

# LINCOLN UNIVERSITY

Course number:	<b>BA-240-II</b>
Course title:	<b>Managerial Accounting</b>
Credits:	<b>4 (60 Lecture Hours)</b>
Pre-requisites:	<b>None</b>
Period:	<b>Spring 2013</b>
Room:	<b>TBA</b>
Days and time:	<b>Thursday 09:00 pm to 11:45 pm 3:30 pm to 5:20 pm</b>
Instructor:	<b>Milton M. Chávez Arias (<a href="mailto:mchavezarias@lincolnucsf.edu">mchavezarias@lincolnucsf.edu</a>)</b>
Office Hours:	<b>Every Thursday, 5:30 up to 7:00 pm (previous arrangement required)</b> If the student is not able to attend the office hours, please, use e-mail to communicate with the instructor (Subject line: <u>BA240-II, student's name, and brief reference to your question</u> ). If there are critical matters to be addressed, I will assist students before or after each class.

## SYLLABUS

### A COURSE DESCRIPTION

Planning of profits, costs, and sales. Cost and profit analysis and control. Includes budgeting, forecasting, break-even and cost-volume profit analysis, variance analysis, differential cost analysis, and capital expenditure planning, evaluating, and control. Prerequisites: BA-42/BA-110.

### B COURSE OBJECTIVES AND STUDENT LEARNING OUTCOMES

This course examines the principles, techniques, and uses of accounting in the planning and control of business organizations from a management perspective. Identified are the budgetary process and related performance evaluation techniques, cost-volume-profit relationship, product costing methods, Just-In-Time (JIT) manufacturing, and Activity Based Costing (ABC). Related theory and application will also be reviewed.

The student must be able to:

- 1 Identify and illustrate the primary activities and informational needs of managers and explain the role of the managerial accountant as a member of the management team; compare and contrast financial and managerial accounting
- 2 Define and illustrate various cost terms and concepts and evaluate their relevancy for different decision-making purposes
- 3 Distinguish between product and period costs; prepare and evaluate a Schedule of Cost of Goods Manufactured, Schedule of Cost of Goods Sold, and Income Statement
- 4 Prepare traditional and contribution-margin income statements; define related terms; explain cost-volume-profit analysis, degree of operating leverage and safety margin and employ each as an analytical tool

- 5 Describe the traditional types of product costing systems (including job-order and process), illustrate the flow of costs in each, and prepare related accounting records and reports
- 6 Discuss the impact of technology on the manufacturing environment and its implications for product costs and the development of activity-based costing and management; prepare activity-based cost reports
- 7 Explain the purposes of budgeting; prepare a master budget and its component schedules and relate the budget to planning and control
- 8 Explain the development and use of standard costs, prepare and interpret variance analysis reports and relate them to responsibility accounting and control
- 9 Explain the nature and the need for segment reporting and the relationship with cost, revenue, profit, and investment centers; prepare and analyze related segment reports
- 10 Compare and contrast absorption costing and variable costing, prepare income statements using both methods, and reconcile the resulting net income
- 11 Define relevant costs and benefits, giving proper treatment to sunk costs, opportunity costs, and unit costs; prepare analyses of special decisions - accept or reject a special order; outsource a product or service; add or drop a service or product; and sell or process further a product; and

### C TEXTBOOK AND OTHER MATERIALS

**Textbook: Introduction to Management Accounting, 15th Edition**

Authors: Horngren, Sundem, Stratton, Burgstahler, and Schatzberg

Editor: Pearson Prentice Hall (imprint of Pearson Education Inc.)

ISBN-10: 013610265, ISBN-13: 9780136102656, Publication date: 2010

**Website:** \_\_\_\_\_

(An access code is required to have access to gnomio.com)

Students will be provided an access code no later than the first day of classes. Students will be required to take the online exams (questions and exercises) for each chapter.

Online Exams on gnomio.com are mandatory and will count toward your final grade.

### D GRADING

		<b>EQUIVALENCY TO LETTER GRADES</b>		
		<u>Grade</u>	<u>Points</u>	<u>Percentage</u>
<u>Activity</u>	<u>Possible Points</u>			
Exam - Online Questions (12 @ 10 points each)	120	A	911 – 1000	91.1% - 100%
Exam – In class (12 @ 33.33 points each)	400	B	811 – 910	81.1% - 91.0%
Group-Individual Problem (12 @ 10 points each)	120	C	711 - 810	71.1% - 81.0%
Homework (12 @ 30 points each)	360	D	601 - 710	60.1% - 71.0%
<u>Total</u>	<u>1000</u>	F	Less than 601	Below 60.1%

### E MATERIALS

Students will need: A basic calculator, a black pencil, and a red pen.

***No cell phones are allowed as calculators (no exceptions).***

## F METHODS OF INSTRUCTION

### 1 Lecture

**Students must read each chapter before class** starts according to the tentative schedule provided (see Attachment 1). The lecture will focus on the chapter core information. Students are responsible to ask questions and request clarifications during the class session. Students are expected to participate actively in all class discussions and exercises.

### 2 Homework

Students are expected to **complete** each homework assignment **before class begins**. Each homework assignment **must be turned in at the end of the class session when due** according to the **tentative schedule** provided, see Attachment 1.

Homework includes a combination of exercises/problems from the textbook. Students are encouraged to correct their assignments while in class. If a student is frequently found copying the answers from the board, his/her specific homework will be voided.

The homework grade will be based on completeness, professional appearance and detail of corrections made in class. **Late submission penalty: 30% (no exceptions).**

### 3 Group-Individual Problem (Case Analysis)

Students are expected to **complete** each Group-Individual assignment **before class begins**. Each assignment **must be turned in at the beginning of the class session when due** according to the **tentative schedule** provided, see Attachment 1.

### 4 Exams

**Online Questions:** There will be one online exam (Questions) for each Chapter. The online exams will be available after the lecture and are due no later than the beginning of the next session. The online exams will provide sample questions that might be included on the Exam In-class.

**In-class:** There will be an exam (Questions) for each Chapter (30 minutes limit). The exams will be given at the beginning of each session. A minimum of 60% of the exam questions will be selected from the Online Questions.

*If the student is unable to attend a specific class session, the student will be allowed to take the exam on the next session, after class. This exception does not represent a waiver to frequently skip the class sessions.*

### 5 Extra Credit

Students will be selected to participate in classes in order to earn extra credit points. The extra credit points will represent no more than 10% of the final grade. There will be no make-up for the extra points lost.

## G STANDARDS OF STUDENT CONDUCT AND DISCIPLINE

**Simple rules of courtesy apply.** Class time and environment are reserved for students. All communication and electronic devices should be turned off or silent in the classroom (cell phones, music devices, etc). Students are expected to act in a rational and professional manner.

## H ATTENDANCE/WITHDRAWAL

**Students who fail to attend two (2) continuous class sessions and/or have accumulated absences equivalent to three (3) class sessions will be reported to Admissions & Records. Given the quantity of material, only students with a clear intention to continue the class will be re-admitted (clear intention means completing all the assignments past due before requesting re-admittance).** It is the responsibility of the student to withdraw from a class which he/she no longer plans to attend. Refer to the University policies for further details.

## I ACADEMIC DISHONESTY AND ITS CONSEQUENCES

Students are responsible for knowing what constitutes academic dishonesty and for consulting with the instructors for questions or concerns. The Policy on Academic Dishonesty is available online at <http://www.lincolnuca.edu/academics/indirespons#%2Facademics%2Findirespons>.

### ATTACHMENT 1 COURSE CONTENT AND SCHEDULE (TENTATIVE)

Date	Activity	Assignment for the next session
01/24/13	Introduction to the course (Syllabus)  Lecture and discussion Chapter 1: Managerial Accounting, the Business Organization, and Professional Ethics	d. Read Chapter 1
01/31/13	Lecture and discussion Chapter 1: Managerial Accounting, the Business Organization, and Professional Ethics	a. Exam (Online Questions): Chapter 1 b. Homework: 1-32, 1-37, 1-38, 1-45, 1-48 c. Group-Individual Problem 1-51 d. Read Chapter 2
02/07/13	Homework Review Chapter 1 & Exam In-class  Lecture and discussion Chapter 2: Introduction to Cost Behavior and Cost-Volume Relationships	a. Exam (Online Questions): Chapter 2 b. Homework: 2-39, 2-42, 2-43, 2-45, 2-52 c. Group-Individual Problem 2-67 d. Read Chapter 3
02/14/13	Homework review Chapter 2 & Exam In-class  Lecture and Discussion Chapter 3: Measurement of Cost Behavior	a. Exam (Online Questions): Chapter 3 b. Homework: 3-31, 3-41, 3-45, 3-46, 3-48 c. Group-Individual Problem 3-55 d. Read Chapter 4
02/21/13	Homework review Chapter 3 & Exam In-class  Lecture and discussion Chapter 4: Cost Management Systems and Activity-Based Costing	a. Exam (Online Questions): Chapter 4 b. Homework: 4-36, 4-38, 4-39, 4-46, 4-47 c. Group-Individual Problem 4-54 d. Read Chapter 5
02/28/13	Homework review Chapter 4 & Exam In-class  Lecture and discussion Chapter 5: Relevant Information for Decision Making with a Focus on Pricing Decisions	a. Exam (Online Questions): Chapter 5 b. Homework: 5-34, 5-35, 5-50, 5-51, 5-52 c. Group-Individual Problem 5-62 d. Read Chapter 6

<b>Date</b>	<b>Activity</b>	<b>Assignment for the next session</b>
03/07/13	Homework review Chapter 5 & Exam In-class  Lecture and discussion Chapter 6: Relevant Information for Decision Making with a Focus on Operational Decisions	a. Exam (Online Questions): Chapter 6 b. Homework: 6-33, 6-34, 6-45, 6-47, 6-51 c. Group-Individual Problem 6-66 d. Read Chapter 7
03/14/13	Homework review Chapter 6 & Exam In-class  Lecture and discussion Chapter 7: Introduction to Budgets and Preparing the Master Budget	a. Exam (Online Questions): Chapter 7 b. Homework: 7-29, 7-30, 7-32, 7-35, 7-38 c. Group-Individual Problem 7-44 d. Read Chapter 8
03/21/13	SPRING RECESS	
03/28/13	Homework review Chapter 7 & Exam In-class  Lecture and discussion Chapter 8: Flexible Budgets and Variance Analysis	a. Exam (Online Questions): Chapter 8 b. Homework: 8-26, 8-28, 8-35, 8-41 c. Group-Individual Problem 8-53 d. Read Chapter 9
04/04/13	Homework review Chapter 8 & Exam In-class  Lecture and discussion Chapter 9: Management Control Systems and Responsibility Accounting	a. Exam (Online Questions): Chapter 9 b. Homework: 9-38, 9-42, 9-43 c. Group-Individual Problem 9-52 d. Read Chapter 11
04/11/13	Homework review Chapter 9 & Exam In-class  Lecture and discussion Chapter 11: Capital Budgeting	a. Exam (Online Questions): Chapter 11 b. Homework: 11-34, 11-35, 11-36, 11-37, 11-39, 11-40 c. Group-Individual Problem 11-71 d. Read Chapter 12
04/18/13	Homework review Chapter 11 & Exam In-class  Lecture and discussion Chapter 12: Cost Allocation	a. Exam (Online Questions): Chapter 12 b. Homework: 12-30, 12-31, 12-40, 12-42 c. Group-Individual Problem 12-53 d. Read Chapter 13
04/25/13	Homework review Chapter 12 & Exam In-class  Lecture and discussion Chapter 13: Accounting for Overhead Costs	a. Exam (Online Questions): Chapter 13 b. Homework 13-41, 13-43, 13-54, 13-55 c. Group-Individual Problem 13-72, 13-73 d. Read Chapter 14 e. Prepare Final Project (next two sessions)
05/02/13	Homework review Chapter 13 & Exam In-class  Lecture and discussion Chapter 14: Job-Order and Process-Costing Systems  Final Project (Instructions to be provided)	a. Exam (Online Questions): Chapter 14 b. Homework: 14-30, 14-36, 14-40, 14-42 c. Group-Individual Problem 14-49 e. Prepare Final Project
05/09/13	Final Project (Instructions to be provided)	