

MGMT 346 – COST ACCOUNTING
Fall, 2016

Monday & Wednesday, 11:00am – 12:15pm in ASM 1064 **OR** 12:30pm - 1:45pm in GSM 232

INSTRUCTOR: Elena Klevsky, Ph.D.
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OFFICE HOURS: Monday & Wednesday, 2:00pm-4:00pm

GRADUATE ASSISTANT: Ryan Knight
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OFFICE HOURS: By Appointment

COURSE CATALOG DESCRIPTION: Procedures involved in the development, presentation and interpretation of accounting information as an aid to management. Usefulness and limitations of accounting data in evaluating and controlling operations; collecting cost information; cost estimation and allocation; standard costs; budgeting; cost-value relationships.

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

1. How management can use accounting information to make tactical decisions (e.g., make or buy) and capital investment decisions
2. Similarities, differences, and relationships between the various costing methods (e.g., job-order costing, process costing, activity-based costing, standard costing, absorption costing, and variable costing)
3. How multiple products, joint products, and support departments complicate the application of costing methods
4. How the various costing methods can help management control the organization (e.g., budgeting and variance analysis)
5. How accounting information can help with performance evaluation (e.g., responsibility accounting)
6. How the various costing methods can be used to enhance financial performance for manufacturing firms (e.g., lean manufacturing)

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

REQUIRED MATERIALS: Please bring index cards to each class. At the end of each class session, students will be expected to turn in an index card with their name, what they learned in class that day, and any unanswered questions they may have.

GRADING:

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|--|-------------------|
| Four Exams (100 points each) | 400 points (80%) |
| Essay + Presentation | 30 points (6%) |
| Eight Homework Assignments (4 points each) | 32 points (6.4%) |
| Participation | 30 points (6%) |
| Beginning of Semester Survey | 4 points (0.8%) |
| Prof. Klevsky Evaluation | 4 points (0.8%) |
| Total | 500 points (100%) |

EXAMS: The first three exams will focus on selected chapters. The fourth exam will be a cumulative final exam. 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 practice applying cost accounting to a real-world situation. You will work with a partner on the essay and presentation. A topic 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 weeks of classes. All students must present. Presentations should be around 5 minutes long. Essays will be due on the day of your presentation.

HOMEWORK: Students are required to turn in 8 homework assignments. For each homework assignment, the graduate assistant will hold a homework review session at 2pm on the Saturday after the homework has been collected. The location of the homework review sessions will be ASM 1004. Homework solutions will be posted on UNM Learn prior to each homework review session.

PARTICIPATION: Students are expected to prepare for class (i.e., do the required readings), attend class sessions, and actively participate in class. Active participation includes working in small groups on class exercises, answering questions posed by the professor, and asking questions when you are confused. This behavior should help students work on their teamwork, communication, and critical thinking skills.

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

STUDENTS WITH DISABILITIES: Qualified students with disabilities will be provided reasonable and necessary academic accommodations if determined eligible by the Accessibility Resource Center (<http://as2.unm.edu/>). Please refer to UNM's Disability Policy for further information, <http://pathfinder.unm.edu/common/policies/academic-adjustments.html>.

The American with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodations of their disabilities. If you have a disability requiring accommodation, please contact the Accessibility Services Office in 2021 Mesa Vista Hall at 277-3506 or <http://as2.unm.edu/index.html>. Information about your disability is confidential.

RESPONSIBLE EMPLOYEES:

In an effort to meet obligations under Title IX, UNM faculty, Teaching Assistants, and Graduate Assistants are considered "responsible employees" by the Department of Education (see pg 15 - <http://www2.ed.gov/about/offices/list/ocr/docs/qa-201404-title-ix.pdf>). This designation requires that any report of gender discrimination which includes sexual harassment, sexual misconduct and sexual violence made to a faculty member, TA, or GA must be reported to the Title IX Coordinator at the Office of Equal Opportunity (oeo.unm.edu). For more information on the campus policy regarding sexual misconduct, see: <https://policy.unm.edu/university-policies/2000/2740.html>

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>.

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 Fall, 2016
 TENTATIVE SCHEDULE

| Date | Topic (Chapter) | Homework Deadlines |
|--------------------|--|---|
| 8/22 | Why Does Cost Accounting Matter? | |
| 8/24 & 8/29 | Tactical Decision Making (Ch. 17) | Beginning of Semester Survey due 8/29 |
| 8/31 | Capital Investment (Ch. 19) | |
| 9/5 | NO CLASS: Labor Day | |
| 9/7 | Capital Investment (Ch. 19) | HW 1 due 9/7; review session on 9/10 |
| 9/12 & 9/14 | Performance Evaluation (Ch. 10) | HW 2 due 9/14; review session on 9/17 |
| 9/19 | Exam 1 (Chapters 10, 17, 19) | |
| 9/21, 9/26, & 9/28 | Job-Order Costing, Process Costing, Actual Costing, Normal Costing, Traditional Costing, Activity-Based Costing, Standard Costing, Absorption Costing, & Variable Costing (Ch. 5, 4, 6, 18, 9) | |
| 10/3 | Budgeting (Ch. 8) | HW 3 due 10/3; review session on 10/8 |
| 10/5 & 10/10 | Variance Analysis (Ch. 9) | |
| 10/12 | Support Department (Ch. 7) | HW 4 due 10/12; review session on 10/15 |
| 10/17 | Exam 2 (Chapters 5, 4, 6, 18, 9, 8) | |
| 10/19 | Joint Products (Ch. 7) | |
| 10/24 | Multi-Product CVP (Ch. 16) & Regression (Ch. 3) | |
| 10/26 | Transfer Pricing (Ch. 10) | HW 5 due 10/26; review session on 10/29 |
| 10/31 | Responsibility Accounting (Ch. 12) | |
| 11/2 | Responsibility Accounting (Ch. 13) | HW 6 due 11/2; review session on 11/5 |
| 11/7 | Exam 3 (Chapters 7, 16, 3, 10, 12, 13) | |
| 11/9 | Quality & Environmental Costs (Ch. 14) | |
| 11/14 & 11/16 | Value Chain, Life Cycle, JIT, TQM, Constraints (Ch. 11, 20) | HW 7 due 11/16; review session on 11/19 |
| 11/21 | Lean Accounting (Ch. 15) | |
| 11/23 | NO CLASS: Happy Thanksgiving! | |
| 11/28 | Lean Accounting (Ch. 15) | HW 8 due 11/30; review session on 12/3 |
| 11/30 & 12/5 | Presentations | Prof. Klevsky Evaluation due 11/30 |
| 12/7 | Exam 4 (Cumulative Final Exam) | |