

MGT 5: Managerial Accounting

Spring 2021

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OBJECTIVES

The goals of this course are to provide the students with an understanding of (1) cost concepts and accumulation systems, (2) cost volume profit analysis, (3) planning & control concepts, and (4) the use of accounting information in decision-making.

MATERIALS

Required

- Mowen, Hansen and Heitger (2018). Managerial Accounting (7thed)
(see Homework links on Canvas under Modules Tab)

ASSIGNMENTS

Reading assignments follow the course outline (by chapter). Problems posted on Canvas should be reviewed prior to class. Homework is to be submitted by the designated due date pursuant to the online Cengage Homework Platform.

GRADING

Homework	16%
Quizzes	24%
Exam I	30%
Exam II	30%
Total	100%

POINTS DISTRIBUTION

A 95 - 100 Points	C 74 - 76
A- 90 - 94	C- 70 - 73
B+ 87 - 89	D+ 67 - 69
B 84 - 86	D 64 - 66
B- 80 - 83	D- 60 - 63
C+ 77 - 79	F 0 - 59

PARTICIPATION

The course material necessitates each student's proactive involvement. In addition to attending/viewing online class sessions, students should stay current with the assigned readings, review practice problems posted on Canvas, and follow class announcements.

SCHEDULE (All Classes will be recorded and saved to the Cloud)

Date	Class Topic & Activities	Homework Problems (See Due Dates Per Cengage)
Mar 30	Chapter 1: Introduction, managerial vs. financial accounting, manufacturing cost terms & concepts	
Apr 1	Chapter 2: Cost of Goods Manufactured	
Apr 6	Chapter 2: Cost of Goods Sold	(Ex 2-44, Ex 2-45, Ex 2-46, Ex 2-50, Ex 2-55)
Apr 8	Chapter 3: Fixed vs. Variable costs. Outsourcing decisions	
Apr 13	Chapter 3: High/Low Method	(Ex 3-37, Ex 3-38, Ex 3-44, Ex 3-47)
Apr 15	Chapter 4: Job Order Costing	
Apr 20	Chapter 4: Actual vs. Applied overhead	Brief Ex 4-29, Brief Ex 4-30, Ex 4-38, Ex 4-39, Ex 4-40)
Apr 22	Chapter 5: Activity Based Costing	
Apr 27	Chapter 5: Activity Based Costing continued	(Ex 5-37, Ex 5-39)
Apr 29	Exam 1	
May 4	Chapter 6: Process Costing	(Ex 6-49, Ex 6-52)
May 6	Cost Volume Profit Analysis	
May 11	Chapter 7: Cost-Volume Profit Analysis Multiple Products	
May 13	Chapter 7: Cost-Volume Profit Analysis continued	
May 18	Chapter 7: Cost-Volume Profit Analysis Multiple Products	(Ex 7-37, Ex 7-39, Ex 7-40, Ex 7-51)
May 20	Chapter 8: Decision Making	
May 25	Chapter 9: Cash Budgets	(Ex 9-55, Ex 9-59, Ex 9-65)
May 27	Chapter 10: Standard Costing	(Ex 10-45, Ex 10-50, Ex 10-52)
June 1	Chapter 12: Capital Investments	
June 3	Chapter 12: Capital Investments continued	
June 10	FINAL EXAM	

LEARNING OUTCOMES

- Chapter 1: Explain the differences between managerial and financial accounting.
Define the objectives of managerial accounting in a business environment.
Define the three classes of manufacturing costs.
Differentiate product vs. period cost and direct vs. indirect cost.
- Chapter 2: Analyze the flow of production associated with raw materials, work in process and finished goods inventory.
Prepare a schedule of cost of goods manufactured and cost of goods sold.
Reconcile cost of goods sold with changes in inventory.
- Chapter 3: Differentiate between fixed and variable costs.
Calculate total cost/unit at varying levels of activity.
Calculate total costs at varying levels of activity.
Compare total costs for units produced in-house vs. outsourced.
Estimate total costs using the high/low method.
- Chapter 4: Calculate the pre-determined overhead rate.
Determine total overhead applied.
Assign applied overhead to work-in-process, finished goods and cost of goods sold.
Reconcile applied vs. actual overhead.
- Chapter 5: Understand why traditional volume based costing systems tend to distort product costs.
Determine overhead applied among products using multiple drivers.
Reconcile changes in overhead applied when switching to an ABC costing system.
- Chapter 6: Calculate equivalent units for both materials and conversion costs.
Calculate cost/equivalent unit for both materials and conversion costs.
Allocate material and conversion costs to ending work-in-process and units transferred-out using the weighted average method.
- Chapter 7: Determine sales units and revenues at the break-even point.
Calculate the margin of safety at varying profit levels.
Determine sales units and revenues necessary to achieve targeted after-tax profits for both single and multiple product operations.
- Chapter 8: Utilize cost volume profit analysis in decision making.
Determine necessary changes to sales units to achieve targeted improvements in profits.
- Chapter 9: Prepare a cash budget for a merchandising entity.
- Chapter 10: Calculate standard cost/unit.
Calculate total labor and material costs under a standard costing system.
Calculate direct labor and direct material price and efficiency variances.
- Chapter 12: Determine after-tax cash flows over multiple accounting periods associated with Capital expenditures.
Calculate the NPV associated with capital expenditure decisions.

Please note that the learning outcomes are not intended to be all inclusive. Topics may be added or deleted at the discretion of the instructor.

ACADEMIC INTEGRITY

Integrity of scholarship is essential for an academic community. As members of the Rady School, we pledge ourselves to uphold the highest ethical standards. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

The complete UCSD Policy on Integrity of Scholarship can be viewed at:
<http://senate.ucsd.edu/manual/Appendices/Appendix2.pdf>

How the Honor Code applies to this course:

The University trusts each student to maintain high standards of honesty and ethical behavior. All assignments submitted in fulfillment of course requirements must be the student's own work.

STUDENTS WITH DISABILITIES

A student who has a disability or special need and requires an accommodation in order to have equal access to the classroom must register with the Office for Students with Disabilities (OSD). The OSD will determine what accommodations may be made and provide the necessary documentation to present to the faculty member.

The student must present the OSD letter of certification and OSD accommodation recommendation to the appropriate faculty member in order to initiate the request for accommodation in classes, examinations, or other academic program activities. **No accommodations can be implemented retroactively.**

Please visit the [OSD website](#) for further information or contact the Office for Students with Disabilities at (858) 534-4382 or osd@ucsd.edu.

PREVENTION OF HARRASSMENT & DISCRIMINATION

The Office for the Prevention of Harassment & Discrimination (OPHD) provides assistance to students, faculty, and staff regarding reports of bias, harassment, and discrimination. OPHD is the UC San Diego Title IX office. Title IX of the Education Amendments of 1972 is the federal law that prohibits sex discrimination in educational institutions that are recipients of federal funds. Rady students have the right to an educational environment that is free from harassment and discrimination.

Students have options for reporting incidents of sexual violence and sexual harassment. Sexual violence includes sexual assault, dating violence, domestic violence, and stalking. Information about reporting options may be obtained at OPHD at (858) 534-8298, ophd@ucsd.edu or <http://ophd.ucsd.edu>. Students may receive confidential assistance at CARE at the Sexual Assault Resource Center at (858) 534-5793, sarc@ucsd.edu or <http://care.ucsd.edu> or Counseling and Psychological Services (CAPS) at (858) 534-3755 or <http://caps.ucsd.edu>.

Students may feel more comfortable discussing their particular concern with a trusted employee. This may be a Rady student affairs staff member, a department Chair, a faculty member or other University official. These individuals have an obligation to report incidents of sexual violence and sexual harassment to OPHD. This does not necessarily mean that a formal complaint will be filed.

If you find yourself in an uncomfortable situation, ask for help. The Rady School of Management is committed to upholding University policies regarding nondiscrimination, sexual violence and sexual harassment.

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