

**UIC**  
**The University of Illinois at Chicago**  
College of Business Administration  
Department of Accounting

**ACTG 506 - MANAGEMENT ACCOUNTING**  
Fall 2007 - Academic Year 2007-08

**☪ PROFESSOR SOMNATH DAS.**

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**Class Lectures: Tuesday: 6:00-9:00 PM in Room LC C6**

**Office Hours:** Wednesday: 3:30-4:30 PM; and by appointment.  
**Prerequisites:** A grade of C or higher in Accounting 500, OR a passing grade in the Departmental Accounting Qualifying examination.  
**Credit:** 4 credit hours

**Course Objectives:**

This course emphasizes the use of accounting data for management decision making, planning and control. The focus is on the internal use of and generation of cost data by management as opposed to external reporting. The course will be broadly divided into the following three sections:

1. Accounting for Planning & Control including performance evaluation
2. Accounting for Management of Costs and identification of actual product costs.
3. Accounting for non-routine managerial decision making with particular emphasis on pricing decisions.

**Course Materials:**

**Required Text:** Horngren, Datar & Foster, Cost Accounting: A Managerial Emphasis, Twelfth Edition, 2006. Prentice Hall.

**Recommended:**

1. Student Guide by John K. Harris, Prentice Hall..
2. Student Solutions Manual by C. T. Horngren, S. M. Datar, G. Foster, and R. Sarkar.

**Course Website:** <http://blackboard.uic.edu/>

All materials pertaining to the course can be found at the above WEB site. You must be enrolled in the class to access the course site on Blackboard.

You should also visit the Publisher's website for the text at [www.prenhall.com/horngren](http://www.prenhall.com/horngren) for additional support.

### **Course Requirements and Grading:**

Midterm	40%
Final Exam	45%
Team Assignments	<u>15%</u>
TOTAL	<u>100%</u>

Make up exams will be given in exceptional circumstances only before the scheduled examination date and time, and only upon Instructor approval based upon appropriate documentary evidence.

All team assignments will have a portion of the grade assigned for 'Peer evaluation' which should be based upon effort, contribution and cooperation of team members. Any plagiarism from fellow students and or other sources will be penalized appropriately.

The final exam (which has a weight of 45% of the overall course grade) will *approximately* have 80-85% of the questions based upon material covered since the Midterm and the remaining 15-20% based on the cumulative material covered before the Midterm.

A grade of Incomplete (IN) will be assigned only under the conditions set forth in the university catalog. Please refer to the "General Course Policy" Statement of the Department of Accounting for additional information.

### **Course Policy and Procedures**

This course is designed to develop students' analytical ability as well as verbal and written communication skills through lectures and discussions.

- There is a considerable amount of material covered in this course, and it is essential that you stay current with the readings and assignments. On average, more than one chapter is covered each week. It is crucial not to fall behind.
- Students are expected to attend all lectures and are encouraged to participate in class discussions.
- Prior to each class, students are responsible for having completed the readings, problems, and cases before they are covered in class.

**CLASS SCHEDULE & ASSIGNMENTS**  
**(Tentative and Subject to Change)**

Session 1 Aug 28 Assignment	Topic: Introduction to Cost Concepts & Cost Behavior Read: Chapters 1 & 2. 2-21, 2-29.
Session 2 Sept. 4 Assignment	Topic: Introduction to Cost Concepts & Cost Behavior Read: Chapters 3 & 10. 3-27, 3-28, 3-37, <b>3-38, 3-39</b> 10-24, 10-25, 10-31, 10-34; <b>Case: 3-49</b>
Session 3 Sept. 11 Assignment	Topic: Actual and Normal Costing Read: Chapter 4. 4-18, 4-20, 4-28, 4-31, 4-34.
Session 4 Sept. 18 Assignment	Topic: Activity Based Costing Read: Chapter 5. 5-20, 5-24, 5-27, 5-36, 5-38; <b>Case: ABC Ajax Company.</b>
Session 5 Sept. 25 Assignment	Topic: Standard Cost Systems I Read: Chapters 6 & 7; 6-30, 7-19, 7-24, 7-27, 7-31, 7-32, <b>7-37, 7-38</b> , 7-42; <b>DUE: CLP # 5-40;</b>
Session 6 Oct. 2 Assignment	Topic: Standard Cost Systems II Read: Chapter 8 8-19, 8-26, 8-29, 8-33, 8-35, <b>8-39</b> ; <b>Case: Mountain View Hospital</b>
Session 7 Oct. 9 Assignment	Topic: Inventory Costing Systems Read: Chapter 9. 9-18, 9-20, 9-21, 9-30, 9-33; <b>Case: All Fixed Company (#9-32)</b> <b>DUE: CLP # 7-44 &amp; 8-41</b>
Session 8 Oct. 16	<b>MIDTERM (In class)</b> Chapter 1-10. <b>DUE: CLP # 9-42</b>
Session 9 Oct. 23 Assignment	Topic: Decision Making & Use of Relevant Information Read: Chapter 11 11-19, 11-21, <b>11-23</b> , 11-24, 11-28, 11-32, 11-33, 11-35; <b>Case: Ace Moped Company</b>

Session 10 Oct. 30 Assignment	Topic: Pricing Read: Chapter 12 12-17, 12-18, 12-23, 12-27, 12-31, 12-33, 12-36;
Session 11 Nov. 6 Assignment	Topic: Cost Allocation – Common Costs Read: Chapter 15 15-17, 15-18, 15-21, 15-22, 15-27, 15-30, 15-32; <b>Case: Nina Hogan Company</b>
Session 12 Nov. 13 Assignment	Topic: Cost Allocation- Joint Costs Read: Chapter 16 16-19, 16-21, 16-23, 16-25, 16-27, 16-29, 16-33; <b>DUE: CLP # 15-37</b>
Session 13 Nov. 20 Assignment	Topic: Capital Budgeting Read: Chapter 21. 21-25, 21-28, 21-32; <b>Case: Talking Heads Corporation.</b>
Session 14 Nov. 27 Assignment	Topic: Transfer Pricing. Read: Chapter 22 <b>22-19, 22-20, 22-21, 22-23, 22-28, 22-32, 22-33, 22-35;</b> <b>Case: Redwood Forest Company</b> <b>DUE: CLP # 21-36</b>
Session 15 Dec. 4 Assignment	Topic: Divisional Performance Measurement Read: Chapter 23. 23-21, 23-23, 23-25, 23-31, 23-28, 23-30.

**Dec 11**

**FINAL EXAM**

Chapters 11-12, 15-16, 21-23 and cumulative materials before Midterm.

**NOTES:**

1. All references are to the main textbook Horngren, Datar & Foster.
2. In most cases I will do my best to go over all of the assigned problems during class.