

DOMINICAN UNIVERSITY
GSB-701-01
MANAGERIAL AND COST ACCOUNTING (aka COST MANAGEMENT)
Syllabus
Spring, 2017

Instructor: Richard Walstra, DBA, MBA, CPA
Assistant Professor of Accounting

Office: Fine Arts 220B
Office Hours: T, Th, 2-4 p.m.; any time, by appointment (including evenings prior to your night classes)

Phone No.: (W) 708-524-6772
(C) 708-420-3137

Email: rwalstra@dom.edu

Meeting Times: Mondays, 6:30-9:30 p.m.
Wednesday, 1/11 ...then Mondays starting on 1/23

Location: **Crown Library 310A (tentative)**

Text and Course Materials

**Hansen & Mowen, CORNERSTONES OF COST MANAGEMENT
3rd Ed., Cengage Learning/Southwestern.** (fountains and clouds on cover)

We will be using CengageNOW as an on-line homework tool. This will allow you to get immediate feedback on your customized homework and will free up class time for more productive learning activities.

Regarding the textbook: You have a few choices for obtaining the book. It is important, though, to **obtain the CengageNOW access code!** The options include:

Hardcopy of textbook with CengageNOW Access (<i>not</i> recommended due to the cost)	ISBN: 978-1305239425
Loose-leaf copy of textbook with CengageNOW	ISBN: 978-1305780194
Ecopy of textbook with CengageNOW	ISBN: 978-1285779348

Note that this can be purchased on-line: www.cengagebrain.com (in essence, you buy the access code and the eBook ('mind tap reader,' in the publisher's lingo) comes with it). If purchased in this manner, you will be buying an **instant** access code, and the ISBN is 978-1285779355.

I recommend the loose-leaf edition bundled with CengageNOW. It is inefficient to buy the access code separately from the book. The eBook also will work fine if you have the book available via a laptop, but quickly finding pages can be an adjustment. This has worked well for many students, though, and during our frequent use of the text, I will refer to page numbers.

Course Description

The course is a study of the internal financial tools and terminology that are used by management for decision-making. The first half of the course focuses on traditional cost *accounting*; the second half emphasizes various elements of cost *management*. Typically, it's a matter of tolerating the first half and enjoying the second half. The class is taught through a mix of lecture, problem solving, group work, and discussions.

Prerequisites

GSB-612 or a financial accounting equivalent

Course Learning Goals

At the completion of this class, students will

1. Be familiar with the environment in which cost accounting is applicable.
2. Understand the basic terminology and concepts of cost accounting.
3. Recognize cost behavior patterns (fixed and variable) and the relevance of those patterns.
4. Know how to develop and apply cost-volume-profit data and contribution margin ratios.
5. Learn to develop and apply activity-based costing models.
6. Know how to perform investment project analysis.
7. Consider issues surrounding the budgeting process and understand the interaction of operating, cash, and capital budgets.
8. Explore the use of several activity based management tools.
9. Understand the elements of the balanced scorecard and the application of strategy maps.
10. Recognize the relevant costs for decision making.

Broader goals of the Brennan School of Business that we will incorporate throughout the class include:

- Appreciation for ethical and socially responsible behavior within the workplace.
- Ability to communicate effectively in written and verbal formats.
- Ability to utilize technology and electronic learning to address business applications.
- Quantitative, analytical and critical thinking skills.
- Understanding of global issues faced by organizations.

Assessment of Student Learning:

Examination (take home)	70 points
Final Project	100
Assignments (11)	220
Cengage quizzes	30
Attendance/Involvement (incl. roundtables)	50
Ethics case study	<u>30</u>
	500 points

Grading rubrics for each element will be posted in Canvas. Course grading will fall into the following ranges. An overall curve might be applied to this grading scale.

A=90%+ B=81-90% C=71-80%

Course Evaluations

All students are expected to complete the formal, on-line course evaluation at the completion of the course. These evaluations are critical for course improvement.

Other Course Notes

Attendance. Attendance is important, both for you and your classmates since we will regularly work in groups. I expect you to arrive on time at the start of class and upon returning from each class's mid-point break. Absences and tardiness will affect the final grade component. Cell phones, etc. should be turned off during class.

Class Involvement. I will do my best to keep the class stimulating, but I need for you to be engaged to make it work. I tend not to call on students while looking for the 'right' answer. But as we discuss assignments, group work, current events, and practical applications, your involvement makes the course a better experience. This is an important way for you to demonstrate your grasp of the topics. Some motivation for you: If your overall course performance is up and down, or if your coursework is on the edge between two grades, *it is this component that will probably be the deciding factor.*

Roundtable Discussions. When I lead the on-line section of this course, I often describe the weekly discussions as being like a figurative roundtable where the students gather in a circle and discuss various topics. I am always at the ready to add my input, but it is rarely needed due to the robust conversations that take place. To encourage similar discussions in the classroom, we will have a weekly discussion topic where all of you will be expected to take the lead and drive the conversation.

Homework. Homework will consist of **six** Cengage on-line assignments (CengageNOW) and a sequence of **five** papers on cost management processes. Due dates for homework are firm, and absences are not an excuse for missing the due dates. You will also have six non-quantitative Cengage quizzes on the first series of chapters.

Testing. The first exam will be accounting focused with short-answer problem solving. It will be a take home exam, which means it will be open-book/open-notes.

The final project (in lieu of an in-class exam) will be submittal of a series of analyses and papers on a number of topics (not nearly as quantitative as the in-class exam). The project will generally be a second round of analysis to the papers prepared for chapters 8 and 11-13.

Accommodation Policy. If you need any kind of **special academic accommodations**, please schedule a conference with me within the first two weeks of the semester.

Plagiarism. Plagiarism from other sources is unacceptable and will result in a zero score on the first occurrence and the likelihood of failing the course for subsequent occurrences. Please note the **Academic Integrity Policy** posted on the Canvas site.

Schedule

1/11 (W)	Ch 1 Introduction to Cost Management Ch 2 Basic Cost Management Concepts	
	Discussion Topic: Examples, and contrast, of financial (external) and managerial (internal) accounting	
1/23 (M)	Refresher of chapters 1 and 2 Consideration of ethics in accounting	
	Discussion Topic: Examples and consideration of ethics in accounting	
1/30	Ch 3 Cost Behavior	
	Discussion Topic: Examples of fixed and variable costs; effect on business flexibility and profitability	Assignment Due: Cengage: Ch 2 HW & quiz
2/6	Ch 4 Activity-Based Costing Ch 5 and 6 (brief coverage)	
	Discussion Topic: Nature of overhead costs; need and ways to actively manage indirect costs	Assignment Due: Cengage: Ch 3 HW & quiz
2/13	Ch 7 Allocating Costs Ch 16 Cost-Volume-Profit Analysis	
	Discussion Topic: Applications of break-even analysis and contribution margins	Assignment Due: Cengage: Ch 4 HW & quiz
2/20	Ch 17 Activity Resource Usage Model and Tactical Decision Making	
	Discussion Topic: Contrast of tactical and strategic decisions	Assignment Due: Cengage: Ch 16 HW & quiz
2/27	Ch 19 Capital Investment Ch 9 (brief coverage)	
	Discussion Topic: Examples of ISO standards	Assignment Due: Cengage: Ch 17 HW & quiz
3/13	Ch 8 Budgeting for Planning and Control	
	Discussion Topic: Budgeting “top 10” from chapter notes and other budgeting dynamics	Assignment Due: Cengage: Ch 19 HW & quiz

3/20	Ch 10 Decentralization: Responsibility Accounting, Performance Evaluation, Transfer Pricing	
	Discussion Topic: Decentralized vs. centralized organizational structure and management	Assignment Due: Company budget forecasts

3/27	Ch 11 Strategic-Cost Management	
	Discussion Topic: Application of 'big 10' characteristics to cost management	Assignment Due: Paper on 'Big 10' characteristics of performance management

4/3	Ch 12 Activity-Based Management	
	Discussion Topic: Review of competencies for selected companies	Assignment Due: Paper on competencies (Ch 11)

4/10	Ch 13 The Balanced Scorecard: Strategic-Based Control	
	Discussion Topic: Root cause analysis; Kaizen costing; value added/non-value added activity	Assignment Due: Paper on ABM tools (Ch 12)

4/17	Ch 14 Quality and Environmental Cost Management	
	Discussion Topic: Review of strategy maps and balanced scorecards for selected companies	Assignment Due: Paper on strategy map/balanced scorecard (Ch 13)

4/24	Ch 20 Inventory Management	
	Discussion Topic: Final considerations of cost management topics	