

Accounting for Stock-Based Compensation

3rd Edition

Steven M. Bragg

Table of Contents

Accounting for Stock-Based Compensation	1
Learning Objectives.....	1
Introduction	1
Overview of Stock Compensation	1
Stock Compensation Valuation and Cost Recognition Topics	1
Stock Volatility	7
Characteristics used as the Basis for Fair Value Determination	8
Fair Value Calculation Alternatives.....	10
Changes in Accounting Estimate.....	12
Awards Classified as Equity	13
Award Measurement Problems	13
Award Modifications.....	13
Income Tax Effects	15
Awards Classified as Liabilities.....	15
Employee Stock Ownership Plans	17
Leveraged ESOP.....	17
Non-Leveraged ESOP	19
Employee Share Purchase Plans	20
Equity-Based Payments to Non-Employees.....	21
Additional Stock-Based Compensation Concepts	24
Capitalized Compensation	24
The Leased Employee	24
Tandem Awards.....	25
Dividends Paid on Outstanding Options	25
Share-Based Awards in an Acquisition.....	26
Impact on Earnings per Share	26
The SEC's View of Stock-Based Compensation	28
Stock-Based Compensation Disclosures	34
Equity-Based Payments to Non-Employees	38
Employee Stock Ownership Plans	38
Summary	39
Review Questions	40
Review Answers.....	42
Glossary	45
Index	47