**Part B (20 points and 300 words maximum)**

**Working with the FASB Codification (20 points and 300 words max. for the one question)** The FASB Accounting Standards Codification (FASB Codification) is the single official source of authoritative, nongovernmental U.S. generally accepted accounting principles (US GAAP). The codification is structured by topic, subtopic, and section with numerical references. Please access it at [http://aaahq.org/ascLogin.cfm](about:blank) with following: Username – AAA51450

Password – Dk7kU9T

After you are in, you may want to look at "How to Use the Codification." Then consider the following:

A school purchasing manager is seeking to buy tablets from either Entity A or Entity B and will pay shipping costs. The purchase price is $500 each. Entity A purchases the tablets from the manufacturer, Banana Industries (for $400). Entity A has the tablets shipped to its distribution center in Denver, and then ships them to schools when a sale is made. Entity A at times offers discounts to schools in accordance with its marketing strategy.

On the other hand, Entity B sells tablets from a variety of manufacturers including Banana Industries. When a sale is made, Entity B remits the proceeds to the manufacturer, and retains a 10% commission (here $50). Entity B has no discretion as to the sales price. The manufacturer then ships the equipment to the customer.

**For each arrangement, indicate how much revenue and gross profit should be recognized. Provide support for your answer from the ASC and cite the applicable provisions. You should cite like this: ASC 606-10-35-3(e) so we can find what you are relying upon. You must discuss whether Entity A or Entity B is a principal or an agent and the factors that suggest control or no control.**

**Part C Working with Westlaw Campus Research (20 points and 600 words maximum)**

Please access Cengage MindTap "Digital Video Library" right before Unit 5. Click on Ethics and one from the bottom, you will see the video "Don't Be a Hero Policies." Watch it. Assume that the employees are at-will employees. You can look at Todd's Notes on Legal Research for Westlaw Campus Research information and the Citation Unit for help with citing cases. You could also find the cases suggested below using Google.

**Required:** Answer the following questions:

1. What are the store's reasons for its policies? Your discussion should include the doctrine of respondent superior and any other relevant points.

2. Do you think that the two situations (Heather / Blake) are equivalent violations of the "don't be a hero" (sometimes called a non-resistance) policy? Should they result in similar discipline? Remember to discuss the facts of each situation.

3. Suppose that the store terminates both employees. Do they have any legal recourse? You must discuss any public policy exceptions to the "at will" employment doctrine and whether they would be satisfied here.

Here are some sources that should inform your answer. Read the cases before answering the questions. Feel free to find and discuss others.

Bruley v. Village Green Mgmt. Co., 592 F. Supp. 2d 1381, 1385-1386 (M.D. Fla. 2008)

Feliciano v. 7-Eleven, Inc., 559 S.E.2d 713 (W. Va. 2001)

Gardner v. Loomis Armored, Inc., 913 P.2d 377 (Wash. 1996).

Hoven v. Walgreen Co., 2012 WL 6025790 (W.D. Mich. Dec. 4, 2012), aff'd 751 F.3d 778 (6th Cir. 2014).

Ray v. Wal-Mart Stores, Inc., 359 P.3d 614 (Utah 2015).