

BUS 315, Managerial Accounting
Department of International Management and Math, Fall 2018

Instructor: Professor Georges Rocourt
Class Meeting Time: Monday, Thursday, 13:00 – 14:15
Class Location: Lowerre Academic Center North Campus Classroom # 3

Office Hours: **M, Th:** 14:30 – 15:30; 17:30 – 18:30
T, F: 13:00 – 14:00; 17:00 – 18:00
Also available by appointment as mutually convenient
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Course Description: (modified and updated from Franklin University Switzerland 2018-2020 Catalog): This course considers the nature, concepts, techniques, and ethics of the managerial accounting function, the preparation of reports, and the uses of accounting data for internal decision-making in manufacturing, retail, service, government, and non-profit organizations. Topics covered include a review of financial accounting, cost definitions and measurement, job-order and process costing, models of cost behaviour, break-even and cost-volume-profit-analysis, activity-based costing and management systems, flexible budgeting methods, cost variance analysis, and a consideration of output & pricing decisions throughout the entire enterprise. Prerequisites: BUS 115 & BUS 135

Course Objectives: The **primary objective** of BUS 315 is to give International Management students the accounting theory and computational skills needed to identify, measure, analyze, interpret, and communicate the necessary quantitative and non-quantitative information that will help managers to decide on a course of action, to plan and structure an appropriate organization to reach that chosen goal, to perform required day-to-day operations, and to control and monitor the performance of the modern private sector business or public sector enterprise. Lectures, class discussion, group presentations, exercises, and writing assignments will focus on the appropriateness, format, and content of internal reports that are constructed for management use, as well as on underlying ethical considerations.

Secondary goals include developing student technical capacity in a wide variety of applied accounting skills including cost estimation, budgeting, spreadsheet analysis, activity-based management, variance analysis, regression methods, cost/benefit logic, and pricing. The successful completion of this course will expose students to the basic foundation knowledge of the managerial process, while providing an understanding of ethical issues, social responsibility, and current business trends in the field of managerial accounting. Students' analytical, critical thinking, and oral and written communication skills will be developed and enhanced throughout the course.

BUS 315 Managerial Accounting Learning Outcomes:

Upon successful completion of the course, students will:

- ~Show an understanding of the goals pursued, techniques applied & problems addressed in managerial and cost accounting contexts in the private and government sectors, and relate that knowledge to larger management strategy and internal control issues
- ~Distinguish between the various categories of costs and production contexts used in standard analysis—period, product, fixed, variable, unit, batch, process and ABC systems
- ~Be able to explain the role of inventory systems and accounting entries in computing Manufacturing Costs, Costs of Goods Manufactured and Cost of Goods Sold.
- ~Compute & apply various overhead allocation methods and correctly identify cost drivers
- ~Apply the tools of descriptive cost behavior and estimation methods for budgetary forecast purposes, including master budget planning and forecasting
- ~Demonstrate mastery of standard CVP analysis methods to explain operating leverage
- ~Explain absorption and variable costing methods as well as standard costing & variance analysis for measuring departmental performance and responsibility accounting
- ~Exhibit a sophisticated knowledge of the IMA Code of Ethical Professional Practice as well as the content of related topical procedural statements so as to display appropriate behavioral, ethical, and reporting standards in the global production and trade context

Text and Readings

Managerial Accounting – Creating Value in a Global Business Environment

10th Global edition, 2015 McGraw-Hill Irwin Ronald W. Hilton, & David E. Platt

Students must monitor business & financial news reports and analyses about current corporate accounting and management developments using print sources such as The Financial Times, Wall Street Journal, Bloomberg Business Week, Reuters, etc., as well as online sources – corporate and news sites. The web site <http://www.accountingtools.com> is very useful for terms and definitions. The instructor will periodically draw your attention to particular articles that correspond to course topics.

Course Requirements and Grading Policy

The central focus of this course is built around chapter topic lectures on accounting theory and practice, but fortified by a large dose of both analytical and quantitative calculation problems worked out in class, and assigned as homework. **Students must have the course text and a hand-held calculator available at every class.**

Exercises and problems must be prepared on the date they will be discussed in class, and credit may not be given for late submissions. There will be several chapter quizzes, two interim exams, and a final exam. Homework assignments may include short topical article analyses that will be announced and explained for each specific assignment

Your grade in the course will be determined according to the following formula:

Interim Examination # 1 (Mon Oct 1)	20 %
Interim Examination # 2 (Mon Nov 19)	20 %
Announced Homework Problems	15 %
Objective Chapter Quizzes	15 %
Writing Assignments (dates TBA)	10 %
Final Examination (Thursday Dec 13)	20 %

Student written assignments should be submitted whenever possible in e-versions, and in standard Windows.doc or PDF or Excel format. If I can't open the file, I can't grade it!

Attendance Policy

The Franklin University Switzerland Academic Catalog 2018-2020 contains the following statement on class attendance policy on page 187:

“Each faculty member will set a total number of absences tolerated before absences begin to affect a student’s participation and final course grade. This number of total absences allowed includes absences due to illness. The faculty member’s specific policy will be announced at the beginning of each course and included in the course syllabus. A student who, for no valid reason, remains absent from campus or from classes for an excessive length of time during a semester may be withdrawn from the University.”

In light of this University policy, and considering the cumulative and interactive nature of the subject matter in this Int’l Mgmt. course, the **following class attendance limits will apply in this course**. For courses meeting two times per week (M,Th), **each absence in excess of four (4) will reduce the student’s earned letter grade by one level**, e.g., an earned “A” becomes a “A-”; an earned “C+” becomes a “C”, etc. Please note that this policy allows a generous margin of 2 missed weeks within an already relatively short thirteen-week semester (academic travel time excluded)! Additionally, **excessive and persistent tardiness will be counted as an absence** at the discretion of the instructor, and the student will first be verbally warned, and then be specifically informed when such a judgment is applied. **Getting up and leaving during class and then re-entering the room later is extraordinarily disruptive and will not be tolerated except in emergencies.**

Laptops and Cellphones Policy

Students who wish to use their laptops to take notes during class may do so **only** with the prior consent of the instructor. Permission of the instructor will only be granted to those who can demonstrate to the instructor that they must use their laptops in order to take notes. Others may not open or use their laptops while in class.

During class, you are expected to have your phones shut off. If your phone goes off during class, you will be dismissed from the room to answer the call and you will not be re-admitted to the room for that class. Cell phones may not be used as a substitute for a calculator during exams.



Tentative Course Schedule (subject to possible revision)

revised 27/08/18

<u>WEEK</u>	<u>TOPIC</u>	<u>CHAPTER</u>
Aug 27	Orientation & Syllabus; Managerial Accounting Overview	1
Sep 3	Costs, Expenses, and Financial Statements Cost Classifications, Definitions and Flows	2
Sep 10	Product Costing Systems: Job-Order & Batch Production Direct, Indirect, and Manufacturing Overhead Costs	3 17, part 1
Sep 17	Process Costing and Equivalent Units Weighted Average Units Computation Methods	4
Sep 22	Normal Costing; Operation Costing; Review and Preparation for Examination	4
Oct 1	Interim Examination # 1 Activity-Based Costing; Cost Drivers	CH 1 – 4 5
Oct 18	Customer profitability; Service Industry Analysis Advanced Manufacturing: Just-in-Time Management	5
Oct 15	Cost Behavior: Variable, Step, Fixed, Curvilinear, etc. Cost Prediction & Modeling: High-Low, Regression, etc.	6
Oct 22	Academic Travel	
Oct 29	Academic Travel	
Nov 5	Cost-Volume-Profit Analysis; Contribution Margin CVP in Multiple Product Environment	7
Nov 12	Cost Structure and Operating Leverage Review and Preparation for Examination	7
Nov 19	Interim Examination # 2 Thanksgiving Break – NO CLASS	CH 5 - 7
Nov 23	Absorption and Variable Costing; Quality & Sustainability Budgeting Systems, Activity-Based Budgeting	8 9
Dec 5	Master Budget Components and Preparation Standard Costing, Cost Variance Analysis Methods	9 10
Dec 13	Cumulative Final Examination	CH 1 - 10

Final Exam essays examples and terminology will cover topics from the whole semester; theory and concepts will be primarily from chapters 8-10.

Homework exercises and problems from text will be assigned and collected for each chapter. The specific problems to be submitted will be announced weekly in separate handouts and e-mails.

Short objective quizzes may (or may not) be pre-announced, but should be expected for each chapter when the relevant text material and corresponding lecture topics have been covered in class.

Academic Dishonesty

(From 2018-2020 Academic Catalog – page 199)

STATEMENT ON CHEATING AND PLAGIARISM

A student whose actions are deemed by the University to be out of sympathy with the ideals, objectives or the spirit of good conduct as fostered by the University and Swiss community, may be placed on Disciplinary Probation or become subject to dismissal from the University. Cheating is a dishonest action out of sympathy with the ideals, objectives and spirit of the University. Furthermore, cheating reflects negatively on one's personal integrity and is unjust to those students who have studied.

Consequently, the University has adopted the following code:

- When an examination is in progress, all unauthorized books, notes, papers, notebooks, and phones must be left outside the classroom, or, where this is not feasible, left beneath the student's seat unopened.
- As logistically as possible, students will be asked to distribute themselves around the room during an exam so as to leave the widest possible space between them.
- During the examination only the blank paper required for the examination and a pencil, pen or other tools as permitted by individual instructors may be on the desk.
- Should an instructor see written crib notes in evidence or see a student consult a cell phone during an exam, the presumption will be that the student has cheated on that exam.
- If a student must leave the classroom during an examination due to physical duress, the student must turn in the exam and will not be allowed to return during the examination period. No make-up examination will be administered.
- It is within the prerogative of the instructor to take a student's paper during an exam and to ask that student to take an oral exam, or another exam, at the instructor's choice.
- A student found cheating will be reported to the Dean of the University. A second offense, in the same or any other course, will result in dismissal from the University.
- A student found cheating on an exam will be given an "F" for that examination. If it is a final examination, the student may be given an "F" for the course.
- A student whose paper or assignment has clearly been plagiarized will receive an "F" for that paper. Notification will be sent to the Dean of the University. A second offense, in the same or any other course, will result in dismissal from the University.

Cases of academic dishonesty may be handled by the instructor in whose course the violation occurred if the matter is a result of student ignorance or is a first offense. The instructor will assess the severity of the violation and impose an appropriate penalty. In the event of a repetition of dishonesty, the matter will be referred to the Dean of the University, and the student will risk dismissal from the University.

Please also note: Students will ONLY be permitted the use of "conventional" calculators during examinations; i.e., no cell phones, etc.