

Managerial Accounting

Course code: ACC 263

Semester and year: Fall 2021

Day and time: Tuesday 18:30 – 21:15

Instructor: Larisa Svobodova, MA

Instructor contact: larisa.svobodova@aauni.edu

Consultation hours: Tuesday, 18:00 – 18:30

Credits US/ECTS	3/6	Level	Intermediate
Length	15 weeks	Pre-requisite	ACC233
Contact hours	42 hours	Course type	Bachelor Required

1. Course Description

This course deals with the presentation of information on which cost conscious management decisions will be made. Management accounting teaches how to decide the amount of funding needed for a given project. It also covers areas like budgetary control and standard costing

2. Student Learning Outcomes

Upon completion of this course, students should be able to:

- Comprehend and have a clear understanding of terms and concepts used in business decision-making.
- Understand and analyze how accounting information is prepared and how it is used in making management decisions.
- Prepare cost reports for different production systems.
- Evaluate the consequences of different business decisions using differential analysis
- Produce the Master Budget of the company and interpret the differences between planned and actual performance

3. Reading Material

Required Materials

Chapters 18 – 26 from Accounting a Business Perspective by Hermanson, Edwards and Maher, 6th Ed. (Jul 1999)

Recommended Materials

- Accounting for a Lean Environment from R. R. Fullerton, F.A. Kennedy, S.K. Widener
- Activity Based Costing System – Advantages and Disadvantages from Metin Reyhanoglu
- Additional Readings may be distributed during the course of the class for specific assignments.

4. Teaching methodology

The course methodology will consist of lectures, readings, and class participation. Students will be expected to do the reading assigned for each week. There will be homework on the reading material and lectures. There will be a mid-term and a final exam.

5. Course Schedule

Date	Class Agenda
31.8.2021	<p>Topic: Review of financial accounting Description: Class Information, Discussion on Class Expectations, Introduction to the issue. Review of financial accounting. Financial accounting vs managerial accounting. Reading: class materials Assignments/deadlines: HW # 1, 7.9.2021</p>
7.9.2021	<p>Topic: Job Costing Description: Product cost component. Product cost flows. Job costing. Predetermined overhead rate. Reading: chapter 18 Assignments/deadlines: HW # 2, 14.9.2021</p>
14.9.2021	<p>Topic: Process Costing Description: Process costing. Equivalent units. Transferred-in costs. Production cost report. FIFO and LIFO. Reading: chapter 19 Assignments/deadlines: HW # 3, 21.9.2021</p>
21.9.2021	<p>Topic: Quality and cost management. ABC Description: Total Quality Management. Non-financial performance measures, motivations effects. Just-in-Time Method. Activity Based Costing. Differences from traditional methods. Reading: chapter 20 Assignments/deadlines: HW # 4, 5.10.2021</p>
5.10.2021	<p>Topic: Cost-Volume-Profit Analysis Description: Cost behavior patterns. Methods for cost analysis, CVP chart. Break-even point. Margin of safety. Assumptions of CVP analysis. Reading: chapter 21 Assignments/deadlines: HW # 5, 12.10.2021</p>
12.10.2021	<p>Topic: Preparation for Mid-Term exam Description: Reading: Assignments/deadlines:</p>
19.10.2021	<p>Topic: Mid-Term exam and direction for homework Description: Reading: Assignments/deadlines:</p>
26.10.2021	<p>Midterm break – no class</p>
2.11.2021	<p>Topic: Differential analysis Description: Contribution margin income statement. Pricing decisions. Accepting or rejecting special orders. Adding or eliminating products, processing or selling joint products. Make or buy decisions. Reading: chapter 22 Assignments/deadlines: HW # 6, 9.11.2021</p>
9.11.2021	<p>Topic: Budgeting Description: Budgeting, planning and control. General principles of budgeting, master budget and supporting budgets. Flexible budgets. Zero-based budgeting. Reading: chapter 23 Assignments/deadlines: HW # 7, 16.11.2021</p>

16.11.2021	<p>Topic: Capital budgeting Description: Project selection. Characteristics of long-term projects. Methods of capital budgeting. Investments in working capital Reading: chapter 26 Assignments/deadlines: HW # 8, 23.11.2021</p>
23.11.2021	<p>Topic: Standard costs Description: Standard costs in budgeting, Pros and cons of using standard costs. Variances-materials, labor and overhead variances. Investigation and disposing of variances. Non-financial performance measures. Reading: chapter 24 Assignments/deadlines: HW # 9, 30.11.2021</p>
30.11.2021	<p>Topic: Responsibility accounting – segmental analysis Description: Operation control and performance measurement. Responsibility reports. Responsibility centers – profit, cost, and investment centers. Transfer prices. Segmental analysis. Reading: chapter 25 Assignments/deadlines: HW # 10, 7.12.2021</p>
7.12.2020	<p>Topic: Revision of the whole course. Preparation for final exam Description: Reading: Assignments/deadlines:</p>
14.12.2020	<p>Topic: Final Exam</p>

6. Course Requirements and Assessment (with estimated workloads)

Assignment	Workload (average)	Weight in Final Grade	Evaluated Course Specific Learning Outcomes	Evaluated Institutional Learning Outcomes*
Attendance and Class Participation	42	15%	Work in class during discussion	2
Homework	68	20%	Understanding of topic, discussed in class	3,1
Mid-term test	20	30%	Prepare cost reports for different production systems, use ABC for overhead allocation	3
Final exam	20	35%	Evaluate business decisions using DA, analyze production process in terms of CVP analysis, produce the budget of company	3
TOTAL	150	100%		

*1 = Critical Thinking; 2 = Effective Communication; 3= Effective and Responsible Action

7. Detailed description of the assignments

Midterm test

Assessment breakdown

Midterm test	Percentage
Predetermined OH rate	15%
Accounting entries	30%
Job costing	20%
Process costing	20%
Activity-based costing	15%

Final test

Assessment breakdown

Final test	Percentage
Standard costs	20%
CVP analysis	20%
Differential analysis	20%
JIT method	20%
Capital budgeting	20%

8. General Requirements and School Policies

General requirements

All coursework is governed by AAU's academic rules. Students are expected to be familiar with the academic rules available in the Codex and Student Handbook and to maintain the highest standards of honesty and academic integrity in their work.

Electronic communication and submission

The university and instructors shall only use students' university email address for communication. It is strongly recommended that any email communication between students and instructors take place in NEO LMS.

Each e-mail sent to an instructor that is about a new topic (meaning not a reply to an original email) shall have a new and clearly stated subject and shall have the course code in the subject, for example: "COM101-1 Mid-term Exam. Question".

All electronic submissions are carried out through NEO LMS. No substantial pieces of writing (especially take-home exams and essays) can be submitted outside of NEO LMS.

Attendance

Attendance, i.e., presence in class in real-time, is expected and encouraged. However, the requirement that students miss not more than 35% of real-time classes is temporarily suspended due to the COVID-19 pandemic.

Absence excuse and make-up options

Should a student be absent from classes for relevant reasons (illness, serious family matters), s/he must submit to the Dean of Students an Absence Excuse Request Form supplemented with documents providing reasons for the absence. The form and documents must be submitted within one week of the absence. If possible, it is recommended the instructor be informed of the absence in advance. Should a student be absent during the add/drop period due to a change in registration this will be an excused absence if s/he submits an Absence Excuse Request Form along with the finalized add/drop form.

Assignments missed due to unexcused absences cannot be made up which may result in a decreased or failing grade as specified in the syllabus.

Students whose absence has been excused by the Dean of Students are entitled to make up assignments and exams provided their nature allows for a make-up. Students are

responsible for contacting their instructor within one week of the date the absence was excused to arrange for make-up options.

Assignments missed due to unexcused absences cannot be made up.

Late work: No late submissions will be accepted – please follow the deadlines.

Electronic devices

Any electronic devices (phones, tablets, laptops...) may be used only for class-related activities (taking notes, looking up related information...). Any other use will result in being marked absent and/or being expelled from the class. No electronic devices may be used during the tests.

Eating is not allowed during classes.

Cheating and disruptive behavior

If a student engages in disruptive or other conduct unsuitable for a classroom environment of an institution of learning, the instructor may require the student to withdraw from the room for the duration of the activity or for the day and shall report the behavior to the Dean.

Students engaging in behavior which is suggestive of cheating (e.g. whispering or passing notes) will, at a minimum, be warned. In the case of continued misbehavior the student will be expelled from the exam and the exam will be marked as failed.

Plagiarism and Academic Tutoring Center

Plagiarism is "the unauthorized use or close imitation of the language and thoughts of another author and the representation of them as one's own original work." (Random House Unabridged Dictionary, 2nd Edition, Random House, New York, 1993)

Turnitin's White Paper 'The Plagiarism Spectrum' (available at <http://go.turnitin.com/paper/plagiarism-spectrum>) identifies 10 types of plagiarism ordered from most to least severe:

1. CLONE: An act of submitting another's work, word-for-word, as one's own.
2. CTRL-C: A written piece that contains significant portions of text from a single source without alterations.
3. FIND-REPLACE: The act of changing key words and phrases but retaining the essential content of the source in a paper.
4. REMIX: An act of paraphrasing from other sources and making the content fit together seamlessly.
5. RECYCLE: The act of borrowing generously from one's own previous work without citation; To self-plagiarize.
6. HYBRID: The act of combining perfectly cited sources with copied passages—without citation—in one paper.
7. MASHUP: A paper that represents a mix of copied material from several different sources without proper citation.
8. 404 ERROR: A written piece that includes citations to non-existent or inaccurate information about sources
9. AGGREGATOR: The "Aggregator" includes proper citation, but the paper contains almost no original work.
10. RE-TWEET: This paper includes proper citation, but relies too closely on the text's original wording and/or structure.

At minimum, plagiarism from types 1 through 8 will result in a failing grade for the assignment and shall be reported to the Dean. The Dean may initiate a disciplinary procedure pursuant to the Academic Codex. Allegations of bought papers and intentional or consistent plagiarism always entail disciplinary hearing and may result in expulsion from AAU.

If unsure about technical aspects of writing, students are encouraged to consult with the tutors of the AAU Academic Tutoring Center. For more information and/or to book a tutor, please contact the ATC at: <http://atc.simplybook.me/sheduler/manage/event/1/>.

Course accessibility and inclusion

Students with disabilities are asked to contact the Dean of Students as soon as possible to discuss reasonable accommodations. Academic accommodations are not retroactive. Students who will be absent from course activities due to religious holidays may seek reasonable accommodations by contacting the Dean of Students in writing within the first two weeks of the term. All requests must include specific dates for which the student requests accommodations.

9. Grading Scale

Letter Grade	Percentage*	Description
A	95 – 100	Excellent performance. The student has shown originality and displayed an exceptional grasp of the material and a deep analytical understanding of the subject.
A-	90 – 94	
B+	87 – 89	Good performance. The student has mastered the material, understands the subject well and has shown some originality of thought and/or considerable effort.
B	83 – 86	
B-	80 – 82	
C+	77 – 79	Fair performance. The student has acquired an acceptable understanding of the material and essential subject matter of the course but has not succeeded in translating this understanding into consistently creative or original work.
C	73 – 76	
C-	70 – 72	
D+	65 – 69	Poor. The student has shown some understanding of the material and subject matter covered during the course. The student's work, however, has not shown enough effort or understanding to allow for a passing grade in School Required Courses. It does qualify as a passing mark for the General College Courses and Electives.
D	60 – 64	
F	0 – 59	Fail. The student has not succeeded in mastering the subject matter covered in the course.

* Decimals should be rounded to the nearest whole number.

Prepared by and when: Larisa Svobodová, August 22, 2021

Approved by and when: Jan Vašenda, Dean of School of Business Administration, August 26, 2021