

THE UNIVERSITY OF ILLINOIS AT CHICAGO
College of Business Administration
Department of Accounting

Accounting 326 – Cost Accounting
Spring 2009

Instructor:

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Office Hours: Tuesday and Thursday 12:45 – 1:45 pm, and by appointment.

Prerequisite:

For accounting majors: an average of B or higher in Accounting 210 and 211, or a passing grade in the departmental Accounting Qualifying Exam. For other majors: a grade of C or higher in both Accounting 210 and 211.

From the Accounting Department Mission Statement:

The accounting department is committed to quality educational programming, research pursuits and community service. We significantly contribute to the College of Business Administration's mission to create new knowledge, new business, new value and new leaders for Chicago and the world beyond. Students admitted to our degree programs must show the potential and demonstrate proficiency in contemporary management skills such as information technology, communication techniques and teamwork. The program will promote a prospective of the global economy and cultural diversification necessary for the knowledge worker of the 21 century.

Course Objectives:

The main objective of this course is for each student to gain an understanding of the role of managerial accounting in supporting managers in making resource allocation decisions. Additionally, the course will examine in depth the production, analysis and interpretation of managerial accounting information. It will be broadly divided into the following three sections:

- Accounting for Planning and Control including Performance Evaluation.
- Accounting for Cost Management and identification of actual product costs.
- Accounting for non-routine managerial decision making.

Catalog Description:

Design of cost accounting systems; alternative cost methods; costing for decision making; budgeting and performance evaluation.

Required Text:

Cost Accounting: A Managerial Emphasis, 13th edition, By Horngren, Datar, Foster, Rajan, and Ittner, Prentice-Hall, 2009.

Recommended Texts:

Study Guide and Student Solution Manual Accompanying ***Cost Accounting: A Managerial Emphasis***, Prentice-Hall, 2009.

Teaching Method:

I consider learning to be a joint endeavor. It is my job to facilitate learning. It is your job to read the assigned materials and work the assigned exercises and problems before they are discussed in class. This calls for a lot of effort on your part. However, it is the only way you can successfully learn the course material and realistically develop the set of skills needed to become an accountant.

The classes are lecture, discussion, and problem solving oriented. You are encouraged to ask questions and provide comments as considered appropriate. Every student will be called on in class to discuss assigned material and problems. Some problems may be solved in small groups during class, with one or more groups presenting their answers.

Grading:

Course final grades will be determined based upon the following criteria:

First Exam	30%	120 points.
Second Exam	30%	120 points
Third Exam	30%	120 points
Quizzes	<u>10%</u>	<u>40</u> points
Total	<u>100%</u>	<u>400</u> points.

Final grades will be based on a straight 90, 80, 70, 60, scale for an A, B, C, D, etc. The scale may be lowered if deemed necessary.

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

Incomplete:

Incompletes will be granted only in documented cases of undue hardship or clearly extraordinary circumstances, and according to university policies.

Quizzes:

Five quizzes will be administered throughout the semester, with the lowest quiz grade being dropped. Each quiz is worth ten points. There will be no make-up quizzes.

Homework:

Each student is responsible for reading the assigned material and doing all of the assigned problems before class. Homework should be done as assigned but will not be collected. Instead, the quizzes will serve as an indicator of homework progress. Written homework solutions will be available on blackboard shortly after the assignments due date.

Exams:

Exams will consist of multiple choice questions and problem solving. They are to be taken as scheduled in the course calendar. There will be **no make-up exams**.

Attendance:

Regular class attendance is essential and expected. There is a direct correlation between attendance and success in the course. If you miss a class session due to sickness or emergency, it is your responsibility to obtain the class notes from a classmate. You are responsible for everything covered in all class sessions.

Academic Integrity:

In all courses, you are expected to conduct yourselves in a manner that is consistent with the university standards of academic honesty. Any student who cheats on an assignment or exam will receive a grade of "F" for the course and may also be dismissed from the university.

General:

Every effort will be made to adhere to the information and schedule set forth in this syllabus. Any changes, which are necessitated as the semester progresses, will be announced on a timely basis. Regular attendance will insure that you are aware of any modification made.

**Accounting 326
COURSE CALENDAR**

#	Date	Day	Activity and Assignment (<u>Skip Appendices Unless Specified</u>)
1	Jan 13	T	Class: Course Introduction, policies and resources: Blackboard and (www.pearsonhighered.com/Horngren).
2	Jan 15	R	Class: Ch 1: The Accountant's Role in the Organization. Homework : 1 – 20, 23, 25
3	Jan 20	T	Class: Ch 2: An Introduction to Cost Terms and Purposes. Homework: 2 – 20, 22, 26, 28, 31
4	Jan 22	R	Class: Ch 4: Job Costing. (exclude pp. 110-115) Homework: 4 – 17, 20, 21, 28, 31, 34, 35
5	Jan 27	T	Class: Ch 5: Activity-Based Costing and Activity-Based Management.
6	Jan 29	R	Class: Ch 5: Continued. Homework: 5 – 20, 24, 28, 29, 31, 38
7	Feb 3	T	Class: Ch 3: Cost-Volume-Profit Analysis.
8	Feb 5	R	Class: Ch 3: Continued. Homework: 3 – 23, 25, 30, 35, 37, 38, 49
9	Feb 10	T	Class: Ch 6: Master Budget and Responsibility Accounting, including the appendix on the Cash Budget.
10	Feb 12	R	Class: Ch 6: Continued. Homework: 6 – 23, 28, 30, 31, 37
11	Feb 17	T	No Class during regular hours. First Exam: Chapters 1 – 6. Time: 6:00 – 8:00 pm Room: TBA
12	Feb 19	R	Class: Ch 7: Flexible Budgets, Direct-Cost Variances, and Management Control.
13	Feb 24	T	Class: Ch 7: Continued. Homework: 7 – 19, 22, 24, 30, 32, 36, 39 Class: Ch 8: Flexible Budgets, Overhead Cost Variances, and Management Control.
14	Feb 26	R	Class: Ch 8: Continued. Homework: 8 – 18, 19, 24, 29, 33, 38
15	March 3	T	Class: Ch 9: Inventory Costing and Capacity Analysis. Homework: 9 – 18, 21, 22, 28, 30, 37
16	March 5	R	Class: Ch 10: Determining How Cost Behave. (pp. 336-351) Homework: 10 – 23, 24, 31, 32, 33
17	March 10	T	Class: Ch 11: Decision Making and Relevant Information, including appendix on Linear Programming.

18	March 12	R	Class: Ch 11: Continued. Homework: 11 – 19, 23, 24, 25, 28, 29, 31
19	March 17	T	Class: Ch 12: Pricing Decisions and Cost Management.
20	March 19	R	Class: Ch 12: Continued. Homework: 12 – 17, 18, 23, 32, 33, 35
	March 24	T	Spring vacation.
	March 26	R	
21	March 31	T	No Class during regular hours. Second Exam: Chapters 7 – 12. Time: 6:00 – 8:00 pm Room: TBA
22	April 2	R	Class: Ch 15: Allocation of Support Department Costs, Common Costs, and Revenues.
23	April 7	T	Class: Ch 15: Continued. Homework: 15 – 16, 19, 20, 21, 27, 30, 31
24	April 9	R	Class: Ch 16: Cost Allocation: Joint Product and Byproduct. Homework: 16 – 19, 21, 23, 25, 27, 28, 34
25	April 14	T	Class: Ch 21: Capital Budgeting and Cost Analysis, including the appendix on Inflation.
26	April 16	R	Class: Ch 21: Continued. Homework: 21 – 17, 21, 24, 27, 28, 31, 33
27	April 21	T	Class: Ch 22: Management Control Systems, Transfer Pricing, and Multinational Considerations.
28	April 23	R	Class: Ch 22: Continued. Homework: 22 – 19, 20, 21, 23, 28, 32
29	April 28	T	Class: Ch 23: Performance Measurement, Compensation, and Multinational Considerations.
30	April 30	R	Class: Ch 23: Continued. Homework: 23 – 21, 22, 23, 25, 30
	F. Exam Week.		Third Exam: Chapters 15, 16, 21, 22, 23 Date, Time, and Place: TBA

Best Wishes