Course Syllabus
ACCT 7310 – Advanced Cost Accounting

Spring 2016
3 Credit Hours

Last updated: 1/3/2016

Instructor: Dr. Charles Bailey

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Office Hours: Wednesday 4:00–5:30 and 6:00–7:00 p.m. or by appointment

Course Overview

Catalog Description: Budgets, determination of standards, variances and their functions, cost reports, profit projecting, direct costing, gross profit and break-even analysis, cost-profit volume analysis, capital expenditure control, comparative cost analysis.

Note: The details of the class will depend somewhat upon the size of the class. If the class ultimately is small, I can assign and grade more problems on exams, but a large class will require more multiple-choice questions.

Pre-Requisites/Co-Requisites:

PREREQUISITE: ACCT 3310 or ACCT 7110.

Required Texts (and Related Materials):


• I neither require nor recommend the “My Accounting Lab” license, as my students and I have not found it useful.
• This 14th edition is available cheap, used, from Amazon.com, etc.
• Do not buy the 15th edition any other edition.

This textbook is the “gold standard” cost accounting book, first published over 50 years ago, and most other cost accounting books are patterned after it.
Other readings will be from articles in professional journals, as well as cases from the Institute of Management Accountants and other free sources. Articles that I post on my website at www.profbailey.com will be security-protected; you are entitled to all of them, but I don’t want to violate copyright law by allowing the general public access. The password to all of the pdf files posted on my website is swordfishtrombones.

Location of Course Materials:

Teaching materials will be available to you through my web site, www.profbailey.com/acct7310/. Watch your e-mail daily for important announcements and relevant materials. I welcome e-mail and normally answer promptly even during evenings or weekends.

The eCourseware site (www.elearn.memphis.edu) may be used for several purposes, including discussion, submission of assignments, and grade posting.

Course Objectives:

Course Objectives: This course highly technical, and is designed to expand upon the principles of cost accounting learned in a basic course such as ACCT 3310. I have found that students can benefit from a review that takes a deeper look at the “basics,” so we will first spend some time on such a review. Then we will explore more complex decision analyses, which will often stress the importance of thinking beyond the numbers. We will focus on topics such as the following: understanding cost behavior, activity-based costing, variance analysis (including sales variances), inventory management, pricing decisions, behavioral aspects of budgeting, the balanced scorecard, transfer pricing, and performance measurement. Collectively, this analysis should provide a broad basis for understanding the comprehensive role of cost and managerial accounting.

Fogelman College: Learning Outcomes for Your Degree

MS ACCT:
www.fcbassessment.net/LearningOutcomes/MSAccountancyLearningOutcomes.pdf

Course Methodology:

Readings, lectures, and discussion of problems and cases.

Professor’s Expectations:

Applying the common rule of thumb of two hours outside class for each hour in, you should expect to spend about 5–6 hours/week of preparation time. The schedule calls for you to do some reading and preparation before class (except the first class). I will count on you to be prepared and enter into class discussions. Please be on time. Absences beyond two must be excused absences.
Grading and Evaluation Criteria

The course grade will be computed as follows:
- Quizzes (four during the term) 40% (in class or possibly take-home)
- Two Cases 30%
- Final Exam 30% (in class)

100%

Grading for the course will be on the traditional scale of 90–100 = A range, 80–89 = B range, etc. Within each letter grade category, I will assign + or - to those in the top or bottom three points (for example, 98–100 = A+, 90–92 = A-).

Attendance Policy: Regular attendance is critical to the successful completion of the course. No more than two unexcused absences are allowed.

Course Topics

See the “Preliminary Schedule” at the end of this syllabus.

Final Exam Schedule

The final exam is on Wednesday, May 4, 2016, at approximately the normal class time, subject to room availability.

Note that the official final exam schedule is at the Registrar’s academic calendar website.

Course Policies

E-MAIL: The best way to contact me is by email at cbailey2@memphis.edu. I normally respond quickly.

Attendance: Given that we meet only once per week, a class constitutes 7% of the course. Thus, no more than two unexcused absences will be allowed in order to pass the course.

Academic Integrity:

What do we mean by “Academic Integrity”?

The Fogelman College of Business (FCBE) has established a standard set of guidelines for all students taking courses or pursuing a degree through the college. You should take the time to review the information on the Fogelman College Academic Integrity website www.memphis.edu/fcbe/integrity and follow up with your course instructor if you have any questions.

Why is it important in the Fogelman College?

Honesty and integrity is an important aspect to being successful in business and industry and the Fogelman College of Business strives to produce graduates who provide the highest level of knowledge and competence in their field, but do so ethically and by not cutting corners.

The greatest reward for being honest in your academic work is not by avoiding getting caught, but instead by ensuring the work that you do is your own and not someone else’s.
You get that professional reward by investing the necessary effort to succeed based on individual performance. Not only is that the right thing to do from an academic perspective, but it also helps you be even more prepared for professional success outside the classroom.

How Academic Integrity is reinforced and achieved in this course:

- All work on exams and reports must be your own (or joint with teammates, as instructed).
- Give credit to your sources for all materials (ideas as well as words) in reports.
  - If it’s a direct quote, indicate by quotation marks.
- Your report cannot be the same as submitted for another class, past or future.

As defined at [www.memphis.edu/fcbe/integrity](http://www.memphis.edu/fcbe/integrity), plagiarism is “The adoption or reproduction of ideas, words, statements, images, or works of another person as one’s own without proper attribution.” Thus, anything submitted as your own work that is copied from another person or source is plagiarism. This is particularly relevant to the Excel Projects and Exams in this course.

The Fogelman College appropriately requires the following statement:

> “Note that using a “Solutions Manual” is considered cheating. Should your professor have evidence that using a “Solutions Manual” has occurred, he/she may take steps as described on the campus’ Office of Student Conduct website.”

- **Do not copy another person’s material or give another person a copy of yours.** If it is copied, both the individual submitting the copied file, and the individual it came from, will be **charged with plagiarism** and will have two choices:
  - Challenge the decision after seeing my evidence; or
  - Sign a statement admitting plagiarism and receive a maximum of “C” in the course. The statement will be forwarded to the Office of Student Conduct.

**Late Assignments:**

Assignments normally will not be accepted after the deadline, but I will attempt to accommodate your needs in case of emergency.

**Extra Credit:**

No credit beyond the points described under Grading and Evaluation Criteria will be allowed.

**Student Services**

Please access the [FCBE Student Services](http://www.memphis.edu/fcbe/integrity) page for information about

- Students with Disabilities
- Tutoring and other Academic Assistance
- Technical Assistance
- Advising Services for Fogelman Students
<table>
<thead>
<tr>
<th>Date</th>
<th>Assignments to Prepare before Class (except first day)</th>
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<tbody>
<tr>
<td>1/27</td>
<td>- Read Ch. 3 (CVP Analysis) with extended coverage of uncertainty. Work Pr. 25, 32, 38, 39, 40, and 44.</td>
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<td></td>
<td>- Read Ch. 5, Activity-Based Costing. Read this case: Montclair Paper Company.pdf. Prepare notes to discuss in a small group and prepare a common solution in class. I will select one of the groups to explain the case. Also available: Chapter 5--Narrated Lecture.</td>
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<td>2/3</td>
<td>Review Ch. 7 on Standard Costing (&quot;Flexible Budgets, Direct-Cost Variances, and Management Control&quot;). Also see narrated lecture HorngrenCH07 for ACCT7310-NARRATED-Bailey.pptx. I will not repeat this lecture in class. We will promptly move on to the material in the Appendix (pp. 248-249) and related material in Ch. 14 on Sales Mix and Sales Quantity variances.</td>
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<td>2/10</td>
<td>Problems, Ch. 7 &amp; 14 Standard Costing and variance Analysis: Problems on variance analysis 7-24, 26 (done in class 2-4-15), 34, and 39; 14-23. Ch. 8, Overhead variances: Pr. 8-31, 32, 34, &amp; 39.</td>
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<td>2/17</td>
<td>QUIZ 1; other TBA.</td>
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<td>2/24</td>
<td>Ch. 12, Problems 17, 33, 34, 35, &amp; 36. Read Ch. 21, Capital Budgeting</td>
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<td>3/2</td>
<td>Problems. Ch. 21-18, 19, 22, 27, 28, 29, 30, &amp; 31; Read Ch. 15, Allocation of Cost and Revenue (except Learning Objective 3, which I cover intensively in Controllership).</td>
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<td>3/9</td>
<td>Spring Break week</td>
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<td>3/16</td>
<td>QUIZ 2 (Ch. 12, 21); read Ch. 19, Time, Quality and theory of Constraints ====&gt;Narrated slides-CH19.pptx</td>
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<td>3/23</td>
<td>Case 1 is due; problems Ch. 15 (28, 33 &amp; 35) &amp; 19 (1 thru 11, 16* thru 19, 22, 23, 27, 29, 30, 31 and 32. *Here is a template for 19-16 to save you some time entering data.xlsx).</td>
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<td>3/30</td>
<td>Read Ch. 13, Strategic Analysis of Operating Income (omitting Appendix).</td>
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<td>4/6</td>
<td>QUIZ 3 (Ch. 15, 19); Problems in Ch. 13--Strategy, Balanced Scorecard, and Profitability Analysis: #18* through 21; 26 through 29. ^Note: in some printings of the book there is a typo in line 8 of the table given in problem 18. It should read “(Row 7 / Row 6)” and not “(Row 8 / Row 7.”</td>
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<td>4/13</td>
<td>Read Ch. 11, Decision Making and Relevant Information, including Appendix on Linear Programming. Work Pr. 17, 19, 32, &amp; 35.</td>
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<td>4/20</td>
<td>Financial LP problem; Ch. 11 Problem 40 (for this one, set up the LP problem in Excel and use Solver to solve it)</td>
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<td>4/27</td>
<td>QUIZ 4 (Ch. 13 &amp; 11). Case 2 due. Review material: Please review Quizzes 1 to 3 and bring any questions about items you still don't understand. I will plan some in-class activities related to key ideas we have covered.</td>
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<td>5/4</td>
<td>Final Exam (comprehensive, in class)</td>
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