are: the European Parliament, the European Council, the Council of the European Union, the European Commission, the Court of Justice of the European Union, the European Central Bank, and the Court of Auditors. The main difference between the EU Parliament and the Parliament of Great Britain is that the EU Parliament is not in power, unlike the Parliament of Great Britain. Not only is the European Union's Parliament not in power, but they also lack basic legislative rights. They are not allowed to make or propose laws. Instead of the Parliament making laws, the EU officials make laws, and they are made in secret. I believe that it is also worth mentioning that the only branch of the EU that is actually voted on in elections is the European Parliament.

Britain has not been very lucky when it comes to voting against EU policies. In fact, Britain has been 0-72 in votes pertaining to the disapproval of EU policies. According to members of the government in Britain, it is impossible to work with the EU. It is not a lack of effort, but rather a lack of understandability between the two political entities. It could be argued that the European Union has 28 countries to tend to, why should they tend to every beckon and call of Great Britain? The argument to that question has been challenged by citizens of not only Great Britain, but citizens of non-EU countries as well. Along with that, there are even members of the EU that are opposed to how the EU runs things. One German politician was quoted as saying, "...the European Union is turning into a dictatorship." Another politician was quoted as saying, "The European Union is anti-democratic... they have power without accountability". The fact that politicians are saying this shows that there is definitely something that needs to be addressed when it comes to how the European Union is run.

Yet another issue with the European Union is the distribution of wealth. There are approximately 10,000 governing members of the EU, and 1 in 5 of those people are paid a higher salary than the British Prime Minister. The fact that that many people are paid more than the British Prime Minister, which is one of the most distinguished positions in not only Britain but in the entire world, shows another flaw in how the EU is run. Citizens of the EU are also subject to paying taxes without their consent, which is something that I believe to be a direct attack on a human being's basic rights.

One of the more notable parts of the documentary, in my opinion, was when the old fisherman was interviewed. The man was 74 years old, and had been in the fishing

business for 60 years. He recalled that in the warehouse where fishermen sold what they had caught, the number of fish that were brought in daily had drastically decreased. He said that the warehouse at one time had thousands of buckets of fish come through daily, but it was now less than 200 buckets a day. The man went on to say that members of the European Union paid British fishermen to destroy their own boats. This just shows how insensitive the EU could be towards citizens of Great Britain. They essentially forced fishermen to lose money, until the fishermen had no option but to sell their way of making money in order to make ends meet.

The European Union is behind in the times. Europe is the slowest growing continent of the world, and fewer and fewer countries are participating in trade in the EU. In fact, the EU has the fastest declining trade block in the world. The EU enforced tariffs that made it extremely difficult for Great Britain to trade with other countries. Thankfully, the WTO came along and loosened the grip that the EU had on the trade block. The WTO, formally known as the World Trade Organization, is an organization that monitors the international trade between nations. The WTO is enforced by every major country in the world.

The EU does not have as lucrative of an economy as one might think. In the video, a country that was used to compare with the EU as a whole was Switzerland. One of the topics that was brought up was the unemployment rate. The unemployment rate in Switzerland is 4.9 percent, while the unemployment rate in the EU is 10.2 percent. Switzerland is one of the richest countries in the world, and it just so happens that they are not a part of the European Union. Switzerland's GDP, which stands for Gross

Domestic Product, is twice as much as the EU. An argument was presented stating that less regulation in the economy results in more economic prosperity. Switzerland has far less regulations than the EU, and as a result, sees considerably more success than the EU. I think that is safe to say that a country in Europe does not have to be a member of the EU in order to experience success.

In short, there are many arguments as to whether or not Great Britain should exit the European Union. Although the video that we were shown in class shows numerous reasons why the British should excellent the EU, there are also reasons that Great Britain should remain. Perhaps the main reason that some think that Britain should remain in the EU is trade. Some people think that if Great Britain were to leave the EU, the amount of decline in trade initially would be too much to come back from. If Britain left the EU, it would also cost more money to ship out goods. The EU has no tariffs for trade between other countries in the EU. That means if Britain were to exit, they would have to pay expensive tariffs to ship goods. It is also worth mentioning that two of the countries that Britain exports to the most are two countries that happen to be members of the EU: Germany and France.

After watching this video and doing research on reasons whether or not Great Britain should leave the European Union, I have come to a decision on where I stand. I think that Britain should leave the EU. Although I believe that there will definitely be negative consequences for leaving the EU, I also believe that there will be more positives. Great Britain would be leaving a group of countries that is part of the fastest declining trade block in the world. British Parliament would also be put in a more prominent role,

and I think that that would be in the best interests of the citizens. The Parliament would be able to make laws and propose them, and everyone would be aware of laws that were in the process of getting approved before they got approved. Taxes would not only be less in severity, but they would also be disclosed to all citizens before being paid. Local fishermen would no longer have to give up their best fishing spots to other members of the EU. Overall, I think that this is an excellent opportunity for Britain to improve.

Delta Case

Evan Poag

Dr. Victoria Dickinson

Accounting 420

30 October 2019



1. Question 1 (General section of sec.gov 10K)
  - a. What is the nature of your company's business?
    - i. We are a major passenger airline, providing scheduled air transportation for passengers and cargo throughout the United States ("U.S.") and around the world. Through the dedication of our employees, we are committed to providing exceptional customer service through our global route network.
  - b. Based on what you read in the company's Annual Report, how do they generate profit?
    - i. They sell tickets and transport people places; "our tickets are sold through various distribution channels"
    - ii. Our tickets are sold through various distribution channels, including: (1) digital channels, such as delta.com and mobile applications/web, (2) telephone reservations, (3) online travel agencies and (4) traditional "brick and mortar" and other agencies. We make fare and product information widely available across those channels, ensuring customers always receive the best information and service options. An increasing number of our tickets are sold through Delta digital channels, driving more direct, personalized interactions with our customers and reducing distribution costs.
  - c. Where is it headquartered?
    - i. Atlanta, Georgia
  - d. Why do they do business?
    - i. Our route network is centered around a system of significant hubs and key markets at airports in Amsterdam, Atlanta, Boston, Detroit, London-Heathrow, Los Angeles, Mexico City, Minneapolis-St. Paul, New York-LaGuardia, New York-JFK, Paris-Charles de Gaulle, Salt Lake City, São Paulo, Seattle, Seoul-Incheon and Tokyo-Narita.
  - e. What is their fiscal year-end?
    - i. December 31
2. Who are your company's auditors? Name the firm and city
  - a. EY; Atlanta, GA
  - b. Deloitte did prior to December 31, 2005 fiscal year.
3. Describe each asset on your company's balance sheet. Determine any relevant accounting policies related to these accounts. Now do the same for liabilities and equities
  - a. Assets
    - i. Current assets
      1. Cash and cash equivalents
        - a. Amount of currency on hand as well as demand deposits with banks or financial institutions. Includes other kinds of accounts that have the general characteristics of demand deposits. Also includes short-term, highly liquid investments that

are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Excludes cash and cash equivalents within disposal group and discontinued operation.

2. Short-term investments (accounts receivable)
  - a. The total amount due to the entity within one year of the balance sheet date (or one operating cycle, if longer) from outside sources, including trade accounts receivable, notes and loans receivable, as well as any other types of receivables, net of allowances established for the purpose of reducing such receivables to an amount that approximates their net realizable value.
3. Fuel inventory
  - a. Amount before valuation and LIFO reserves of completed merchandise or goods expected to be sold within one year or operating cycle, if longer.
4. Prepaid expenses and other
  - a. Amount of asset related to consideration paid in advance for costs that provide economic benefits in future periods, and amount of other assets that are expected to be realized or consumed within one year or the normal operating cycle, if longer.

ii. Non-current assets

1. Property and equipment
  - a. Amount after accumulated depreciation, depletion and amortization of physical assets used in the normal conduct of business to produce goods and services and not intended for resale. Examples include, but are not limited to, land, buildings, machinery and equipment, office equipment, and furniture and fixtures.
2. Operating lease right-of-use assets
  - a. Amount of lessee's right to use underlying asset under operating lease.
3. Goodwill
  - a. Amount after accumulated impairment loss of an asset representing future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized.
4. Identifiable intangibles
  - a. Sum of the carrying amounts of all intangible assets, excluding goodwill, as of the balance sheet

- date, net of accumulated amortization and impairment charges.
5. Cash restricted for airport construction
    - a. Amount of cash and cash equivalents restricted as to withdrawal or usage, classified as noncurrent. Cash includes, but is not limited to, currency on hand, demand deposits with banks or financial institutions, and other accounts with general characteristics of demand deposits. Cash equivalents include, but are not limited to, short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.
  6. Deferred income taxes, net
    - a. Amount, after allocation of valuation allowances and deferred tax liability, of deferred tax asset attributable to deductible differences and carryforwards, with jurisdictional netting.
  7. Other non-current assets
    - a. Amount of noncurrent assets classified as other.
- b. Liabilities
- i. Current liabilities
    1. Current maturities of long-term debt and finance leases
      - a. Amount of long-term debt and capital leases due within one year or the normal operating cycle, if longer.
    2. Current maturities of operating leases
      - a. Present value of lessee's discounted obligation for lease payments from operating lease, classified as current.
    3. Accounts payable
      - a. Carrying value as of the balance sheet date of liabilities incurred (and for which invoices have typically been received) and payable to vendors for goods and services received that are used in an entity's business. Used to reflect the current portion of the liabilities (due within one year or within the normal operating cycle if longer).
    4. Accrued salaries and related benefits
      - a. Total of the carrying values as of the balance sheet date of obligations incurred through that date and payable for obligations related to services received from employees, such as accrued salaries and bonuses, payroll taxes and fringe benefits. Used to

- reflect the current portion of the liabilities (due within one year or within the normal operating cycle if longer).
5. Fuel card obligation
    - a. Amount of borrowings from a creditor other than a bank with a maturity within one year or operating cycle, if longer.
  6. Other accrued liabilities
    - a. Amount of expenses incurred but not yet paid classified as other, due within one year or the normal operating cycle, if longer.
- ii. Noncurrent liabilities
1. Long-term debt and finance leases
    - a. Amount of long-term debt and capital lease obligation due after one year or beyond the normal operating cycle, if longer.
  2. Pension, postretirement, and related benefits
    - a. Amount of liability, recognized in statement of financial position, for defined benefit pension and other postretirement plans, classified as noncurrent.
  3. Noncurrent operating leases
    - a. Present value of lessee's discounted obligation for lease payments from operating lease, classified as noncurrent.
  4. Other noncurrent liabilities
    - a. Amount of liabilities classified as other, due after one year or the normal operating cycle, if longer.
- c. Stockholders' Equity
- i. Common stock
    1. Aggregate par or stated value of issued nonredeemable common stock (or common stock redeemable solely at the option of the issuer). This item includes treasury stock repurchased by the entity. Note: elements for number of nonredeemable common shares, par value and other disclosure concepts are in another section within stockholders' equity.
  - ii. Additional paid-in capital
    1. Value received from shareholders in common stock-related transactions that are in excess of par value or stated value and amounts received from other stock-related transactions. Includes only common stock transactions (excludes preferred stock transactions). May be called contributed capital, capital in excess of par, capital surplus, or paid-in capital.
  - iii. Retained earnings

1. The cumulative amount of the reporting entity's undistributed earnings or deficit.
- iv. Accumulated other comprehensive loss
  1. Accumulated change in equity from transactions and other events and circumstances from non-owner sources, net of tax effect, at period end. Excludes Net Income (Loss), and accumulated changes in equity from transactions resulting from investments by owners and distributions to owners. Includes foreign currency translation items, certain pension adjustments, unrealized gains and losses on certain investments in debt and equity securities, other than temporary impairment (OTTI) losses related to factors other than credit losses on available-for-sale and held-to-maturity debt securities that an entity does not intend to sell and it is not more likely than not that the entity will be required to sell before recovery of the amortized cost basis, as well as changes in the fair value of derivatives related to the effective portion of a designated cash flow hedge.
- v. Treasury stock
  1. The amount allocated to treasury stock. Treasury stock is common and preferred shares of an entity that were issued, repurchased by the entity, and are held in its treasury.
- d. Air traffic
  - i. Current liabilities
    1. Deferred revenue, current
      - a. Amount of obligation to transfer good or service to customer for which consideration has been received or is receivable, classified as current.
  - e. Loyalty programs
    - i. Current liabilities
      1. Deferred revenue, current
        - a. Amount of obligation to transfer good or service to customer for which consideration has been received or is receivable, classified as current.
    - ii. Noncurrent liabilities
      1. Deferred revenue, noncurrent
        - a. Amount of obligation to transfer good or service to customer for which consideration has been received or is receivable, classified as noncurrent.
    - f. Relevant accounting policies
  4. Describe your company's customer base- who are they and how do they use your company's products or services. Describe your company's specific sources of revenue and their revenue recognition policies. How much revenue comes from outside of the US?
    - a. Customer base

- i. Provides scheduled air transportation for passengers throughout the United States and the world
  - b. Specific sources of revenue
    - i. Passenger revenue
    - ii. Cargo revenue
    - iii. Other revenue
  - c. Revenue recognition policies
    - i. Revenue is recognized at the time a good or service is transferred to the customer for the amount of consideration received
  - d. Revenue from outside the US
    - i. 11,956,000,000
- 5. Describe your company's suppliers – who are they and what products or services do they provide to your company? What types of costs are included in your company's COGS?
  - a. Describe company's suppliers

Thomas Sowell Case

Evan Poag

Dr. Victoria Dickinson

Accounting 420

4 December 2019

For the final case of the semester, we watched a video that addressed many issues that we see as an American society today. Although it is often looked at as a thing of the past, social discrimination is an issue that affects millions of Americans every year. The video that we watched was very interesting, because it allowed me to rethink how I initially judge people. Thomas Sowell has a stance on economics that I honestly did not think someone like him would have. I do not say this because of his race, I say this because of his upbringing. Thomas Sowell is an African American economist that was born June 30, 1930. It is definitely fair to say that Sowell has seen a lot in his long life, and that is why I think it is so interesting that he thinks the way that he thinks. Sowell was raised in Harlem, and came from a family that did not have a lot of money. In the video, Sowell recalls how he would spend many summer nights sleeping outside, because his family did not have air conditioning and it was too hot in his room for him to sleep. Sowell has had a very interesting path to get where he is today. He initially dropped out of high school to join the Marines, but he would later go back and complete his education. Sowell obtained his undergraduate degree in economics from Harvard University. A year later, he would get his Master's degree from Columbia University. Last but not least, he earned his PhD from the University of Chicago.

Sowell takes a stance against people that argue that poverty exists solely because of social inequality and discrimination. His main point is that although social inequality and discrimination are still an issue, it is not the reason that so many people are in poverty. He claims that this world is not perfect, and some people are going to get more opportunities than others. As I worked through this case, I learned far more than I thought I would. I learned that not everyone thinks the way that you would think they would, and



that is right that every human should have. I learned that there are no excuses that can be made to exit poverty status.

In the interview, Sowell addressed an issue that many people are affected by: social inequality. Many people still argue that African Americans are continually oppressed by Caucasians. Unfortunately, this is still in fact an issue in the world we live in. However, Sowell refuses to accept that that is the reason why poverty is such an issue. Something that really stuck out to me that Sowell said was when he said, “Poor people were doing better before the government tried to interfere with them”. He gave a statistic that shows that before welfare was introduced, many more African Americans were raised in two-parent homes. However, with the introduction of welfare, that percentage has drastically declined. Sowell thinks differently than most people would assume. He supports the ideas of Donald Trump, and he even went as far to say that his policies are better than the last several Presidents, both Republican and Democrat. He thinks that a huge reason why things are the way that they are in our society today is that many African Americans are clinging to the oppression that they faced decades ago. This is especially interesting, considering Sowell was a young adult during the Civil Rights movement and experienced the injustice of Jim Crow laws. I cannot help but agree with what he says, since he was literally directly affected by social inequality in ways that many people today could not even imagine.

Thomas Sowell is, in my opinion, a brilliant man. I admire his courage to say what he says. It takes a lot to tell people of his own race to stop “wallowing in self-pity” and to simply work hard for what you want. Based on what he said, I would have to hypothesize that until the issue of social discrimination is properly addressed, there will

not be an improvement in our overall economic status. Sowell has thought that everyone should be exposed to. It allowed me to broaden my perspective on a topic that I was always taught one way. I am very glad that this case was assigned to me, as it allowed me to learn the inner thoughts of a brilliant economist.

Regulation FD Case

Evan Poag

Dr. Victoria Dickinson

Accounting 420

29 January 2020

When I was first assigned this case, I was somewhat surprised. I was not aware of Regulation FD, so it was an eye-opener for me. A main thing that I learned from this case assignment is that no matter what, there is always something in the accounting world that one could learn about. Accounting is a constantly evolving profession where complacency is not an option. If one becomes complacent, all it takes is someone to come in that has no complacency to take over the job at hand. Although the case is about Regulation FD, it is so much more. Obviously, I will use the information that I learned from this assignment to help better my understanding of the Regulation FD. However, that is just the surface level of how I will use this case to better my career. This case taught me that there is never a point in time where you should be comfortable in the accounting world. I know that the previous statement could be interpreted as a negative thing, but I see it as quite the contrary. When I think about being comfortable doing something, I think about it becoming second-nature. Although it is a good thing to become good at something to the point to where it feels instinctive while doing it, it can also be a problem. I prefer to put myself in situations where I constantly feel challenged, and I do like to do this for a couple of reasons. One reason that I like to feel challenged is because it causes me to be extremely vigilant and careful in everything that I do. Nothing frustrates me more than failing, but the older I get, the more I realize just how necessary failure can be. As I enter into this semester, I cannot help but think how important it is. In just a few short weeks, I will be interviewing for internships that dictate where I end up once I graduate from college. This case is one of many reminders that I need to learn all that I can about the subject of accounting, because if I do not know the answer to something, there will always be someone that will. I am extremely glad to say that this

case is probably the most pertinent case that I have been assigned, because it takes something as simple as learning an unfamiliar topic in the accounting world to motivate me to learn more.

Regulation FD was established by the Securities and Exchange Commission (commonly referred to as the SEC) in 2000. Regulation FD requires that when someone provides information about his or her company that is material and nonpublic, he or she must make the information public. Regulation FD tries to promote the full and fair disclosure. So, what this basically means is that whenever an issuer discloses information, it must be complete and accurate. This helps ensure that there is not any fraudulent activity happening, such as numbers being misrepresented or important information that is being left out completely.

If a client were to ask me why Regulation FD exists, I would start by telling them that it allows the playing field to be leveled. Jake Grubman is notorious for losing the objective view that an analyst is supposed to provide and instead encouraging the members of the board at WorldCom to make money while leaving the public in the dark. It is certainly not objective for an analyst to sit in on board meetings of a company, yet that is precisely what Jake Grubman did. With the inception of the Regulation FD, it prevents the public from having knowledge withheld from it. This allows everyone who chooses to access the information provided by the company to be able to use the information to decide what his or her next move is. Although some people think that Regulation FD fixes a problem but creates another, I do not believe that to be the case. Regulation FD is a great way to ensure that no one knows more than another person.

If my client were to have done what was specified in the case assignment, I would tell him or her that they are not in violation of Regulation FD. I say this because although information about the company was disclosed, there are no numbers that are discussed. I would consider what was posted as more of a form of advertising. Assuming that what the client posts is not false information, I would say that he or she is in no way in violation.

After reading the article that was included in the fourth question, I stand by what I said before having read the article. The CEO of Netflix, Reed Hastings, posted on his Facebook that Netflix had “exceeded 1 billion hours for the first time”. Elon Musk, the CEO of Tesla, even went so far as to tweet “Am considering taking Tesla private at \$420. Funding secured”. Both of these situations are similar to what my hypothetical client did, and neither one of them were found at fault for what they did. I will also reinforce my previous statement that as long as what is posted is accurate and not fraudulent, there is nothing wrong with it.

CASE 7: TAX CASE

By  
Anna Stephens  
Evan Poag

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  
2020

For this case, we were presented with a situation that extremely relevant in today's social media and online world. We, Anna Stephens and Evan Poag, theoretically, have been doing the personal tax returns for David Smith, the CEO of a company, for the past five years. As the return for this year were wrapping up, David decided to take us to lunch. He told us after five years of doing business together, that he has a daughter that has been earning anywhere from \$10,000-\$15,000 a month for the past four years as a YouTube star. Along with those earnings, she also received at least a dozen packages a day for free with the hopes that she will wear and mention that clothing in her videos. David proudly tells us how she will not only be able to pay for her college on her own, but she also is car shopping several years before she can even drive. As the conversation continues, we realize we need to reevaluate Mr. Smith's tax filings. Since we were never told about the income generated by David's daughter, we have possibly been filing his tax returns wrong. We drafted a memo to our company and also a letter addressing our plan of action to David Smith.

This case brought a lot of things to light. The knowledge that we had concerning the taxation of child stars was almost nonexistent prior to this case. The main thing that we learned from this case was the concept known as the "Kiddie Tax". The Kiddie Tax helps decide whether or not a child's unearned income is taxed or not. In the year 2019, if a child's unearned income is greater than \$2,200, then that income would be taxed. Unearned income is defined as income that comes from investments rather than work. In the situation presented to us in the case, we were told that the money that Emma earns is put into a savings account. Since Emma has earned approximately \$720,000 in the past four years, we know that there is at least that much in a savings account. The interest rate



for the savings account is three percent, which would make Emma's unearned income far more than the \$2,200 threshold for 2016, 2017, 2018, and 2019. Therefore, it can be confirmed that Emma's unearned income would in fact be taxed. The main filing concern centered around who will claim this unearned income and how we should file it with the IRS.

MEMORANDUM

To: Best Accounting Group

From: Evan Poag, Anna Stephens

Date: February 19, 2020

Subject: Emma, aka Emmsta Famous, and her taxes

After having lunch with the CEO of our audit client, David Smith, I learned of some information that I did not have previously, pertaining to our client's daughter. He explained to me that his daughter was a famous YouTube star earning income of \$10,000 to \$15,000 per month for the past four years. We will assume she is making about \$180,000 per year to total \$720,000 for the past four years. These numbers will be used until we retain specific banking statements. She is age 13 and claimed as a dependent on her father's tax return. Emma Smith has also been saving the majority of her income in a savings account at three percent interest. Thus we can assume her unearned income for each of the past four years has been well above the \$2,200 limit of nontaxable unearned income for a dependent. This will subject her father to the Kiddie Tax. Thus we will need to reevaluate his previous tax returns and implement the effects of the Kiddie Tax.

To correct this, we will first need to file a separate tax return for Emma Smith. She makes well above the \$12,200 standard deduction which will require her to file an individual return. We also need to take into account the unearned income from Emma's savings account. We will either need to file a Form 8615 with Emma's 1040 or a Form 8814 with her father's 1040. These forms apply specifically to the Kiddie Tax and how to tax Emma's unearned income. The Form 8615 is titled, Tax for Certain Children Who

Have Unearned Income, and it is filed with Emma's tax return.<sup>1</sup> The Form 8814 is titled, Parents' Election To Report Child's Interest and Dividends. However, the Form 8814 applies only if the child's only income is from interest and dividends.<sup>2</sup> Emma has earned income so we will have to file the Form 8615. To fix these errors we will need to calculate the full extent of the Kiddie Tax on Mr. Smith's tax liability. To do this we will need bank statements pertaining to Emma's savings account and her annual interest earned. This will give us the correct dollar amount to calculate her unearned income for the past four years. We will then use these numbers to file a Form 1040X on behalf of Mr. Smith for 2016, 2017, and 2018 if there are any adjustments that need to be made.<sup>3</sup> We will need to correct his 2019 tax return to reflect this information as well. There is a lot of research to do and documentation to collect over the next few days. There is nothing to indicate fraud or tax evasion as it looks to be a simple misunderstanding of the filing rules pertaining to child stars that earn large sums of money. We will be in contact with Mr. Smith to correct these errors and file his tax return properly.

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<sup>1</sup> <https://www.irs.gov/pub/irs-pdf/i8615.pdf>

<sup>2</sup> <https://www.irs.gov/pub/irs-pdf/f8814.pdf>

<sup>3</sup> <https://www.irs.gov/forms-pubs/about-form-1040x>

Dear Mr. Smith,

After the conversation we had at lunch earlier regarding Emma, some things have come to my attention that requires corrective action. Emma has been earning income for the past four years that exceeds the maximum standard deductions. With that being said, we need to file individual tax returns for Emma. Another thing we need to make sure adjust for your tax return for anything that needs to be added pertaining to the amount of income Emma has earned. Emma's unearned income is more than the maximum amount that would disqualify you from the Kiddie Tax. Since the tax has not appeared on any of your tax returns over the past four years and has Emma has not filed one, we must fix it in order to avoid you being subject to tax evasion. In order to do this, we will need Emma's bank statements so we can derive the total amount of unearned income that Emma has made. Once we get these numbers, we can file a Form 1040X to correct your previous tax returns if needed. We will also file a Form 8615 for Emma. This form is to calculate the tax on her unearned income. Thank you for your understanding, and we look forward to meeting with you again. Please let us know if you have any questions or concerns.

Regards,

Best Accounting Group

Blockchain Case

Evan Poag

Dr. Victoria Dickinson

Accountancy 420

6 March 2020

When my class first started working on this case assignment, I will admit that it was somewhat chaotic. It was hard to figure out exactly what was going on, and the frustrations of people in the room were becoming evident. However, once we worked with the game long enough, it started to make sense for everyone. I could feel the mood shift in the room as everyone finally realized what needed to be done in order to move smoothly. This case taught me much more than I could have imagined. I had heard what a blockchain was, but I knew so little about it that I honestly consider it embarrassing. However, thanks to this case, I learned about something that will most likely be invaluable in the future for the accounting world. The blockchain concept is something that is relatively new, and it is already grown exponentially since its inception. With all of the changes that are currently going on in the accounting world, I see no reason that blockchain will not be adapted. Accounting is all about becoming more innovative and technologically adept, and blockchain has the potential to satisfy both of those.

Blockchain is somewhat of a complex concept, but it can be summed up into a basic statement: it has no centralized authority, so it is in essence a democratized system. Since there is no authority, everyone is held accountable for what they post. No one has any more of a say than others. One reason that I like the blockchain concept is that everyone is transparent, so there is not really a way to commit fraud. Something that this case taught me that I think will be beneficial in my future career is that no matter how confused you are when doing something, it simply needs to get done. I learned that you should not be afraid to ask questions when you are unsure of what is going on. I learned from this case that it is far more efficient to stop and ask questions to make sure that you

are doing something correctly than to try and figure it out on your own and doing something that is completely wrong. This case was definitely a case that taught me a lot more than I thought it would.

In simple terms, a blockchain is a time-stamped series of records of data that is managed by different groups of computers that are not owned by a single entity. Each bit of data is referred to as a “block”. Each block is secured to other blocks by a cryptographic principle, commonly referred to as a “chain”. One thing that makes a blockchain rather special is the fact that the blockchain network has no central authority, so it is essentially a democratized system. The ledger is shared and immutable, which means that it cannot be changed over time. Since both of those factors exist, the information on the ledger is open and anyone can view it. This does a good job of making everyone accountable for his or her actions, since anyone can call him or her out.

The starting process of a blockchain occurs when one party creates a block. Each block is verified by countless different computers that are located all across the globe. Once the block is verified, it is added to a chain. These chains are stored across the net. Thus, each block not only has a unique record, but also a unique history. If one block was falsified, this would cause the entire chain to be falsified millions of times over. Thankfully, that very notion is considered to be almost completely impossible.

Another huge advantage of using blockchain is the fact that it is free. Blockchain has the capability of replacing all of the processes and models that are currently being used that charge a transaction fee in order to operate. Since these transactions are free, you have the ability to charge a small fee of your own in order to generate more revenue. The number of things that a blockchain could do is incredible. Using a blockchain would

eliminate the need to pay out to third party companies that host the information. An example of this would be using blockchain instead of Amazon to sell a book. The book would move from the author to the purchaser, and that would eliminate the need for the author to give a cut to Amazon as well as the credit card company that is used for the online order.

The potential for blockchain in the financial world is limitless. Blockchains have the ability to change how the exchanging of stocks works, how loans are bundled, and how insurances are contracted. The successful implementation of blockchain in the financial world has the capability of bankrupting almost every financial institution. Instead of being the person needed in order to access your money, bankers would turn into nothing more than an advisor of your money.

A blockchain is very hard to understand. There are three main properties of blockchain technology that make it so sought after: decentralization, transparency, and immutability. This means that no one owns a blockchain, anyone that wants to can track the data, and no one can adjust the data once it is in the ledger. Since blockchain is not stored in one spot (it is not centralized), it is not nearly as easy to hack as a centralized system is. Since blockchain is decentralized, everyone on the network is an owner of the information. Immutability might be the most important aspect of blockchain because it prevents the ability to embezzle and cook the books. This would solve so many problems that are currently associated with our centralized system.

The role I played in this case was a “business manager”. My job was to play the game and record all transactions that occurred. Once I recorded my transaction, I had to let a runner know what I had done and how much the transaction was. The runner would



then serve as a middleman for me and the cloud. So, in essence, my main job was to create a block and wait for it to be added to a chain. I was not able to see what my classmates were doing that were a part of the cloud, but I was able to see how the runners were handling things. I can safely say that I felt as if my job was easier than the runners, i.e. the chain.

In closing, I think that the concept of blockchain is ingenious. I think that one day, once the blockchain has been perfected, it has the potential to work in our global economy. However, I do not think that it will be anytime soon. I say this because there just simply is not enough people in the world that even know what a blockchain is. In my opinion, once enough people are educated on what a blockchain is and how it works, that will be a major step in the right direction in terms of adapting blockchain to the global economy. I fully support the concept of blockchain, but that is only after I have read extensively on the topic. Once the majority of people globally know of the benefits of blockchain, I think that it will be a smooth addition to our global economy.

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Interview Case

Evan Poag

Dr. Victoria Dickinson

Accountancy 420

1 April 2020

This case was probably one of my favorite cases that I have had the privilege of doing for this class. It has always been a personal belief of mine that learning from someone that is in the same career that you are one day aspiring to become a part of is more valuable than any textbook or informational resource on the subject can be. I would much rather pick someone's brain that went through what I am presently going through than try to learn how to go about my career by reading textbooks or articles written by people that may or may not have gone through it.

Another thing that I took away from this case that I consider to be extremely beneficial for me in the future was the process of interviewing in itself. Recently, I have been going through a lot of interviews with accounting firms trying to obtain the opportunity to intern for them. Although I would say that the past few weeks has allowed me to become exceptionally more experienced when it comes to getting interviewed, I realized that I have no experience when it comes to interviewing people. This makes sense, seeing as I am a young college student trying to get an internship that hopefully translates into a full-time job. Why should I be interviewing people? This case allowed me to change roles with what I was used to and allowed me to ask the questions for once. I found that when I was conducting the interview, I was impressed with the ease in which the person interviewed answered the questions. This made me realize that that is something that interviewers must notice when conducting interviews. The person I interviewed also did an excellent job of providing detailed answers to the questions that I was asking, but being sure to not ramble on and provide details that are insignificant to the question being asked.

In short, this case allowed me to not only practice asking other people interview-type questions, but it also gave me insight on what it feels like to be on the other side of an interview from what I am used to. Not only was this case extremely helpful, I enjoyed asking the questions.

The person that I interviewed for this case was my mother, Melinda Poag. I chose Melinda to interview for a couple of reasons. First off, she is a CPA, so her career path directly coincides with what mine will most likely be like. The second reason that I chose to interview her is that she is my mother, but I did not know most of the answers to the questions that we were given. This case allowed me to figure out more about my mother, which really made the case mean that much more to me.

The first question that I asked was, "Tell me about your life growing up before you started college or your career". My mother was born in California, and she lived in a household that consisted of her mother, father, brother, and sister. When she was four years old, Melinda and her family moved to Champaign, Illinois because of her father's new job as an athletic director for a college in the area. Melinda's parents always stressed the importance of education, as well as being active in the community. Melinda fondly recalls that in her household growing up, it was not a question of whether or not you would go to college, but instead it was a question of what college you would go to. Champaign had a very cold climate, and there was one year in particular that the weather got really bad. It was then that Melinda decided that she was going to go to college somewhere in the South.

The second question that I asked Melinda was, "What were your college years like?". Melinda toured several universities in the South before picking the one that she

liked best: the University of Georgia. Melinda went there not knowing anyone, but she made a lot of lifelong friends that she still talks to today. Arguably the most important person that she met while at the University of Georgia was her husband, my father. Most of Melinda's friends were from Atlanta, so she had the privilege of visiting there a lot. She knew that after college, she wanted to live in Atlanta. Perhaps the main thing that I got from the answer to this question was the fact that she went somewhere where she did not know anyone. Going somewhere where you know nobody can be very risky, but it also has the chance to provide great reward. Melinda took a risk, and she was rewarded immensely for it.

The third question that I asked Melinda was, "Did you know you wanted to do this when you went to college? If not, how did you decide to pursue this field of study?". Melinda knew that she wanted to do something related to business, but she did not declare her major of accounting until her junior year. She did not think that she wanted to be an accountant, but she decided that majoring in accounting would be a safe bet, since Georgia had one of the best accounting programs nationally at the time. I found this answer to be somewhat relatable, because I initially went into college planning on becoming a doctor. After I realized that that was not the career path for me, I switched my major to accounting because I thought that it would be a great degree to get from the University of Mississippi.

Next, I asked, "Walk me through your first jobs until where you are now. What important things did you learn at each position along the way?". My mother had to move around a lot for my dad's job, so she has worked several different jobs. She started out as a tax intern for a firm in Atlanta, Georgia. She described the job as being very laid-back,

and she said that the people that she worked with were all very nice and easy to work with. After the internship, she was offered a full-time job and took it. Once she became a full-time employee, she did mostly tax work. However, she was also given the opportunity to do some audit work. She commented that this job was very important to her, because it allowed her to do a little bit of everything and figure out what she liked best. After she got married, she moved with my dad to Memphis, Tennessee. It was there where she got a job as a tax manager for BDO Seidman. She enjoyed this job, but it was not quite as laid back as her previous job in Atlanta. Unfortunately, she moved after only one year of being there because her husband got transferred. The next place that she moved to was Sacramento, California. There, she got a job with a regional CPA firm. She was a tax manager there, and she had the opportunity to work with some very interesting clients. After three years of working there, she moved to Houston, Texas. In Houston, she decided that maybe she should do something other than public accounting. She got a job at Cooper Industries, which was a Fortune 200 company at the time. At Cooper Industries, she was a state and local tax specialist. She was not a big fan of working there, because everyone was very competitive and not as easy to work with as her previous jobs. She remarked that when her husband got transferred after fourteen months, she was not sad to see the job go. The last destination for my parents was when they moved to Senatobia, a small town in Mississippi. It was there that I grew up for most of my life, and it is where both of my parents still currently reside. Melinda works in one of the few accounting firms in Senatobia, and she loves how flexible it is.

Next, I asked Melinda what her life has been like outside of work. She commented that although raising two boys that are eighteen months apart was difficult at

times, it was by far the most rewarding thing that she has ever done. She went on to say how lucky she is to have so many good friends in the area that allow her to enjoy the time she has when she is not working.

The sixth question I asked Melinda was, “What has been the best vacation you’ve ever taken?”. In response to that, she said that she has enjoyed all of the vacations that she has been on. If she had to choose, she would choose when my family went to California to show my brother and I where we were born and where my parents used to live. She said that it was really rewarding to see the looks on our faces when her and my father showed us how they used to live their everyday lives.

Next, I asked Melinda if there were two things that she could change in her life, what would they be and why. My mom said that the main thing that she would change: spend more time with her father before he passed. This answer really hit home for me, because my grandfather was the best man that I have ever had the privilege of knowing. I can recall that when I was younger, we used to visit him more often than when I got older. Sports were getting in the way of being able to drop everything and go visit him in Dallas, and as he grew older, travelling to where we lived became more and more difficult. As for the second thing that she would change, she said that she would take more time to enjoy the little things in life and not stress over things that cannot be prevented.

The eighth question I asked my mother was, “What do you wish you would have known when you were 21 years old about life and your career? What piece of advice would you share with me and my classmates?”. For the answer to this question, I am going to use the direct quote that Melinda said, because I think that she summed it up



perfectly. She said, “So, some advice I would give to you and your classmates is to work hard, but enjoy life. It will pass you by so quickly. I was told this years ago, but did not realize how true it is. Do not let work interfere with your family life. Make time for the people that are important to you.” I think Melinda really hit the nail on the head with this answer. Although working hard is important, it is not everything. If you allow yourself to have your life taken over by your job, there will not be much room left for happiness outside of your career.

Next, I asked Melinda what she is most proud of. In response, she said that she is most proud of her two sons. She went on to say how she has noticed how my brother and I are alike in some ways, and very different in other ways. She said that she cannot wait to see what life has in store for my brother and I. The answer to this question is fitting, because if I were to be asked this question, I would definitely say that my mother and father are who I am proudest of.

The tenth question I asked Melinda was, “What do you think will be the biggest challenge of your generation?”. Melinda answered this by saying that she thinks that the rapid changes in technology will pose the greatest threat for her generation. She stated that it is amazing how much has changed technologically in the accounting world since she has been involved in it. She finished up by stating, “My generation needs to embrace change instead of fearing it.”

The last question that I asked my mother was, “What will be the biggest challenge for my generation?”. She said that she thinks that my generation has a big problem of being over-reliant on technology and social media. I agree with her wholeheartedly. I have noticed that not as many people my age can hold a conversation with someone face-

to-face as well as we should be able to, and that is a real issue. Face-to-face meetings allow you to not only be much more personable, but it also allows for stronger relationships between people to be established.

Looking back at this case assignment, I am very happy that it was assigned to us. I was able to interview my mother, someone that I should know better than just about anyone in the world, and learn more about her than I could have ever imagined. Being able to ask interview questions rather than answer them provided me some insight that I will hopefully be able to use in my future career.

Mentor Interview Case

Evan Poag

Dr. Victoria Dickinson

Accountancy 420

19 April 2020

This case was one that I believe to have been very helpful and very interesting to be a part of. In doing this case, I was given an opportunity that many people in my position are not ever a part of. I was able to be connected with someone that took the same classes as me, was at Ole Miss the same time as I was, and ultimately chose to intern with the same firm as I did. He is a year older than me, so it was much easier to talk to him than people that are even just out of college. I have never really been in a situation in my entire life where I was so comfortable in an interview. I have interviewed for countless jobs, internships, and school projects. I have been told countless times about how important an interview is in one's life, and how one interview can determine the next years of your life. By doing this interview, I was able to ask questions and get answers that were tailored for someone my age. I was not interviewing someone that had graduated college years ago and is now a part of the workforce. Rather, I was interviewing someone that was only one year older than me. This allowed me to not only ask him questions that were far more relevant to me, but it also allowed me to receive the answers in a format that made it feel like I was hearing it from a peer. Although he was only a year older than me, the person that I interviewed had done something that I had not: he had successfully completed his internship with the firm that he will hopefully work for once he graduates from college. This case gave me experience on being on a side of the interview that I was not used to being on. I was not used to asking questions in an interview. Instead, I was used to what most people my age would be used to in an interview: answering questions. Being on the other side on the interview means more often than not that you are more qualified and experienced than the person that you are interviewing. I hopefully will one day be in a position where that happens, but for now all

I can do is practice for when it does happen. This case taught me a lot more than I initially thought that it would, and for that I am grateful.

The person that I interviewed in this case is someone named Cooper Hoskins. Cooper is a senior from Baltimore, Maryland. The first question I asked Cooper was where he was from. I asked this question first because there is something that I have learned during my three years at Ole Miss. You see, I grew up in a very small town that is less than an hour from Oxford. It was interesting growing up in that town, because everyone knew everyone. Once I got to Ole Miss, I learned that the world is a much bigger place than I had realized. I quickly became friends with people that were from all different types of backgrounds and from all over the country. It was from all of that that I learned how interesting it is to see how differently people can act from all over the country, but also how similar they can act. Once Cooper told me that he was from Maryland, the first thing that came to my mind was “Why did he choose to come to school here?”. After I asked him why he came here, he said that it was for a couple of reasons. His uncle went to school here, so Cooper always heard growing up how great of a time his uncle had had here. Another reason that Cooper wanted to come to Ole Miss was because of how good the accounting program was. I found it to be interesting that Cooper realized what he wanted to do before he even committed to a college. After learning of how he ended up here, I then started to ask him more about his career choices and how he got to where he is today.

After asking Cooper what firm he had just interned for, I learned that he had just interned for the firm that I had just accepted an internship offer from: BKD in Dallas. Once I heard that, I knew that Cooper was a great person for me to interview, because he

literally had just gotten done with what I will be doing in less than a year. I asked Cooper why he wanted to go to Dallas. I asked him this because I was interested to see if he had the same reasons that I had. He answered by saying that he chose Dallas because he wanted to remain in the South, and he wanted to go to a big city that would be a great place to settle in. The reasons that he gave were remarkably similar to my reasons. He then went on about how much fun he had had during his internship, and much of it was because of how much fun of a town Dallas was in general. This was great news to me, because who would not want to hear that the place they are about to live is a very fun place to live?

Next, I asked Cooper basic questions about the internship. I asked him how many hours a week he had to work, and he told me that there was never a week where he worked more than fifty. He then went on to say that he never felt as if the work was taking over his life, and that made me feel relieved. When I asked him how he liked the internship, he gave me several answers. He said that he felt very much at home whenever he was in the office. He did not feel as if he was just a number, and he said that he felt like everyone there really cared about him. He also noted that he got to interact with more people there than he had ever dreamed of, and it made his days at work much more pleasant than if he did not really know anyone.

I asked him next whether he was doing audit or tax. He told me that he was doing audit, and that he knew after his internship had concluded that he had made the right choice. During the internship, he said that he was always able to keep busy without feeling overwhelmed. He was given the opportunity to travel around and work with many different companies and many different industries. I think that the fact that he was able to

work with different industries was really interesting because I had heard that there are some places where you are just stuck with one industry. The answers that he gave made me feel better about my choice of audit.

Lastly, I asked him if he had any advice for my upcoming internship. He told me that I should make the most out of it that I can, because you get out of the internship what you put in it. He told me that I should try to be outgoing and to try and meet all of the people that I can, because that is what he did and it made all the difference for him. I was glad to have been told that, because not everyone is told such advice before the internship begins.

This case allowed me to get answers to questions that I wanted to ask. I was not given a sheet of questions to read off of. Rather, I was allowed to think about what I really wanted to know the answer to and ask just that. I would encourage everyone to try and find someone that has been somewhere where you are about to go. By getting them to answer questions that you have, you are able to gain wisdom that cannot be taught.

Financial Crisis Case

Evan Poag

Dr. Victoria Dickinson

Accountancy 420

27 April 2020



When I first read the instructions on the financial crisis case, I was admittedly not very excited. I say this because it concerned a topic that I was not as familiar with as I wished I was, and I did not know what was going to happen with concerns of writing a case on it. However, I soon realized that this was actually a great opportunity for me to learn more about a topic that I had little knowledge or understanding of. After watching the videos and reading the articles that were assigned, I can honestly say that my understanding of the crisis of 2008 has grown exponentially. However, there were a lot of moving parts of the 2008 recession, and it is thus somewhat of a challenge to truly understand everything. One thing that I found interesting was that I recognized a few names and I could not recall how. The main name that I recognized was Frederic Mishkin, who was stumbling on camera whilst being interviewed and looked as if he truly was speechless. I was surprised to find out how I recognized the name Mishkin: he was the author of a textbook that I had used in a previous class. What is the name of the class, you may ask? The answer is somewhat ironic: Money and Banking. A man that was partially responsible for a defunct financial method was the author of textbooks that are being used by schools throughout the country to try and instruct students on the proper structures that coincide with banking. This case taught me a lot about the connections between large investment banks and governmental positions that I had not previously realized. I learned that I was misinformed on a lot of what was actually going on. Although I felt slightly foolish when I initially realized truly how little I did know, I quickly realized that I was one of countless others that were in the same position. Thanks to this case, I was allowed the opportunity to further my knowledge in an area of finance that most people do not know. In my opinion, this will definitely give me an advantage.

I knew that I was in for an interesting experience when I prepared to watch the first video and I did not even know what “crony capitalism” meant. Thanks to watching the video, I began to understand the concept: instead of buying from the cheapest option, lobbying causes someone to be paid to buy from the more expensive option. The video went on to say that capitalism in itself is moral, but crony capitalism is not. This is because in crony capitalism, the government has been bought off. Crony capitalism is unfair, because it causes the cheaper option to be overlooked. Instead of there being a demand for the cheapest option available, a more expensive option is in higher demand. In my opinion, the most eye-opening things that I learned came from the movie that we were assigned to watch: *Inside Job*. Prior to watching the movie, I had almost no understanding of what caused the crash of 2008. The only thing I really knew prior to the movie was that there were a lot of bad mortgages that had something to do with the crisis. I learned that what was essentially happening was investment banks giving things higher ratings than they should have and then would bet against the success of such investments, allowing them to make money. The movie highlighted how immoral and corrupt the investment bankers and government was during the time in which the film took place. As I watched the movie, I found it very easy to assume that all investment bankers and government officials involved were simply greedy and did not care about the status of other citizens. However, upon reading the first article assigned for reading immediately after the movie, I began to learn more. A mathematician named Li created a concept, or formula that made it simpler to price things. The formula used correlations between financial quantities. His formula became universal, because it was much easier than previous methods. Li worked for JPMorgan at the time, so I could not help but wonder

whether or not Li purposefully made a deceptive formula to allow banks to make money and being able to claim that they were simply following an improper universal model. The article included an interesting quote that said that Li should not be blamed, but instead the bankers who misinterpreted the model that he created should be blamed. With everyone doing the same thing, it is a recipe for disaster. Next, I read the second article, that started off hot by exposing several powerful people that had previously worked at Goldman Sachs. The article showed me several things about Goldman Sachs that I found to be questionable. For example, Goldman Sachs paid the government \$14 million, which was not even a third of what their CEO had earned that year. In basically every bad instance of financial crisis in the United States, Goldman Sachs was involved in some way.

After watching and reading all of the materials, I feel as if my role in society has come to more of a light. I was amazed at how little I knew about the crisis, and it caused me to ponder on what else I lacked sufficient knowledge in. I now realize that I should make it more of a priority to be more aware of what is going on in the world around me. Not only would it be a benefit for me personally to be more understanding of different things that are happening around me, but it would also be a benefit to people that I associate myself with. For example, I could impart some wisdom that I have gained from this case to someone that I am associated with. This would help me personally, because I would improve my relationship with said associate. However, it would also provide me a professional benefit, because my associate would then be more knowledgeable, and thus more efficient. This case taught me that I need to do more research than I had previously realized before investing into something, for example. The case taught me about financial

crisis and how it was caused, but it also taught me to open my eyes and be aware of everything that is going on around me. I can safely say that this case has kick started me into becoming a better individual.

I do not think that the coronavirus will have a guaranteed impact on what happens financially. However, I think that there is definitely potential for there to be a crisis that comes out of this. As the virus becomes more and more concerning, a lot of companies stand to gain by getting lobbyists to get the government to buy from them. For example, what if medical equipment companies start lobbying to get the government to buy medical supplies from them? This could cause crony capitalism, which is unfair to countless people. I think that we should look back at our history and realize how detrimental it can be to not regulate financials. Although the short-term gains are very enticing and could be tempting, we must put our foot down and do what is right for the country in general, rather than just for who has the ability to manipulate the market. If we work to improve, especially at a time like this, it will be beneficial for the country in the future. Politically, the coronavirus could have an impact. I say this because some people could be funded by companies that want them to do what is beneficial to them, such as Goldman Sachs or another large investment banking company. It is crucial that everyone should be honest to everyone, because that eliminates failure. If the large investment banks would have been honest with the investments that they were saying were great when they actually were not, then no one would have mistakenly lost his or her money. It is interesting to reflect back on all the information that I have learned and I would say that the final case of the semester has made quite a large impact on me.



**The Honor Code:**

“On my honor, I pledge that I have neither given, received, nor witnessed any unauthorized help on this case study.”

Signed,

A handwritten signature in black ink, consisting of a stylized, cursive letter 'S' followed by a vertical stroke that curves slightly to the right at the top.