



BUAD 281 – Introduction to Managerial Accounting

Course Syllabus

Spring Semester 2017

Sections – 14528R, 14529R, 14530R; Location – JFF LL102

Class Sessions – T/TH 12:30-1:50PM

T/TH 2:00-3:20PM

T/TH 3:30-4:50PM

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Office Hours: T/TH 5:00-6:00PM

Course Description

This is an introduction to accounting II course for undergraduate students whose majors require: understanding the impacts management choices have on organizations; knowledge of basic management accounting tools, techniques and best practices; and the ability to leverage the variety of information the accounting discipline provides managers and organizational decision makers. The primary focus of the course is the development, presentation and understanding of accounting information useful to a variety of stakeholders when analyzing results and supporting decisions related to: business operations, product costing and overhead application, sales volume and organizational profits, budgeting and planning, organizational / management performance, and transfer pricing.

Learning Objectives

Upon completion of this course, you should be able to:

- Demonstrate an understanding of the key principles and assumptions used by accountants when providing information to management and other stakeholders by answering questions and solving problems. *(Marshall Learning Goal 1.1)*
- Analyze the manufacturing cost flows of an organization and their impact on profitability by producing a schedule of cost of goods manufactured and sold. *(Marshall Learning Goal 1.2)*
- Analyze the cost, volume and profit relationships of an organization by calculating the contribution margin, breakeven point and target profits given a variety of business scenarios. *(Marshall Learning Goal 3.1, 3.2, 3.3)*
- Distinguish between traditional job costing and activity-based costing methodologies and their impact on organizational stakeholders by applying both techniques to business situations and evaluating the results. *(Marshall Learning Goal 4.1)*
- Analyze and identify cost information that is relevant for decision makers by recognizing and applying the relevant elements in a variety of decision making scenarios likely to face professional managers. *(Marshall Learning Goal 3.4)*
- Analyze and demonstrate how strategic planning and budgeting processes enhance an organization's ability to respond to economic changes by preparing elements of the master budget and a flexible budget. *(Marshall Learning Goal 2.1, 3.4)*
- Describe and demonstrate appropriate control and performance evaluation metrics in a multi-product, hierarchical organization by analyzing overall and segment performance using rate-of-return, residual income, and non-financial measures. *(Marshall Learning Goal 3.3, 4.1)*
- Evaluate the general financial prospects of an organization and the impact of management decisions on operational results by analyzing a variety of operational information and developing a spreadsheet model to project a potential anticipated future performance of a large public company. *(Marshall Learning Goal 1.4, 3.5)*

To achieve these learning objectives, a combination of background reading, interactive discussion / lecture and practice problems will be utilized. Please note, the most important word in the sentence above is “interactive.” The reason is that research on learning indicates it is very difficult to gain anything more than a superficial understanding of material without practice and feedback. Therefore, you should expect our class sessions to incorporate a substantial amount of both.

To demonstrate your achievement of the learning objectives stated above: 1) you will be required to demonstrate your knowledge by individually working problems during quizzes and exams; and 2) you may be asked to complete in class group assignments on an ad hoc basis at the professor’s discretion.

Required Materials

The following book is available in the bookstore:

- Garrison, R.H., Noreen, E.W., Brewer, P.C., (2014). *Managerial Accounting, 15th Ed.* New York: McGraw-Hill Higher Education (978-0-07-802563-1)

Feel free to purchase the books online as this can result in substantial cost savings. However, if you choose to purchase the books online, please be aware that you are responsible for making alternative arrangements for completing all readings and advance preparation until the books arrive.

Prerequisites and Recommended Preparation

Although there are no formal prerequisites for this course, regularly reading a general business periodical or newspaper’s financial section will aid in your business education. The Wall Street Journal can be purchased at a discounted student rate at www.wsjstudent.com.

In addition, you will find it helpful to bring a calculator to class to work discussion problems and in class assignments. For exams, only school provided calculators will be allowed.

Course Notes

Distributed materials and other class information will be available through your Blackboard account. Although not a required / formal part of the class, additional materials can be found on the Wiley Plus website if you purchased the course pack through the bookstore.

Grading Policies

Your grade in this class will be determined by your relative performance on exams, quizzes (dropping the lowest one), in-class exercises, and a team project. The total class score will be weighted as follows:

	Weight
Exam I	25%
Exam II	25%
Final Exam	25%
Quizzes	10%
Homework	5%
Participation/In-class/Excel labs	5%
Team project	5%

After each student’s weighted total points are determined for the semester, letter grades will be assigned on a curve according to Marshall School of Business grading guidelines.

Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about a 3.0 (i.e., a “B”). Three items are considered when assigning final grades:

1. Your score for each of the items above weighted by the appropriate factor and summed.
2. Your overall percentage score for the course.
3. Your ranking among all students in the course(s) taught by your instructor during the current semester.

The grade of “W” is allowed only if a student withdraws after the official add period and before the end of the drop period during the semester. The grade of incomplete (IN) can be assigned only if there is work not completed because of a documented illness or unforeseen emergency occurring after the drop period of the semester that prevents the student from completing the semester. An “emergency” is defined as a serious documented illness, or an unforeseen situation that is beyond the student’s control, that prevents a student from completing the semester. Prior to the end of the drop period, the student still has the option of dropping the class so incompletes will not be considered. Arrangements for completing an IN must be initiated by the student and agreed to by the instructor prior to the final examination. All work required to replace the IN with a final grade must be completed within one calendar year from the date the IN was assigned. If the student does not complete the work within the year, the IN will automatically be converted to a grade of F.

Assignments and Grading Detail

Expectations regarding your performance on exams, quizzes, in-class exercises and the team project are as follows:

Exams

Exams may include: multiple-choice questions, short answer / brief essay questions, exercises, and problems. Preparing for exams involves dedication and ends only when you can: 1) identify the relevant issues in a given business situation; 2) analyze the data and transform it into information to be used in a comprehensive answer; and 3) explain what you did using techniques demonstrated in class. The best bet for success involves a number of steps. First, is making sure you do the advanced preparation for each class session. Second is reworking problems done in class and trying other / additional problems. Third is making sure you ask questions in a real-time manner to solidify your understanding of the material as we go, rather than trying to ‘get it’ right before an exam. Remember, on exams you will be required to perform all work (e.g., problem setup, solution generation, and answer presentation) on your own.

The exam dates for this Spring are as follows:

Exam I	Friday	February 10 th	(8:00 AM – 9:50 AM)
Exam II	Friday	March 10 th	(8:00 AM – 9:50 PM)
Final exam	Saturday	May 6 th	(11:00 AM – 1:00 PM)

During the semester, each exam will be returned no more than one week after it has been given. After each test is returned there is a one-week reflection period and then you will have one week to discuss your grade. After this time, grades on tests become final. All other grades are final once given.

The Leventhal School of Accounting policy is exams should not be missed unless there is a very serious emergency AND it can be properly documented. Also, to the extent possible, you must inform the instructor of the emergency prior to the exam (it is understood this is not always possible). If you miss an exam for something other than a serious emergency and / or you cannot provide documentation, you will receive a zero grade for the exam. If there is a serious emergency, you can provide proper documentation and (when possible) have notified me before the exam, a substitute grade will be calculated based on the normalized average of your remaining future exams.

The final exam must be taken at the scheduled time unless an incomplete contract has previously been approved according to Leventhal School of Accounting guidelines.

Excel Labs

There are 3 Excel lab sessions scheduled for this semester. The dates for the lab sessions are as follows:

Lab I	Friday	February 3 rd	(8:00 AM – 9:50 AM)
Lab II	Friday	March 3 rd	(8:00 AM – 9:50 AM)
Lab III	Friday	April 14 th	(8:00 AM – 9:50 AM)

Attendance and participation is **mandatory**. The labs will teach you “best practices” of Excel-based financial modeling (and will be fun!). You must bring a laptop with Microsoft Excel installed on it to each lab session. If you do not have a laptop with Microsoft Excel, please speak with your instructor at least a week before the first lab date.

Quizzes

Quizzes may include multiple-choice questions, exercises and problems. They will be given one ‘class week’ before each exam (including the final) and are designed to prepare you for the upcoming exam. Preparing for quizzes is facilitated by keeping up with the work in class, reworking problems we have done in class, and trying other problems. No make-up quizzes will be given as only the **two** highest raw scores are used to generate the quiz component of the total score.

In-class Exercises

At various points during the semester, unannounced exercises will be introduced to provide students with examples of kind of material they should expect to see on exams. These exercises can be completed by ad hoc groups, of four members or less, using any course materials present (i.e., open book / open notes). Points are earned by students completing the exercise based on the proper application of the techniques covered during class discussion. No make-ups or alternative assignments will be accepted.

Team Assignment

The Team Assignment will be handed out during the semester. It is a research based assignment that will require your team to evaluate a public company and produce a class presentation, best practice based Excel model, and written report covering a variety of organizational performance characteristics. You will document your results by: 1) delivering a professional / high quality copy of the report as indicated in the class schedule; and 2) presenting key findings to the class on the day of presentations.

MARSHALL GUIDELINES

Learning Goals

In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Description	Course Emphasis
1	Our graduates will have an understanding of the key business areas and their reciprocity <i>to effectively manage different types of modern enterprise.</i>	Medium
2	Our graduates will have a global mindset <i>demonstrating an understanding of the interplay of local, regional, and international markets, and economic, social and cultural issues.</i>	Low
3	Our graduates will demonstrate critical thinking skills, decision-making, and problem-solving abilities <i>to strategically navigate complex demands of business environments.</i>	Medium
4	Our graduates will demonstrate leadership skills <i>aspiring to be informed, sensible, future-oriented leaders and innovators.</i>	Low
5	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities <i>and aspire to add value to society.</i>	Low
6	Our graduates will be effective communicators in speaking and writing <i>to facilitate information flow in organizational, social, and intercultural contexts.</i>	Low

Add / Drop Process

Students may drop via Web Registration at any time prior to Friday, April 7th. Please note that if you drop after February 24th your transcripts will show a W for the class. Students may add the class as space becomes available via Web Registration through Friday, January 27th.

Dates to Remember:

Last day to add classes or drop without a "W"	Friday – February 24 th
Last day to change enrollment from P/NP to Letter Grade	Friday – February 24 th
Last day to drop with "W"	Friday – April 7 th

Retention of Graded Coursework

Graded work that has not been returned to you will be retained for one year after the end of the semester. Any other materials not picked up by the end of the semester will be discarded after final grades have been submitted.

Technology Policy

Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by the professor. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. Upon request, all electronic devices in your possession (e.g., cell / smart phones, tablets, laptops, etc.) must be completely turned off and / or put face down on the desk in front of you. In addition, at certain times (i.e., during exams), you might also be asked to deposit your devices in a designated area in the classroom. Video recording of faculty lectures is not permitted due to copyright infringement regulations. Audio recording is only permitted if approved in advance by the professor. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

Recordings

No student may record any lecture, class discussion or meeting with the professor without the professor's prior express written permission. The word "record" or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. The professor reserves all rights, including copyright, to lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in this class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. Exceptions are made for students who have made prior arrangements with DSP and the professor.

Statement for Students with Disabilities

The Office of Disability Services and Programs (www.usc.edu/disability) provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

Statement on Academic Conduct

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

Academic Conduct

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 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 (sarc@usc.edu) 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/academicssupport/centerprograms/dsp/home_index.html) provides certification for students with disabilities and helps arrange the relevant accommodations

Emergency Preparedness / Course Continuity

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. USC’s Blackboard learning management system and support information is available at blackboard.usc.edu.

For additional information, you may use any of the following:

USC Emergency – (213) 740-4321
USC Emergency Information – (213) 740-9233
USC Information – (213) 740-2311
KUSC Radio – 91.5 FM

Schedule of Classes and Homework Assignments

Session	Date	Topic	Reading Assignments*	HW Assignments*
1	1/10	Course Introductions /Managerial Accounting – An Overview	CH 1	E1-9, E1-11, E2-1, E2-2, E2-3, E2-7
2	1/12	Managerial Accounting and Cost Concepts (not including cost behavior)	CH 2 (pp. 27-32)	
	1/17	Martin Luther King, Jr. Day – No Class		
3	1/19	Job-Order Costing	CH 3	E3-1, E3-2, E3-3, E3-5
4	1/24	Job-Order Costing	CH 3	E3-6, 3-7, P3-25
5	1/26	Job-Order Costing	CH 3	E3-15, P3-21, P3-26
6	1/31	Activity-Based Costing	CH 7	E7-2, E7-3, E7-4
7	2/2	Activity-Based Costing	CH 7	E7-5, E7-10, E7-11, P7-17
	2/3	Excel lab 1: Chapter 3: Job-Order Costing		8:00 – 9:50 AM
8	2/7	Exam Review		
9	2/9	Cost Behavior/Cost-Volume-Profit Relationships	CH 2 (pp. 33-42) CH 5	E2-5, E2-13, P2-14, P2-16, P2-18
Exam	2/10	Exam 1 (Sessions 1 – 7)		8:00 – 9:50 AM
10	2/14	Cost-Volume-Profit Relationships	CH 5	E5-5, E5-6, E5-7, P5-23
11	2/16	Cost-Volume-Profit Relationships	CH 5	P5-21, P5-25, P5-30
	2/21	President's Day – No Class		
12	2/23	Variable vs. Absorption Costing /Segment Reporting	CH 6	E6-3, E6-9, E6-12, E6-14, E6-15, P6-18
13	2/28	Variable vs. Absorption Costing /Segment Reporting	CH 6	E6-4, E6-10, E6-11, P6-24
14	3/2	Differential Analysis	CH 12	E12-2, E12-4, E12-9, E12-10, E12-12, E12-13
Lab	3/3	Excel lab 2: Chapter 6: Variable vs. Absorption Costing		8:00 – 9:50 AM
15	3/7	Differential Analysis	CH 12	P12-19, P12-25, P12-28
16	3/9	Exam Review		
Exam	3/10	Exam 2 (Sessions 9 – 16)		8:00 – 9:50 AM
	3/12- 3/19	Spring Recess – No Class		
17	3/21	Performance Measurement in Decentralized Organizations (Residual Income)	CH 11	E11-1, E11-2, E11-5, E11-6, E11-12
18	3/23	Performance Measurement in Decentralized Organizations (Residual Income)	CH 11	P11-15, P11-18, E11-7, P11-14
19	3/28	Master Budgeting	CH 8	E8-7, E8-14, E8-13
20	3/30	Master Budgeting	CH 8	E8-16, P8-17
21	4/4	Master Budgeting	CH 8	P8-18, P8-22
22	4/6	Flexible Budgets and Performance Analysis	CH 9	E9-1, E9-4, P9-20
23	4/11	Flexible Budgets and Performance Analysis	CH 9	E9-12, P9-21

24	4/13	Standard Costs and Variances	CH 10	E10-1, E10-4, E10-6, E10-7, E10-8
Lab	4/14	Excel lab 3: Chapter 8: Master Budgeting	8:00 – 9:50 AM	
25	4/18	Standard Costs and Variances	CH 10	P10-10, P10-12, P10-14, P10-16
26	4/20	Team Presentations		Team Assignment Due
27	4/25	Team Presentations		
28	4/27	Final Review		
Exam	5/6	Final Exam (Sessions 17-28)	11:00 AM – 1:00 PM	