

# LINCOLN UNIVERSITY

Course number:	<b>BA-340 I</b>
Course title:	<b>Managerial Accounting and Financial Control</b>
Credits:	<b>3 (45 lecture hours)</b>
Pre-requisites:	<b>None</b>
Term:	<b>Spring 2014</b>
Room:	<b>TBA</b>
Days and time:	<b>Wednesday 09:00 am to 11:45 am 12:30 pm to 2:15 pm (Mandatory for BA-240 I students)</b>
Instructor:	<b>Milton M. Chávez Arias (<a href="mailto:mchavezarias@lincolnucsf.edu">mchavezarias@lincolnucsf.edu</a>)</b>
Office Hours:	<b>Every Wednesday, 2:30 up to 3:30 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>BA340-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

Emphasis in this broad based course is on imparting to the student an increased knowledge and understanding of the role of management control in the modern multi-plan organization, as well as the development of skills to be used throughout the cycles of a business in solving managerial control problems. Case materials are accompanied by reading.

### 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.

Upon completion of the course, the student will 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.

## 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:** [lincolnuca1.gnomio.com](http://lincolnuca1.gnomio.com)

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

Students will be provided an access code no later than the second week 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>Activity</u>	<u>Possible Points</u>	<u>Grade</u>	<u>Points</u>	<u>Percentage</u>	
Online Homework - Online Questions (11 @ 54.54 points each)	600	A	901 – 1000	90.1% - 100%	
Exam – Final (In Class) (1 @ 300 points)	300	B	801 – 900	80.1% - 90.0%	
Group-Individual Problem (2 @ 50 points each)	100	C	701 - 800	70.1% - 80.0%	
		D	601 - 700	60.1% - 70.0%	
<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 Online Homework – Online Questions**

Students are expected to **complete** the online homework & online questions a week after each chapter is completed, according to the **tentative schedule** provided, see Attachment 1.

Homework & Questions includes a combination of exercises/problems from the textbook.

***Late submission penalty: 30% (no exceptions).***

## **3 Final Exam**

There will be a final exam (3 hour limit). A minimum of 60% of the exam questions will be selected from the Online Questions. The final exam is cumulative and will include all the chapters listed on the tentative schedule.

## **4 Extra Credit**

In-class extra credit activities will be given to all students in-class. These activities will be given anytime during the lecture. The extra credit points will represent no more than 10% of the final grade. There will be no make-up for the extra credit points/activities.

## **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 and the short number of class sessions, 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)**

<b>Date</b>	<b>Activity</b>	<b>Assignment for the next session</b>
01/22	Introduction to the course (Syllabus)  Lecture and discussion Chapter 1: Managerial Accounting, the Business Organization, and Professional Ethics	Read Chapter 1
01/29	Lecture and discussion Chapter 1: Managerial Accounting, the Business Organization, and Professional Ethics	Online Homework & Questions Read Chapter 2
02/05	Lecture and discussion Chapter 2: Introduction to Cost Behavior and Cost-Volume Relationships	Online Homework & Questions Read Chapter 3
02/12	Lecture and Discussion Chapter 3: Measurement of Cost Behavior	Online Homework & Questions Read Chapter 4
02/19	Lecture and discussion Chapter 4: Cost Management Systems and Activity-Based Costing	Online Homework & Questions Read Chapter 5
02/26	Lecture and discussion Chapter 5: Relevant Information for Decision Making with a Focus on Pricing Decisions	Online Homework & Questions Read Chapter 6
03/05	Lecture and discussion Chapter 6: Relevant Information for Decision Making with a Focus on Operational Decisions	Online Homework & Questions Read Chapter 7
03/12	Lecture and discussion Chapter 7: Introduction to Budgets and Preparing the Master Budget	Online Homework & Questions
03/26	Group Project	Read Chapter 8
04/02	Lecture and discussion Chapter 8: Flexible Budgets and Variance Analysis	Online Homework & Questions Read Chapter 9
04/09	Lecture and discussion Chapter 9: Management Control Systems and Responsibility Accounting	Online Homework & Questions Read Chapter 11
04/16	Lecture and discussion Chapter 11: Capital Budgeting	Online Homework & Questions Read Chapter 12
04/23	Lecture and discussion Chapter 12: Cost Allocation	Online Homework & Questions
04/30	Review for Final Exam	
05/07	Final Exam	