

Course Syllabus

ACCT 6331

School of Management

The University of Texas at Dallas

Course Information

Course

Course Number/Section	ACCT 6331.001
Course Title	Cost Accounting
Term and Dates	Fall 2016; August 22 nd – December 15 th
Class meetings	Mondays and Wednesdays 2:30 – 3:45 PM JSOM 2.722

Professor Contact Information

Professor	Surya Janakiraman
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Office Location	4.806
Office Hours	Mondays 5:30 PM – 6:30 PM; Wednesdays 1:00 – 2:00 PM; Other days and times by appointment

Course Description

Success in any organization...be it profit seeking or non-profit seeking... requires the use of cost accounting concepts and practices. Cost accounting provides key data to managers for planning, decision making, controlling and in evaluating performance. Managers need the cost data to cost a product, a service and even customers. In this highly competitive and global business world, managers need input from cost accounting system to constantly formulate strategic responses to competitor's actions. Managers need cost accounting data to determine product and service costs for internal management and external financial reporting. This course focuses on how cost accounting helps managers make better decisions, as cost accountants are increasingly becoming integral members of their company's decision making teams.

In a nutshell, in this course, you will study how organizations produce accounting information to facilitate planning, decision making and control. I shall emphasize three aspects:

1. Cost Analysis

Cost is the most basic concept in management accounting. Many higher level concepts are built from the concept of cost. This course deals with cost methods, cost accumulation and allocation, and understanding cost flows in organizations.

2. Planning and Control

Building on the knowledge of cost analysis, you will study the use of cost information for decision making in the short term and in the long term, responsibility accounting, performance measurement and evaluation.

3. Performance evaluation

An organization's performance evaluation and reward systems are key tools for aligning the goals of workers, managers, and owners. You will be exposed to the use of cost accounting data

for performance evaluation.

Course Organization

The course elements are designed to achieve several learning objectives. You will find a brief description of what I am hoping that you will gain from this course below:

1. Gain fluency in cost accounting concepts & terms through assigned chapter material, class lectures and discussion.
2. Familiarity with cost accounting procedures through assigned chapter material, solving practice and homework problems, class lectures and discussion.
3. Enhancing ability to identify, structure, and solve problems through assigned chapter material and discussion.
4. Integration and evaluation through the Final exam.

Here is my suggestion to (as well as my expectation from) you as to what to do in order to get the most out of this course:

(i) Textbook: Read the textbook chapter ahead of the class in which the chapter is going to be covered. The book will introduce you to concepts, explain or amplify them through examples, and help you to understand how they are used in management. For each session, I have indicated the chapter(s) from the textbook that will be covered in the class. Please spend at least an hour per chapter of the textbook before each class. You might want to read the chapter again after we discuss the concepts in class.

(ii) Problems: Problems of management in real organizations rarely come pre-packaged by discipline. However, solving structured problems can help you to understand how you can apply the solution concepts in real world. I have tried to include in the course some problems that are designed to help you identify key features of a business situation, to separate relevant from irrelevant material, to structure ill-defined problems, and to devise their solutions.

I have provided to you suggested solutions to selected problems (listed in the syllabus as core assigned problems) from your textbook for each chapter and these solutions are available in eLearning. You should try to solve these problems on your own (i.e. without looking at the suggested solutions first). This will really help you to test your understanding of the material covered in the book and the class.

(iii) Tests and quizzes: There are two tests and a final exam in this course. The tests and final exam will have multiple choice questions as well as problem solving questions. At least 25% of the questions in the tests/final exam will be similar to the core assigned problems. In addition, I will give 7 to 9 surprise quizzes in class. These quizzes will cover material that was discussed on that day and the material that was discussed in the previous class. They will have multiple choice questions. I will allow you to refer to 1 page (8.5 X 11") of notes during tests and final exam (surprise quizzes are closed book and closed notes). Start solving the assigned problems on an ongoing basis without waiting for an exam or quiz. That should help you do well in the quizzes and tests.

Student Learning Objectives/Outcomes

1. Gain mastery over the fundamental concepts and techniques of cost accounting.
2. Demonstrate effective use of cost accounting tools for planning and control such as master budgets and flexible budgets.
3. Learn to analyze cost information for decision making purposes.
4. Understand the principles of cost allocation and learn to avoid misuse of allocated cost numbers.
5. Analyze the principles of management control systems and discover the effective use of management control systems to evaluate and control performance and effectively drive strategy implementation.

Required Textbooks and Materials

This course requires the following text book:

Cost Accounting: A Managerial Emphasis
Charles T. Horngren, Srikant Datar, and Madhav Rajan
Pearson Publishers (15th edition)

Course Access in eLearning

This course uses material that is available in eLearning. You can login to the course at:
<https://elearning.utdallas.edu>.

If you have any problems with your eLearning account you may contact 1-866-288-3192

Student Assessments

Grading Information

Grading scheme:

Surprise Quizzes	70
Test 1	60
Test 2	60
Test 3	60
Total	250

Grading Policy

The following scale reflects, on the average, how points were translated into letter grades, in the past, when I taught this course. However, please keep in mind that the cutoff for letter grades do change from year to year and the following scale should be considered as “the expected scale” and not to be treated as “firm commitment”. **The grading scale can change anytime during the semester at my discretion.**

Scaled score	Letter Equivalent
238 and above	A
225 – 237	A-

213 – 224	B+
200 – 212	B
188 – 199	B-
175 – 187	C+
163 – 174	C
Less than 163	F

Treat the above translation table as a rough guideline. Translation of the total point score into a letter grade will be based on my judgment. This translation process will be based on many factors including the student's relative performance (with respect to the rest of the students in the class), the consistency of performance across all the components of assessment (such as quizzes, exams and assignments), and the standards that are expected in a rigorous master's program such as UTD MS / MBA.

Course Policies

Makeup Exam

I do not ordinarily give makeup exams. If you fail to take a test (without my prior permission), then you are automatically given a grade of zero. Please make sure that you are present in class to take the tests. If you have a valid reason to miss a test (such as medical emergency), you should get in touch with me, before the test/exam. Since the quizzes are unannounced surprise quizzes, there will never be any makeup quiz if you miss a surprise quiz. If you are not present in class on a day that a surprise quiz was given, it should not affect your grade adversely since I drop the two worst quiz scores while calculating the final grade

Extra Credit

You can't makeup any shortfall in a quiz or a test by offering to do additional work for extra credit. I would urge you to put in that effort BEFORE you sit for a quiz or an exam.

Class Participation

You are expected to come to class regularly and participate in class discussions. Regular attendance and participation in class discussions, though not graded separately, are very important.

Course Outline/Schedule

Session	Date	Topic of discussion	Textbook reference
1	August 22nd	The Manager and Management Accounting An Introduction to Cost Terms and Purposes	Chapter 1 Chapter 2

2	August 24th	Determining How Costs Behave Cost-Volume-Profit Analysis	Chapter 10 Chapter 3
3	August 29th	Cost-Volume-Profit Analysis	Chapter 3
4	August 31st	Job costing	Chapter 4
	September 5th	Labor day (No classes)	
5	September 7th	Process costing	Chapter 17
6	September 12th	Activity Based Costing and Activity Based Management	Chapter 5
7	September 14th	Review for Test # 1	
8	September 19th	Test # 1	Covers chapters 1, 2, 10, 3, 4, 17 and 5.
9	September 21st	Master budget and Responsibility Accounting	Chapter 6
10	September 26th	Flexible Budgets, Direct-Cost Variances, and Management Control	Chapter 7
11	September 28th	Flexible Budgets, Overhead Cost Variances and Management Control	Chapter 8
12	October 3rd	Inventory costing and capacity analysis	Chapter 9
13	October 5th	Decision Making and Relevant Information	Chapter 11
14	October 10th	Decision Making and Relevant Information Allocation of Support-Department Costs, Common Costs, and Revenues	Chapter 11 Chapter 15
16	October 12th	Allocation of Support-Department Costs, Common Costs, and Revenues	Chapter 15
17	October 17th	Cost Allocation: Joint Products and Byproducts	Chapter 16
18	October	Review for Test # 2	

	19th		
19	October 24th	Test # 2	Covers chapters 6, 7, 8, 9, 11,15, and 16
20	October 26th	Spoilage, Rework, and Scrap	Chapter 18
21	October 31st	Spoilage, Rework, and Scrap Balanced Scorecard: Quality and Time	Chapter 18 Chapter 19
22	November 2nd	Balanced Scorecard: Quality and Time	Chapter 19
23	November 7th	Capital Budgeting and Cost Analysis	Chapter 21
24	November 9th	Capital Budgeting and Cost Analysis	Chapter 21
25	November 14th	Management Control Systems, Transfer Pricing, and Multinational Considerations	Chapter 22
26	November 16th	Management Control Systems, Transfer Pricing, and Multinational Considerations	Chapter 22
	November 21st & 23rd	No class (Fall break / Thanksgiving Holidays)	
27	November 28th	Performance Measurement, Compensation, and Multinational Considerations	Chapter 23
28	November 30th	Cost Allocation, customer profitability analysis, and sales-variance analysis	Chapter 14
29	December 5th	Review for Test # 3	
30	December 7th	Test # 3	Covers chapters 18,19,21,22, 23 and 14

Core Assignment Material

The suggested solutions for the following problems are provided to you (check the link “**suggested solutions to selected problems**” under each module in eLearning). It is highly recommended that you try to solve the following problems before you consult the solutions. You can expect at least a few questions in every quiz or exam to be similar to some of the following problems.

Chapter	Topic	Core assignment material
1	The Manager and Management Accounting	Questions 1 – 15 Exercises 18, 23 Problem 36
2	An Introduction to Cost Terms and Purposes	Questions 1 – 15 Exercises 16, 17, 22, 28 Problems 29, 31, 39
3	Cost-Volume-Profit Analysis	Questions 1 – 15 Exercises 16, 21, 23, 24, 25 Problems 34, 41, 45
4	Job Costing	Questions 1 – 15 Exercises 16, 19, 23, 25, 29 Problems 33, 35, 39
5	Activity Based Costing and Activity Based Management	Questions 1 – 15 Exercises 16, 17, 19, 25, 29 Problems 33, 40, 42
6	Master budget and Responsibility Accounting	Questions 1 – 15 Exercises 18, 21, 24, 27, 29 Problems 30, 33, 39
7	Flexible Budgets, Direct-Cost Variances, and Management Control	Questions 1 – 15 Exercises 18, 19, 23, 24, 28 Problems 29, 31, 37
8	Flexible Budgets, Overhead Cost Variances and Management Control	Questions 1 – 15 Exercises 16, 17, 22, 26, 27 Problems 30, 31, 33
9	Inventory Costing and Capacity Analysis	Questions 1 – 15 Exercises 16, 21, 25, 26 Problems 29, 33, 39
10	Determining How Costs Behave	Questions 1 – 15 Exercises 16, 20, 21, 28 Problems 31, 35
11	Decision Making and Relevant Information	Questions 1 – 15 Exercises 17, 19, 20, 21, 28 Problems 30, 31, 37, 41
14	Cost Allocation, Customer-Profitability Analysis, and Sales-Variance Analysis	Questions 1 – 15 Exercises 17, 20, 23, 25, 26 Problems 27, 36
15	Allocation of Support-Department Costs, Common Costs, and Revenues	Questions 1 – 15 Exercises 16, 19, 20, 26 Problems 28, 31, 32
16	Cost Allocation: Joint Products and Byproducts	Questions 1 – 15 Exercises 16, 17, 18, 19, 22 Problems 27, 30, 33, 34
17	Process Costing	Questions 1 – 15 Exercises 16, 17, 19, 26, 28 Problems 31, 32, 40
18	Spoilage, Rework, and Scrap	Questions 1 – 15 Exercises 16, 17, 18, 22, 29

		Problems 31, 32, 36, 37, 38
19	Balanced Scorecard: Quality and Time	Questions 1 – 15 Exercises 16, 20, 23, 25 Problems 27, 31, 36
21	Capital Budgeting and Cost Analysis	Questions 1 – 15 Exercises 17, 21, 24, 27 Problems 29, 33, 36
22	Management Control Systems, Transfer Pricing, and Multinational Considerations	Questions 1 – 15 Exercises 19, 20, 25, 26 Problems 27, 30, 33
23	Performance Measurement, Compensation, and Multinational Considerations	Questions 1 – 15 Exercises 16, 18, 20, 23 Problems 28, 30, 35

The University has policies and discipline procedures regarding scholastic dishonesty. Detailed information is available on the [Scholastic Dishonesty](#) web page. All students are expected to maintain a high level of responsibility with respect to academic honesty. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since such dishonesty harms the individual, all students and the integrity of the University, policies on scholastic dishonesty will be strictly enforced.

Course Evaluation

As required by UTD academic regulations, every student must complete an evaluation for each enrolled course at the end of the semester. An online instructional assessment form will be made available for your confidential use. Please look for the course evaluation link on the course Homepage towards the end of the course.

UT Dallas Syllabus Policies and Procedures

The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus.

Please go to <http://go.utdallas.edu/syllabus-policies> for these policies.

These descriptions and timelines are subject to change at the discretion of the Professor.

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