This assessment has six-parts.  Click each of the items below to complete this assessment.

[Part 1: Ensuring Accurate Financial Data](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

**Scenario**

You work for a company that has recently experienced a case of embezzlement. The management team is looking for ideas on how it can prevent this from happening in the future and has asked you to present ideas during its next monthly meeting. Using the following case, prepare a **10-slide presentation** that presents the details of the case and ideas for how the company could have prevented the embezzlement. Include details on how the company can ensure accurate financial data.

Jared Smith has served as the executive director of the Community Arts Organization for more than 10 years. The Community Arts Organization is led by a board of directors. Jared works independently. He receives all membership fee payments (cash and checks), and he pays all bills and reconciles the checking account. No one reviews Jared’s work and the Community Arts Organization is not regularly audited.

Over the course of the past 5 years, Jared has committed fraud and embezzled nearly $400,000. Jared deposits membership fee payments directly into his own bank account. He also writes Community Arts Organization checks to himself and has created phony companies that he writes checks to and deposits the checks into his own bank account.

[Part 2: Explaining Variances in Performance Reports and Suggesting Possible Causes and Remedies](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

Read the “Widget Company Performance Report” document, provided with this Assessment. Imagine that you are the manager of the production department at the Widget Company and you have been asked to explain the variances found in a performance report, propose possible causes, and make suggestions for how the variances can be remedied. Using the information provided in the Widget Company Performance Report, prepare a memo to your boss that explains the possible causes of the variances in the performance report, and suggest how the company can remedy them. (1 page)

[Part 3: Alternatives to Discounted Cash Flows, the Information They Provide to Inform Capital Investment Decisions, and the Types of and Usefulness of Qualitative Information on the Decision-Making Process](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

**Scenario**

As a new product development manager, you are considering investment proposals for two mutually exclusive investment opportunities. The projects have been analyzed using net present value (NPV), internal rate of return (IRR), payback, and accounting rate of return (ARR), and the results are presented in the Investment Proposals document.

Assume the company requires a minimum return of 16% and a payback of 3 years. Evaluate the projects using the analysis provided and write a brief report that makes a recommendation based on the data. Also include qualitative factors that should be considered and an explanation of how they would impact the recommended investment decision. (1 page)

[Part 4: Using Transfer Pricing Methods](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

**Scenario**

Graphic Art, Inc. has a print division that produces art prints in China and a Retail Division in Greece that sells the prints. The Print Division has a low 20% income tax rate and the Retail Division has a high 50% income tax rate. The Retail Division in Greece is subject to a 10% import duty on the transfer price of all imported products. Both China and Greece allow firms to use either variable or full cost as the transfer price. The Graphic Art document summarizes both transfer pricing methods.

Assuming both divisions have significant positive taxable income, write a business email that describes the transfer pricing method that you think Graphic Art, Inc. should use. Be sure to cite the data from the spreadsheet. (2 - 3 paragraphs)

[Part 5: The Flexible Budget](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

**Scenario**

As the newly promoted general manager of the Widget Company, you prepared a performance report using Excel and presented this to your boss. (See “Widget Company Performance Report.”) Your boss e-mailed you and asked for more information regarding the usefulness of a flexible budget report to assess performance. Prepare an e-mail to your boss explaining why the flexible budget provides more useful information than a static budget. (3 - 4 paragraphs)

[Part 6: Break-Even Analysis and Decision Making](https://tempolearning.brightspace.com/content/enforced/6822-IG011_DEV/Assessment.html?d2lSessionVal=sBz5zYsatPLsMoTMMXOfIIxUS&ou=6822&d2l_body_type=3)

**Scenario**

Jaden Water Inspection Service tests water quality for industrial applications.

Jaden receives $150 for each inspection and wants to expand its business by adding another employee and vehicle. Jaden anticipates that another employee would add 60 additional inspections per month. Jaden has determined that the average cost for each inspection is $45. The fixed costs for a new employee and vehicle are $3,000 per month.

To persuade his investors that adding another employee is a good idea, Jaden prepared a break-even analysis. (See the “JWIS Break-Even Analysis” document.) Assume the role of Jaden and prepare a report that includes the following (1 page):

* An explanation of the purpose of a break-even analysis as it relates to this case
* Based on the break-even analysis, an explanation of why the additional employee is a good investment