

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

**ACTG 326 - Cost Accounting**  
**Fall 2008 - Academic Year 2008-09**

**C** Professor SOMNATH DAS  
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**Class Lectures:**      **Section 1: Tuesday & Thursday:** 12:30PM -1:45 PM in Room LC F3  
**Section 2: Tuesday & Thursday:** 2:00PM -3:15 PM in Room LC C4

**Office Hours:**      Thursday: 3:30-4:30 PM AND by appointment.

**Prerequisites:**      A grade of C (B for Accounting majors) or higher in *both* Accounting 110 & 111, OR a passing grade in the Departmental Accounting Qualifying examination for accounting majors.

**Credit:**              3 credit hours

**Catalog Course Description:** Design of cost accounting systems, alternate costing methods, costing for decision making, budgeting and performance evaluation.

**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, Rajan & Ittner, Cost Accounting: A Managerial Emphasis, Thirteenth Edition, 2009. Prentice Hall. ISBN#0-13-084371-7

**Recommended:**      Study Guide and Student Solutions Manual Accompanying Horngren, Datar, Foster, Rajan & Ittner, 2009. Prentice Hall.

**Course Website:** UIC Blackboard: All materials pertaining to the course can be found at the above WEB site, including lecture notes and cases.

**Course Requirements and Grading:**

Quiz	15%
Exam I	25%
Exam II	25%
Exam III	<u>35%</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.

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.

*Note:*

For satisfactory progress in the accounting major, students must receive a grade of C or better in Accounting 326. This course may be repeated only once.

**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, 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 read the assigned readings and cases.

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

Session 1 Aug 26 Assignment	Topic: Introduction to Cost Concepts Read: Chapters 1 & 2. Review of Accounting 111 Material; 2-22, 2-26, 2-32.
Session 2 Aug 28 Assignment	Topic: Cost Behavior Read: Chapter 3. 3-18, 3-30.
Session 3 Sept. 2 Assignment	Topic: Cost Behavior--- continued Read: Chapter 3 3-37, 3-38, 3-39, <b>Case: 3-49.</b>
Session 4 Sept. 4 Assignment	Topic: Cost Estimation Read: Chapter 10 (pp. 336-351). 10-23, 10-24, 10-31, 10-33.
Session 5 Sept. 9 Assignment	Topic: Actual & Normal Costing Read: Chapter 4 (exclude pp. 110-115). 4-17, 4-20, 4-21, 4-28, 4-31,4-34, 4-35.
Session 6 Sept. 11 Assignment	Topic: Activity Based Management Read: Chapter 5 5-20, 5-24, 5-27, 5-32, 5-38.
Session 7 Sept. 16 Assignment	Topic: Activity Based Management Read: Chapter 5 <b>Case: ABC Ajax Company</b>
Session 8 Sept. 18 Assignment	Topic: Standard Cost Systems I Read: Chapter 6 Problems in Lecture Notes
Session 9 Sept. 23 Assignment	Topic: Standard Cost Systems I Read: Chapter 7. <b>Case: Victoria Corporation</b>
Session 10 Sept. 25	<b>MIDTERM I (5:00- 8:00 PM- No Class during regular hours)</b> Chapters 1-6 & 10
Session 11 Sept. 30 Assignment	Topic: Standard Cost Systems II Read: Chapters 7 & 8 7-19, 7-24, 7-26, 7-30, 7-32, 7-36, 7-39.

Session 12 Oct 2 Assignment	Topic: Standard Cost Systems II Read: Chapters 7 & 8 8-18, 8-19, 8-24, 8-29, 8-33, 8-38, 8-39.
Session 13 Oct. 7 Assignment	Topic: Standard Cost Systems II Read: Chapters 7 & 8 <b>Case: Mountain View Hospital</b>
Session 14 Oct. 9 Assignment	Topic: Inventory Costing Systems Read: Chapter 9. 9-18, 9-20, 9-21, 9-22, 9-28, 9-30, 9-31; <b>Case: All Fixed Company (#9-29).</b>
Session 15 Oct. 14 Assignment	Topic: Decision Making & Use of Relevant Information Read: Chapter 11 11-19, 11-23, 11-24, 11-28.
Session 16 Oct. 16 Assignment	Topic: Decision Making & Use of Relevant Information Read: Chapter 11 11-31, 11-33.
Session 17 Oct. 21 Assignment	Topic: Decision Making & Use of Relevant Information Read: Chapter 11 <b>Case: Ace Moped Company</b>
Session 18 Oct. 23 Assignment	Topic: Pricing Read: Chapter 12 12-17, 12-18, 12-23.
Session 19 Oct. 28 Assignment	Topic: Pricing.... continued Read: Chapter 12 12-24, 12-32, 12-33, 12-35.
Session 20 Oct. 30	<b>MIDTERM II (5:00- 8:00 PM- No Class during regular hours)</b> Chapters 7-9, 11-12.
Session 21 Nov. 4 Assignment	Topic: Cost Allocation I –Common Costs Read: Chapter 15 (exclude pp. 554-560) 15-16, 15-19, 15-21, 15-22, 15-27.
Session 22 Nov. 6 Assignment	Topic: Cost Allocation I- Common Costs.. continued Read: Chapter 15 15-30, 15-31

