

MGMT 346 – COST ACCOUNTING
Fall 2015

Monday & Wednesday, 11:00-12:15; 12:30-1:45, GSM 232
INSTRUCTOR: Michele Chwastiak, Ph. D.
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OFFICE HOURS: Monday & Wednesday, 10:15-11:00 & 1:45-2:30

COURSE OBJECTIVES: To examine advanced topics in the derivation and use of accounting information for the internal management of businesses including:

1. Job order costing, standard costing and the flow of costs through the inventory accounts for manufacturing.
2. Activity based costing for services, customer and supplier costing, and internal business processes.
3. Short term decision making using the activity based resource model.
4. Capital budgeting incorporating taxes.
5. Variable and absorption costing, segment reporting and sales variances.
6. Support department and joint cost allocations.
7. Cost analysis for nonprofits.
8. Social and environmental costs.

TEXT: Hansen & Mowen, Cornerstones of Cost Management, Third Edition, 2015 (A copy is on reserve at Parish Library)

GRADING:

Four Exams (60 points each)	240 points (80%)
Essay + Presentation	30 points (10%)
Six Homework Assignments (5 points each)	30 points (10%)
Total	300 points (100%)

EXAMS: All students are expected to take the exams on the dates assigned. Prior approval to be absent from an exam will be granted only in cases of extreme personal emergency. Under such circumstances, the exam must be taken before it is returned to the class. Otherwise, a grade of zero will be assigned.

ESSAY AND PRESENTATION: The purpose of the essay and presentation is to consider the social or environmental costs of a business activity, product or consequence that generally are not accounted for. You will work with a partner on the essay and presentation. A topic, such as the environmental costs of nuclear energy, will be assigned to you. You are required to find at least six references on the topic (beyond Wikipedia). Your essay should not exceed six pages, including a list of references. Class presentations will take place during the last week of classes. Presentations should be around 5 minutes long. Essays will be due on the day of your presentation.

HOMEWORK: Students are required to turn in 6 of the 9 homework assignments. Check figures will be posted on UNM Learn prior to reviewing the homework in class. Homework solutions will be posted on UNM Learn after the homework is reviewed in class. The solutions to the Cornerstone Exercises for each Chapter will be posted on UNM Learn as well. Handout homework assignments will be included in the chapter lecture notes.

LECTURE NOTES: An outline of the lecture will be posted on UNM Learn before the lecture. It is recommended that you bring a copy to class the day of the lecture.

If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodation activities with other offices on campus.

Our Commitment:

“Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty.” For full text of Anderson’s academic honesty code, please visit <http://www.mgt.unm.edu/honesty>.

Accounting Department Twitter Account

In today’s fast-paced, competitive environment, understanding the Accounting industry and staying current on best-practices is necessary for success. We strongly urge students to find a variety of ways to stay up-to-date, including following the Accounting Twitter account at @unm_asm_acctg. The Anderson Acctg Dept Twitter account will provide accounting students with current research, events, and job information in the Accounting industry. Students will also have the opportunity to ask questions regarding the accounting industry and employer expectations, share their expertise, and celebrate achievements in the field. Creating a Twitter account and following the Accounting Department on Twitter is not mandatory and students who choose to interact via this forum should be mindful of their social media interactions.

TENTATIVE SCHEDULE

Date	Chapter and Homework Assignments
8/17	Ch. 2 Cost Concepts
8/19	Homework (HW): 2-14, 28 (Ignore the requirements in 2-28. Create T-accounts for DM, WIP, FG, CGS, and S&A expenses and others as needed. Post the transactions to the T-accounts. Note: you have to calculate the DM issued to production), Handout
8/24	Ch. 5 Job Order Costing
8/26	HW: 4-12; 5-12 (1. Hint: Applied overhead = Direct labor cost X Predetermined overhead rate), 26 (2, 4) (2. Add a T-account for S&A Expense), 30
8/31; 9/2	Ch. 9 Standard Costing
9/7	Labor Day - No Class
9/9	HW: 9-20 (Make the following changes: The company purchases 140,000 pounds of paper pulp and uses 135,700; Do part 1 & 2; Part 3: Prepare a journal entry to record a. the DM purchase, b. the DM issued to production, and c. the DL costs), 29 (skip part 5 and explanations in 3&4); Handout
9/14	Exam 1 (Chapters 2, 5, 9)
9/16	Ch. 4 Activity Based Costing for Services
9/21	Ch. 11 (pp. 574-583) Activity Based Costing - Value Chain Analysis
9/23	HW: 4-30(1, 2, 3); 11-10, 11; Handout
9/28	Ch. 17 Decision Making
9/30	HW: 17-5, 8, 10 (1,2) (Assume if purchased none of the fixed overhead is avoidable), 11; Handout
9/30	Turn in names of partners
10/5	Exam 2 (Chapters 4, 11, 17)

Date	Chapter and Homework Assignments
10/7, 12	Ch. 19: Capital Investment
10/14	HW: 19-9(1), 11, 18, Handout
10/19	No Class - Work on Essay & Presentation
10/21, 26	Ch. 18 Profitability Analysis (pp. 931-950)
10/28	HW: 18-27, 29, 31, Handout
11/2	Exam 3 (Chapters 18, 19)
11/4	Ch. 7 (pp. 312-338) Support Department Allocations
11/9	HW: 7-35, Handout
11/11	Ch. 7 (pp. 338-352); Ch. 17 (pp. 896-898) Joint Costs
11/16	HW: 7- 25(1), 26, 27 (Add requirement 3: Using the original information from the problem, allocate the joint costs using the constant gross margin percentage method), 39(1, 2)
11/18	Cost Analysis for Nonprofits
11/23	Exam 4 (Chapter 7 & Cost analysis for nonprofits)
11/25	No Class - Work on Essay & Presentation
11/30; 12/2	Presentations