

ACCT 535 – Management and Cost Accounting

Syllabus – Spring 2016 – MW – 12:30-1:50

Classroom: JKP 202

Professor: Doug Wride

Mobile: 714-595-4077

Office Hours: By appointment. Arrange by email. I will do my best to accommodate your schedule on campus on Mondays and Wednesdays but will generally be available for an hour before and after class. I can also be available by email, SKYPE, Facetime and phone most other days.

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COURSE DESCRIPTION

This course provides an introduction to the subjects of “Management Accounting” and “Cost Accounting.”

Management Accounting is different from financial accounting as it is intended for internal management purposes and should influence management in their decision making. This accounting involves company set processes that cut across many roles in the organization and considers both financial and operating information. Within Management Accounting, we will discuss the development of business strategies, the budgets to support those strategies, the actual financial results, the variance analysis between budget and actual results, and finally we will explore the actions that might be considered in order to improve results. We will also explore how Management Accounting can be used to account for operational matters which can measure performance across the organization.

Cost Accounting can apply to the cost to build a tangible product, the cost to deliver a professional service, the cost of operating separate or combined divisions, the cost of managing product warranties, and more. The results of these calculations heavily influence pricing models, build/buy and other operational decisions, in addition to inventory valuation.

Learning Objectives

Please see the Graduate Program Student Learning Outcomes near the end of this syllabus. This course will focus on outcome #1—Technical, Conceptual, Problem-Solving, and also on #2 - Professional Development and #4 - Ethical Principles and Professional Standards. Through course lectures, class discussions, assignments, and activities throughout the semester, students who successfully complete this course should be able to accomplish the following learning outcomes:

- Analyze complex cost accounting issues individually and in teams.
- Identify potential challenges and issues given a problem, case or current event and evaluate their effect on management decisions and cost reporting.
- Present recommended positions through discussion or in writing.

- Understand how cost accounting information is generated such that the ability to make sound business decisions is enhanced in real-world business environments.
- Evaluate management control environments, document them and present their merits and intended use through discussion or in writing.
- Understand that different industries, different size entities, and different cultures can generate different acceptable solutions to the same problem or scenario.

Required Materials

- Primary text: Anthony, Hawkins and Merchant (AHM), (2011). Accounting: Text and Cases, 13th edition, McGraw-Hill/Irwin.
- Other materials will be made available when appropriate.

Course Restriction/Recommended Preparation

Course is restricted to students that have participated in the Summer Intensive Program, Summer 2015.

Course Notes

A non-mandatory site visit is associated with this class and has been scheduled for Friday, January 29th. More information will be made available when appropriate.

Grading Policies

The requirements of the course are identical for everyone. This means it is not possible to “make up” for poor performance through “extra credit” work.

We adhere to the USC Leventhal School of Accounting and Marshall School of Business grading standards for graduate programs. In general, final course grades at the graduate level in a core course average approximately B+ (3.3), but may vary based on class performance. For elective courses, the class average is usually higher--approximating 3.5, which is between a B+ and an A-. You must receive a C or better to pass a required class, and you must have an *overall* B average (3.0 minimum) in order to graduate from USC. The graded elements of this course are listed in this syllabus along with information about how they will be evaluated.

ASSIGNMENTS AND GRADING DETAIL

Activity or Graded Element	Points
Class Contribution, January 11 thru March 9	75
Class Contribution, March 21 thru April 29	125
Problem Reviews	100
Group Projects	125
Midterm Exam	275
Final Exam	300
Maximum Possible	1,000

Final grades represent how you perform in the class relative to other students. Historically, the average grade for this class is between a B+ and an A-. Three items are considered when assigning final grades:

1. The overall average number of points earned in the class—this establishes the B+ range.
2. Your ranking among all students in the class, and whether you are at, above, or below the mean.
3. The high, average, and low number of points earned in the class and how they are distributed among students.

Assignment Submission Policy

Assignments must be turned in on the due date/time either in person or electronically via Blackboard, in accordance with the assignment instructions. Any assignment turned in late, even if by only a few minutes, will not receive full credit. Late work will be accepted only at the discretion of the professor, depending on the circumstances. Late or not, however, you must submit all required assignments to pass this course.

ATTENDANCE AND CLASS CONTRIBUTION (200 points)

Attendance and contribution are fundamental elements of this course. Attendance at each session is mandatory. Much of your learning will occur in preparation for and participating in the problem and case discussions. Class discussion allows the cumulative insights of your colleagues to contribute to your learning. Thus the entire class learning experience relies on each of you taking responsibility for contributing to the discussion. In order to do so, it is imperative that each of you arrives on time and fully prepared each day.

In order to emphasize the necessity to be prepared for and to contribute to each class, class contribution will comprise 20% of your grade. As is the case with real world work environments, you are judged by what you contribute. Even if you feel that you know the material, unless you share your insights with the class, I cannot adequately evaluate your preparedness and contribution and the other students cannot learn from your experiences, thoughts and observations. Students are not penalized for making comments that don't appear to be the "right answer". However, credit will only be given for thoughtful contributions, not mere fluff comments. You are rewarded for your contribution quality, not quantity of participation. Your contribution grade will be based on how much you contribute to the class learning, not just by how much you talk in class. It is only through consideration of many diverse opinions and viewpoints that we will move toward a greater shared understanding of the multi-dimensional material that this course includes.

Each class, the discussion will be opened with a summary of the key issues presented in the assignment. It is important that each of you be prepared to respond to the invitation to discuss the assignment. You should be able to identify the key issues, problems and opportunities facing the central case protagonist(s), to articulate and evaluate alternative approaches to problems, and to describe the course of action that you recommend and the reasons for your recommendations. It is important to appreciate that every student is an important cog in the class discussion, and that it is equally important that each of us listen carefully to one another and attempt to build on or constructively critique prior comments. Some of the specific things that will have an impact on effective class contribution and on which you will be evaluated include:

- Is there a willingness to take intellectual risks and test new ideas, or are all comments "safe"? Safe comments include repetition of case facts without analysis or conclusions or repeating comments that have already been made by someone else. Such safe comments do not earn points.

- Are the points made relevant to the discussion? Are they linked to the comments of others and to the themes that the class is exploring together at that time?
- Is there a willingness to challenge the ideas that are being expressed?
- Does the participant synthesize material from past classes or the readings where appropriate? Do the comments reflect cumulative learning over the course and the MAcc curriculum, or does the participant merely consider each case in isolation?
- Is theoretical material applied effectively and appropriately?

Finally, I understand that participating in class can be an intimidating experience initially, but it will be a key factor to the success of this course and therefore imperative. I will evaluate each person's contribution for every class by assigning a 0, 1, or 2 score for the day. In addition, a different class member will be assigned to be a "peer evaluator" for each class period. That "peer evaluator" will receive a "2" score for that day and will offer a confidential interpretation of the quality of class contribution by noting their assessment using the same scoring scale. I will use these peer assessments to supplement my own evaluation. It is understood that class time will not allow every student to make quality contributions in every class. Therefore, the scores will be averaged throughout the first and second halves of the semester with the expectation that each student is making a weekly contribution. At several points in the semester, I will make a progress report of your scoring average as of that date available to you.

After the second class, I expect students to attempt to occupy the same seat every class so that they can be easily identified for contribution scoring purposes. Also, please display your name cards prominently every day.

PROBLEM REVIEWS (100 points)

Homework problems will be due and submitted on a minimum of four days during the semester. We will discuss these problems in class and your answers will be reviewed for analysis and clarity of explanation. Homework submittal not only validates that the work is being done, but also that the student has understood the subject matter.

GROUP PROJECTS AND SITE VISIT (125 points)

There will be two group projects and a site visit during the semester. The site visit will be on a non-class day, Friday January 29, 2016. This site visit is not mandatory, but it is desirable that you participate. The experience should be interesting and valuable as we obtain an inside look at how a company builds their products, accounts for those costs and the wide variety of factors that can impact those costs. After lunch that day we will board a bus on campus and travel to the business site. We will meet with company representatives to tour the facility and hear their story along with plenty of opportunity to ask questions. We will return to campus on the bus by 5pm.

The first group project will revolve around the site visit. You will be assigned to small groups before the site visit during which you will be expected to obtain information that allows you to complete the project. If you are not able to attend the site visit, participation in the group project is still required. You will be expected to gain significant knowledge related to the project online, work within your group and turn in the project on the assigned date.

The second group project involves two related cases included in the textbook. These cases involve important cost accounting concepts and the class should benefit from sharing thoughts and working

on them together within the assigned small groups. This group project will be completed over three class sessions and turned in hard copy at the beginning of the third class session.

The site visit group project and the second group project will be worth 50 and 75 points, respectively. It is anticipated that working together on two group projects in the first two months of the course will encourage informal student group efforts on the daily assignments. Sharing of ideas and understanding is a foundation of this course.

EXAMS (575 points)

Both mid-term and final exams are open book/open notes examinations.

The final will not be cumulative and will focus on the materials covered in the second half of the course. However, it should be noted that some of the concepts covered in the first half of the course carry over as building blocks into the second half of the course.

Final Schedule

At my request and the approval of the Office of the Dean, the final exam has been scheduled for Tuesday, May 3, 2016, time and location TBA.

ADDITIONAL INFORMATION

Retention of Graded Coursework

Final exams and all other graded work which affected the course grade will be retained for one year after the end of the course *if* the graded work has not been returned to students. (i.e., if I returned a graded paper to you, it is your responsibility to file it, not mine).

Technology Policy

Internet usage is not permitted during class sessions unless I expressly ask you to access the Internet. This includes email and all forms of social media. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted. If you need to text someone or take an emergency phone call, please excuse yourself from the class for the remainder of the class period.

Academic Conduct

Students enrolled in any class offered by the Leventhal School of Accounting are expected to uphold and adhere to the standards of academic integrity established by the Leventhal School of Accounting Student Honor Code. Students are responsible for obtaining, reading, and understanding the Honor Code System handbook. Students who are found to have violated the Code will be subject to disciplinary action as described in the handbook. For more specific information, please refer to the Student Honor Code System handbook, available during orientation or from the receptionist in ACC 101.

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards*

<https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage <https://sarc.usc.edu/reporting-options/> describes reporting options and other resources.

Support Systems

A number of USC's schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students.

The Office of Disability Services and Programs

http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html provides certification for students with disabilities and helps arrange the relevant accommodations.

If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu/> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

Important Dates - Spring Semester 2016

For Graduate Classes that run the full semester

Jan 11	First day of Classes
Jan 18	USC Holiday - Martin Luther King, Jr.
Jan 29	Last day to Add/Drop <u>with a refund</u> and without a "W"
Feb 15	USC Holiday - Presidents' Day
Feb 26	Last day to Drop class <u>without a refund</u> and without a "W"
March 14 - 20	SPRING BREAK
April 8	DROP DAY - Last day to drop a class with a mark of "W"
April 29	Last day of Classes
May 4 - 11	Finals Week (See below for exact date/time for this course)
May 13	COMMENCEMENT

Emergency Information

USC Emergencies: 213-740-4321

USC Public Safety - Non Emergencies: 213-740-6000

USC Emergency Information Line: 213-740-9233

USC Information Line: 213-740-2311

KUSC Radio 91.5

GRADUATE PROGRAM STUDENT LEARNING OUTCOMES

Five Student Learning Outcomes for the Master of Accounting and Master of Business Taxation programs were developed by the USC Leventhal faculty and administration and filed with the AACSB, the accrediting body for accounting and business schools. These outcomes were included in your fall semester syllabi. This course will deal primarily with the Outcome #1- Technical, Conceptual, Problem-Solving. To a lesser extent, this course will help you meet Learning Outcomes #2 and #4.

Student Learning Outcomes, USC Leventhal Masters Programs

1. Technical, Conceptual, Problem-Solving

Students will be competent in and be able to apply discipline-specific knowledge and skills in the fields of accounting or taxation. This learning outcome includes the development of critical thinking and problem-solving skills, as well as an understanding of the strategic role of accounting and taxation in business organizations and society.

2. Professional Development

Students will be able to communicate clearly and strategically, after considering the relevant audience, situation, and purpose of the communication. Students will demonstrate the ability to work productively with others to accomplish established goals.

3. Research/Life-Long Learning

Students will be able to use relevant research databases and academic/professional literature to gain new knowledge and analyze business situations.

4. Ethical Principles and Professional Standards

Students will be able to apply ethical principles and professional standards in analyzing situations and making informed decisions.

5. Globalization and Diversity

Students will be able to demonstrate an international perspective and appreciation for diversity and cultural differences, along with their significance in global business.

See Course Schedule Beginning on Next Page

COURSE CALENDAR/READINGS/CLASS SESSIONS
TENTATIVE SCHEDULE (i)

Session #	Day	Date	Topic	Assignment
1	Mon	Jan 11	Course Introduction	AHM Chapters 1 & 15
2	Weds	Jan 13	Effects of Cost Allocations on Profit Numbers	Case Prep & Questions
	Mon	Jan 18	Martin Luther King Holiday	No Class
3	Weds	Jan 20	Cost Behaviors	AHM Chapter 16 & Problems
4	Mon	Jan 25	Cost Behaviors	Case Prep & Questions
5	Weds	Jan 27	Full Costs and Their Uses	AHM Chapter 17 & Problems
	Fri	Jan 29	Site Visit	Site Visit Group Project
6	Mon	Feb 1	Full Costs and Their Uses	Case Prep & Questions
7	Weds	Feb 3	Product Costing Systems	Site Visit Group Project AHM Chapter 18 & Problems
8	Mon	Feb 8	Product Costing Systems	Case Prep & Questions
9	Weds	Feb 10	Product Costing Systems	Case Prep & Questions
	Mon	Feb 15	Presidents Day Holiday	No Class
10	Weds	Feb 17	Discuss Site Visit Group Project and Product Costing Systems	Group Project Cases
11	Mon	Feb 22	Product Costing Systems	Group Project Cases
12	Weds	Feb 24	Variable vs Full Costing	AHM Chapter 19 & Problems
13	Mon	Feb 29	Variable vs Full Costing	Case Prep & Questions
14	Weds	Mar 2	Cost Variance Analysis	AHM Chapter 20 & Case Prep
15	Mon	Mar 7	Cost Variance Analysis	Case Prep & Questions
16	Weds	Mar 9	Mid-Term Exam	
		Mar 14 - 18	Spring Break	
17	Mon	Mar 21	Other Variance Analysis	AHM Chapter 21 & Case Prep
18	Weds	Mar 23	Other Variance Analysis	Case Prep & Questions
19	Mon	Mar 28	Management Control Environment	AHM Chapter 22 & Problems

20	Weds	Mar 30	Management Control Environment	Case Prep & Questions
21	Mon	Apr 4	Management Control Process	AHM Chapter 23 & Case Prep
22	Weds	Apr 6	Strategic Planning & Budgeting	AHM Chapter 24 & Problems
23	Mon	Apr 11	Strategic Planning & Budgeting	Case Prep & Questions
24	Weds	Apr 13	Performance Measurement	AHM Chapter 25 & Problems
25	Mon	Apr 18	Short-Run Alternative Choice Decisions	AHM Chapter 26 & Case Prep
26	Weds	Apr 20	Longer-Run Decision Making & Capital Budgeting	AHM Chapter 27
27	Mon	Apr 25	Longer-Run Decision Making	Case Prep & Questions
28	Weds	Apr 27	Review	
	Tues	May 3	Final Exam, Time TBA	
<p>(i) This schedule is tentative and may need to be adjusted to accommodate guest speakers and the pace of the class. Detailed assignments will be posted monthly on BlackBoard and occasionally adjusted in class.</p>				