

# UPPER IOWA UNIVERSITY INDEPENDENT STUDY PROGRAM

## BA 421-09 MANAGERIAL COST ACCOUNTING

### COURSE DESCRIPTION:

This course is a study of cost concepts and application related to the use of cost information by internal managers for purposes of planning, control, evaluation and decision-making.

Prerequisite: BA 202. Three semester credits.

Cost management is the proactive action by managers to satisfy customers while continuously reducing and controlling cost.

### COURSE OBJECTIVES:

This course focuses on management decision-making. Managers use cost accounting information to choose strategy, to communicate it and to determine how best to implement it. This information is used to coordinate decisions about designing, producing and marketing a product or service. Accounting has historically assumed the role of systems integrator for U.S. businesses and will likely continue in this role. As such, accounting reflects the changes occurring as a result of this business revolution and must continue to accurately calculate or measure this change.

This course will assist the learner in achieving the following objectives:

1. Explain cost accounting terminology and the cost-volume-profit relationships
2. Analyze costing systems and cost assumptions
3. Develop detailed budgets for planning and controlling
4. Explain pricing decisions based on profitability
5. Evaluate how management control systems influence decision-making.

### SKILLS:

Managerial Cost Accounting study and homework completion will assist students in acquiring skills in applying GAAP and GAAS concepts; to determine how to incorporate FASB standards in business practice; and how to employ managerial Accounting principles in the workplace. Problems related to analytical review will allow students to demonstrate reasoning and critical review skills, as well as essential communication skills.

### REQUIRED COURSE MATERIALS:

1. Horngren, Charles; Foster, George; Datar, Srikant; Rajan, Madhav; and Ittner, Christopher  
*Cost Accounting: A Managerial Emphasis*; Prentice-Hall, 13<sup>th</sup> Edition, 2009;  
Upper Saddle River, N.J.

## 2. Syllabus

You may purchase your textbook through MBS Direct by calling their toll free number at: 800-325-3252 or through the UIU homepage: [www.uiu.edu](http://www.uiu.edu). Click on the link for current students then select order textbooks from the options in the left hand column. Follow the link and select Independent Study for your location.

### **COURSE OVERVIEW:**

Students taking Managerial Cost Accounting will complete the following:

1. Read the chapters in the text, as assigned.
2. Each lesson will include a written assignment that must be completed and submitted to the instructor after reviewing lesson objectives, assigned readings, selected problems for review; and solution handouts included in the syllabus.
3. Send written assignment from Unit I to the instructor for grading.
4. Send written assignment from Unit II to the instructor for grading.
5. Send written assignment from Unit III to the instructor for grading. Request the First Exam now.
6. Take the first exam on Units I, II and III (lessons 1 through 6).
7. Send written assignment from Unit IV to the instructor for grading.
8. Send written assignment from Unit V to the instructor for grading.
9. Send written assignment from Unit VI to the instructor for grading.
10. REQUEST THE FINAL EXAM NOW.
11. Take the Final Exam on Units IV, V and VI (lessons 7 through 12).

### **COURSE FORMAT:**

Each lesson requires that you review the learning objectives and read the assigned material.

#### **Unit I**

- |          |   |
|----------|---|
| Lesson 1 | The Accountant's Role in the Organization |
| Lesson 2 | Introduction to Cost Terms and Purposes   |

#### **Unit II**

- |          |                             |
|----------|-----------------------------|
| Lesson 3 | Cost-Volume-Profit Analysis |
| Lesson 4 | Job Costing                 |

#### **Unit III**

- |          |   |
|----------|---|
| Lesson 5 | Activity Based Costing and Management       |
| Lesson 6 | Master Budget and Responsibility Accounting |

**Midterm Exam**      **Take after completion of Unit III.**

#### **Unit IV**

- |          |   |
|----------|---|
| Lesson 7 | Flexible Budgets, Direct Cost Variances, Management Control |
| Lesson 8 | Flexible Budgets, Overhead Variances, Management Control    |

**Unit V**

Lesson 9	Inventory Costing and Capacity Analysis
Lesson 10	Determining How Costs Behave

**Unit VI**

Lesson 11	Decision Making and Relevant Information
Lesson 12	Pricing Decisions and Cost Management

**Final Exam**                    **Take after completion of Unit VI.**

**STUDY GUIDE INFORMATION:**

The course objectives define the information and theory that you should understand upon completion of this course. Learning objectives are provided with each unit and are specific concepts that you will identify after completion of that unit. These objectives are highlighted in the text material for each lesson.

Each lesson will include problems dealing with specific lesson concepts. Review the problems with solutions provided to offer assistance in completing the homework. You may call me or fax questions if you are having difficulty understanding the material or completing the homework. Please show your work in computational problems and submit answers to assignments one unit at a time. Since most of the material is cumulative in some aspects, feedback is advised prior to turning in the next assignment. Homework will be returned promptly.

If you are having difficulty understanding the text or sample problems, it is advised to purchase the optional study guide. The presentation of course concepts is simpler and in an outline or summary form. The text provides more detail and explanation of course concepts.

**EXAMINATION INFORMATION:**

There are two exams. The First Exam covers Units I, II and III (lessons 1 – 6). The Final Exam covers Units IV, V and VI (lessons 7 – 12).

Each exam contains comprehensive problems, involving more than one step to complete. Each exam is worth 200 points. Together, these two exams constitute approximately 25% of the course grade. Students have two hours to complete the exam. Both exams are open book format. You may use a calculator and a blue book will be provided. The best way to prepare for the exam is to review related homework problems. Exam questions will have a similar solution format. You may request a list of study materials from the instructor.

**NOTE:** In order to pass this course, you must get a passing grade (“D” or better), on at least one of the exams and have enough cumulative points to earn a passing grade.

## **EVALUATION CRITERIA:**

Unit I	Lessons 1 & 2	6 problems	150 points
Unit II	Lessons 3 & 4	6 problems	150 points
Unit III	Lessons 5 & 6	6 problems	150 points
First Exam			200 points
Unit IV	Lessons 7 & 8	6 problems	150 points
Unit V	Lessons 9 & 10	6 problems	150 points
Unit VI	Lessons 11 & 12	6 problems	150 points
Final Exam			200 points

Total Points 1300 points

Homework problems are worth 25 points each.

## **GRADING DEFINITIONS AND CRITERIA**

### **UPPER IOWA UNIVERSITY USES A STANDARD GRADING SYSTEM:**

**A** = All work is excellent, shows exceptional understanding of materials; logical, clear, and insightful written and oral work, incorporates knowledge from other sources and moves easily to the next level of understanding, works well beyond minimum requirements.

**B** = Understanding material is good to very good, demonstrates good grasp of material, good oral and written skills, produces more than the minimum requirements, quality of all work is high.

**C** = Satisfactory understanding of the material, submits only the minimum requirements, communicates adequately in oral and written formats, displays an adequate understanding of all basic concepts.

**D** = Quality and quantity written and oral work is below average and barely acceptable.

**F** = Quality and quantity written and oral work is unacceptable.

## **WRITING PROFICIENCY:**

It is recommended that all papers and research are done in the APA style. We expect appropriate writing skills of proper grammar, punctuation, sentence structure, paragraph development, and logical sequence of thought in all written work, and exams.

It is recommended that all students purchase the APA guide/manual listed on the UIU website. *Publication Manual of the American Psychological Association*. \$27.00 new.

## **CITATION:**

Encyclopedias of any kind, including the very popular Wikipedia, are not primary sources and should not be cited or used in constructing academic papers at the graduate or undergraduate level. They can, however, be useful to help gather some background information and to point the way to more reliable sources.

## **LIBRARY RESOURCES:**

As a student of Upper Iowa University, library resources (online journal databases, e-books, newspaper access, citation help, etc.) are available. If travel to the campus is not feasible, you can access the library through the University's website. Go to: [www.uiu.edu/library](http://www.uiu.edu/library). **To request usernames/passwords for remote library access contact the UIU Library either by phone (563)425-5270, (563)425-5356, or [(563)425-5261, library weekend hours] or, email [library@uiu.edu](mailto:library@uiu.edu)** by clicking on the link. Please be sure to include your student ID number to help verify that you are an Upper Iowa University distance learner. (Hint: consider requesting accesses BEFORE you need the service.) Library help sheets can be found on myUIU.

## **OTHER HELPFUL WEBSITES:**

**Research and Writing:** <http://owl.english.purdue.edu/> . Contains tips on how to write a research paper.

**Bartleby.com:** [www.bartleby.com/reference](http://www.bartleby.com/reference). This site has excellent references, such as *American Heritage Dictionary*, *Roget's Thesaurus*, *Elements of Style* and *Bartlett's Quotations*.

**Britannica.com:** [www.britannica.com](http://www.britannica.com). Plug in any subject, get articles and related Web sites.

**Google:** [www.google.com](http://www.google.com). This site is a great all-purpose search engine on the Web.

**The Internet Public Library:** [www.ipl.org](http://www.ipl.org). A great site to start research and has reference, newspaper, and magazine links. Also contains archives of academic papers and tutorials on how to improve writing.

## **CHEATING, ACADEMIC DISHONESTY AND PLAGIARISM:**

Because cheating, academic dishonesty and plagiarism are affronts to the University community as a whole and a denial of the offender's own integrity, they will not be tolerated. Cheating includes but is not limited to:

- the use of unauthorized books, notes or other sources in the giving or securing of help in an examination or other course assignments,
- the copying of other students' work or allowing others to copy your work,
- the submission of work that is not your own or allowing others to submit your work as theirs,
- the submission of the same work for two or more classes without the approval of any instructors involved.

Academic dishonesty includes, but is not limited to:

- sharing academic materials knowing they will be used inappropriately,
- having access to another person's work without permission,
- providing false or incomplete information on an academic document,
- changing student records without approval.
- obtaining and using texts intended for instructor use only.

Plagiarism includes, but is not limited to:

- the presentation of another's published or unpublished work as one's own,

- taking words or ideas of another and either copying them or paraphrasing them without proper citation of the source,
- using charts, graphs, statistics or tables without proper citation.

Detected cheating, academic dishonesty, or plagiarism will result in consequences that may, at the instructor's discretion, include course failure. In addition, an offender may be reported to the Senior Vice President for the Extended University, the Dean of the Extended University, or designee for possible disciplinary action, which may include suspension or dismissal from the University. Upper Iowa University may make use of various plagiarism detection services. Individuals, by enrolling in courses offered by the University, consent to submission by the University of course-related assignments to such services and the retention of a copy of such assignments by the service.

Cheating, academic dishonesty and plagiarism infractions are tracked by the Dean of the Extended University, and cumulative evidence collected from multiple incidents will be considered when making suspension or dismissal decisions.

Academic Extension Catalog, page 96 or

[http://www.uui.edu/catalogs/eu/policies\\_1.html#conduct](http://www.uui.edu/catalogs/eu/policies_1.html#conduct)

### **ATTENDANCE:**

Even though a student does not attend a regular classroom in the traditional sense and keep up with a set schedule of assignments, it should be pointed out how important it is to keep yourself on a regular timely schedule if possible to complete and send in units. It is too easy to set work aside and decide to do it later. Suddenly, the need to complete assignments and get them in by deadlines can become stressful and, at times, impossible. The key would be to set time aside on a regular basis and submit work in a timely manner.

### **WITHDRAWAL:**

If you wish to withdraw prior to the last day of the enrollment period you must contact the Independent Study office by phone or in writing. After your original six month enrollment period you no longer have the option to withdraw from the course. You must finish the course or have a final grade assigned based on the coursework submitted.

### **SPECIAL NEEDS:**

If you require accommodation for special needs, please provide documentation to: Academic Advising Coordinator.

**This syllabus is tentative and subject to change.**