

MIDSTATE COLLEGE
411 W. NORTHMOOR RD. PEORIA, IL 61614
(309) 692-4092 (800) 251-4299
Spring 2019

Course: ACC 300 MANAGERIAL COST ACCOUNTING I

Credit Hours: 4 Quarter Hours

Method of Delivery: Flex

Course Description: In this course students will apply management accounting principles, various costing systems and approaches, decision-making tools and methodologies, and problem-solving projects/cases. Included are job costing, process costing, variable costing, an introduction to standard costing, cost-volume-profit analysis, relevant cost and discounted cash flow (DCF) decision-making models. Case studies utilizing Excel will be required.

Prerequisite: ACC 213 Managerial Accounting and CIS 116 Spreadsheet Applications

Text: Managerial Accounting, 15th Edition

Authors: Ray H. Garrison, Brigham Young University; Eric W. Noreen, University of Washington; Peter C. Brewer, Miami University

Publisher: McGraw-Hill

Materials needed for this course: Microsoft Excel & Word

Topics to be covered:

Cost terminology & cost behavior

Job Order and Process Costing

Break-even Analysis

Variable Costing

Relevant Decision-making Costs

Long-term Decision-making: DCF Models of Investment Analyses (NPV/IRR)

After-tax Investment Analyses using NPV/IRR

Segment Reporting

Standard Costing & Variance Analysis

Learning Objectives: Upon completion of the course, students will be able to:

1. Interpret Job Order costing information and make informed decisions
2. Interpret Process costing information and make informed decisions.
3. Interpret Break-even and Variable Costing information and establish what-if scenarios
4. Understand the principles for Short-term decision-making
5. Apply DCF models to various business scenarios and provide an interpretation of results.
6. Analyze Standard Costing systems & their variations and interpret variances

Midstate Grading Scale:	90 - 100	A
	80 - 89	B
	70 - 79	C
	60 - 69	D
	Less than 60	F

Midstate Plagiarism Policy:

Plagiarism is using another person's words, either by paraphrase or direct quotation, without giving credit to the author(s). Plagiarism can also consist of cutting and pasting material from electronic sources by submitting all or a portion of work for assignment credit. This includes papers, computer programs, music, sculptures, paintings, photographs, etc. authored by another person without explicitly citing the original source(s). These actions violate the trust and honesty expected in academic work. Plagiarism is strictly against the academic policy of Midstate College. Its seriousness requires a measured, forceful response which includes consequences for inappropriate and/or no citation.

In courses containing writing assignments, the College promotes the use of an electronic resource which compares the student's writing against previously submitted papers, journals, periodicals, books, and web pages. Students and instructors can use this service to reduce the incidence of plagiarism. This electronic resource has been found to conform to legal requirements for fair use and student confidentiality. It is able to provide a report to the student indicating the parts of the assignment that match.

Student Success:

The Office of Student Success is available to students seeking tutoring for individual classes or who need assistance with writing assignments. Information is also available on test taking techniques, how to take notes, developing good study skills, etc. Contact student success in room 218 (in person); (309) 692-4092. Extension 2180 (phone) or by using the following email: studentsuccess@midstate.edu.

Instructor: Chris Peck

Hours: By appointment. Please send me an e-mail.

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E-mail: dcpeck@midstate.edu

Policies and Procedures:

- eLearning: To be considered in attendance for an eLearning course, the student must participate each week by submitting substantial, gradable work.

A passing grade must be attained on all homework, quizzes, and tests. Assigned Homework must be done, and regular participation will also be taken into consideration. Answer keys will be provided after the due date and for the students who have turned in the homework in Microsoft Word or Excel. These answer keys are for the student to consult, so that the student will know what form their answers are to take, and what is expected of the students.

Participation Requirements:

Attendance in an eLearning class is counted as being submitting gradable work during the week in question. Gradable work includes submitting to autobiographies, discussion question forums, summary forums, homework submissions and submitting quizzes and tests. Attendance is counted from Monday at 12:00 noon of the week in question, until 8:00 of the following Monday, when the drop-boxes will close. Please be sure to submit work during this time frame in order to have your attendance counted.

Make up-exams and quizzes will not be given, unless prior approval has been obtained from the instructor. Even then, they may be subject to a 10% or greater grading penalty. Students are expected to take exams and quizzes when they are given.

Method of evaluating student performance: Grades for this class are determined as follows:

There will be two quizzes, a Mid-term exam, a project and a final exam. The grade percentages will be as follows:

Grading:

Quiz 1	10%
Quiz 2	10%
Homework	10%
Mid-term exam	20%
IRR Project	20%
Final exam	<u>30%</u>
Total	100%

Schedule

Week 1: Chapters 1 & 2; Managerial Accounting and Cost Concepts.

- **Topic:** Managerial Accounting and Cost Concepts.
- **Objective:** Differentiate between financial and managerial accounting.

Assignment: Homework; Exercises 2-1, 2-2, 2-3, 2-4, 2-11

Week 2: Chapter 3; Systems Design: Job-Order Costing.

- **Topic:** Job-order costing
- **Objective:** Follow the flow of costs through a job-order costing system; T accounts and journal entries

Assignment: Homework; Exercises 3-1, 3-4, 3-5, 3-9. Problem 3-27.

Week 3: Chapter 4; Systems Design: Process Costing.

- **Topic:** Process costing
- **Objective:** Follow the flow of costs through a process costing system; T accounts and journal entries

Assignment: Homework; Exercises 4-1, 4-2, 4-11. Problem 4-18
Quiz 1.

Week 4: Chapter 5; Cost-Volume-Profit Relationships

- **Topic:** Analysis of Variable, Fixed and Mixed costs
- Cost Volume Profit (CVP) Analysis
- **Objective:** Define Cost behavior patterns
- CVP terms and use in calculations; CVP graph

Assignment: Homework;
Exercises 5-1, 5-2, 5-3, 5-4, 5-13

Week 5: Chapter 6; Variable Costing, A Tool for Management

- **Topic:** Variable costing
- **Objective:** Calculate unit and total product costs using both absorption and variable costing methods.

Assignment: Homework; Exercises 6-1, 6-2, 6-3, 6-7
Problem 6-16

Week 6: Mid-term exam

Week 7: Chapter 9; Flexible Budgets and Performance Analysis

- **Topic:** Flexible Budgets and Performance Analysis
- **Objective:** Prepare flexible budgets; Calculate performance variances; performance variance reports.

Assignment: Homework; Exercises 9-1, 9-2, 9-3, 9-4, 9-15.

Week 8: Chapter 10; Standard Costs and the Balanced Scorecard

- **Topic:** Variances using standard costs and the balanced scorecard
- **Objective:** Calculate variances for materials, labor and overhead. Define the balanced scorecard.

Assignment: Homework; Exercises 10-2, 10-3, 10-4, 10-8, 10-10.

Week 9: Chapter 11; Segment Reporting and Decentralization

- **Topic:** Segment Reporting and Decentralization
- **Objective:** Prepare budget reports for responsibility centers. Evaluate the advantages and disadvantages of a decentralized organization.

Assignment: Homework; Exercises 11-1, 11-2, 11-6, 11-11, 11-15.
Quiz 2.

Week 10: Chapter 12; Differential Analysis: The key for Decision Making

- **Topic:** Relevant Costs for Decision Making
- **Objective:** Identify relevant costs; prepare differential analysis

Assignment: Homework; Exercises 12-1, 12-2, 12-3, 12-4, 12-5, 12-12

Week 11: Chapter 13; Capital Budgeting Decisions

- **Topic:** Capital budget decisions
- **Objective:** Analyzing capital investment projects using Cash Payback, Average Investment, Internal Rate of Return and Net present Value techniques.
- *IRR project is due week 11.*

Assignment: Homework; Exercises 13-1, 13-2, 13-4, 13-5, 13-6, 13-8, 13-10.

Week 12: Final Exam

The instructor reserves the right to modify the syllabus at any time should that action be deemed necessary.

Date of revision: February, 2019