

Course	BUSN 6070 Managerial Accounting	
Term	Summer, 2007	
Instructor	Name:	Lee White, MBA, CPA
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Catalog Description	The student examines advanced topics in management accounting as these relate to management information needs for planning, control, and decision making. Topics include interpretation of standard cost variances; application of quantitative techniques; evaluation of divisional performance; activity-based costing; and the behavioral impact of accounting systems.	
Prerequisites	BUSN 5600 Accounting Theory and Practice and BUSN 5760 Applied Business Statistics	
Course Level Learning Outcomes	Outcome	Expectation
	1. Students have basic knowledge of important facts, terminology, concepts, principles, and theories in the area of Accounting.	Students understand accounting core concepts, tools, and terminology that encompasses management accounting information as it is used for planning, control, and decision-making purposes.
	2. Students can address unstructured business problems that span multiple functional areas.	The MBA student will understand how to use the primary financial statements for decision making, including evaluating earnings trends and quality. The student will understand how to use accounting information, both financial and other qualitative information, for planning, implementing, controlling, and decision making related to enterprise activities. Managerial decision making includes costing and pricing decisions, profit planning, operational and capital budgeting, responsibility accounting and performance evaluation.
	3. Students can evaluate and analyze profitability.	Students can solve problems and interpret the results of break-even analysis and cost-volume-profit analysis. Students can analyze profitability trends and quality. Students can prepare full absorption and variable costing income statements.
	4. Students can calculate costs of providing a good or service.	Students calculate the cost of goods and services using job order costing, process costing, activity-based costing, standard costing and target costing.
	5. Students can distinguish relevant versus irrelevant costs for decision	Students can distinguish costs relevant to a decision versus costs that are not relevant, including an understanding of sunk costs, opportunity costs, and differential costs.

	making.	
	6. Students can make short-term or tactical decisions.	Students can analyze short-term decisions, such as make-or-buy, keep or drop a segment, and special orders.
	7. Students can evaluate capital investment projects using NPV and IRR.	Students can estimate cash flows and risk and use these values to compute NPV and IRR. Students can analyze the results and make a recommendation.
	8. Students can prepare operational budgets.	Students can prepare operational budgets, consisting of sales budget, production budget, material budget, cash budget, and pro forma financial statements to use in planning and control.
	9. Students understand how to use financial information to evaluate performance.	Students use Return on Investment (ROI), Residual Income (RI), Economic Value Added (EVA) and the balanced scorecard for performance evaluation and responsibility accounting.
	10. Students can determine the transfer price that would maximize profits.	Students can calculate transfer prices and determine the transfer price that would maximize profits.

Materials

[Managerial Accounting](#)

Author: Garrison, Ray H. / Noreen, Eric / Brewer, Peter C.

Edition: 12TH 08

ISBN: 0-07-352670-3

Publisher: Mcgraw-Hill Publishing Company

E-RESERVES:

Lecture notes and presentations, assignments, and supplementary readings for this class can be found on E-Reserves (Available to students 24/7). The textbook for this class is NOT available on E-reserves. (<http://ereserves.webster.edu>)

The password for this class this term is: lee6070

Grading

Midterm	30%
Final Exam	35%
Writing Project	25%
Class Participation & attendance	10%
	100%

Grade Ranges

A	=	93-100
A-	=	90-92
B+	=	87-89
B	=	83-86
B-	=	80-82
C	=	70-79
F	=	below 69

	<p>The GRADUATE catalog provides these guidelines and grading options:</p> <ul style="list-style-type: none"> • A/A– Superior graduate work • B+/B/B– Satisfactory graduate work • C Work that is barely adequate as graduate-level performance • CR Work that is performed as satisfactory graduate work (B– or better). A grade of "CR" is reserved for courses designated by a department, involving internships, a thesis, practicums, or specified courses. • F Work that is unsatisfactory • I Incomplete work • ZF An incomplete which was not completed within one year of the end of the course. ZF is treated the same as an F or NC for all cases involving G.P.A., academic warning, probation, and dismissal. • IP In progress • NR Not reported • W Withdrawn from the course
<p>Activities</p>	<p>This course requires various problem solving, analysis, and writing assignments each week in addition to class discussion on the topics listed above. These assignments are for the students benefit; the material will be learned much more effectively by integrating these activities than from the reading or lectures alone. In addition, an important objective is to develop an awareness and appreciation for current issues beyond the concepts that are described in the textbook. Each week throughout the course assignment activities such as those described below should be required:</p> <ul style="list-style-type: none"> • Chapter Problems - each chapter has a variety of exercises and problems that reinforce some dimension of the material from that chapter. The requirements should be obvious from the information given. The goal, of course, is to have students develop appropriate analytical and problem solving techniques and when mistakes are made to learn from those mistakes. • Classroom exercises – each week class time will be devoted to solving problems and discussing cases. This is to ensure that concepts and topics discussed in class are put to immediate use. • Cases emphasize the practical interpretation and application of the material and can be used to illustrate more real-world examples. • Outside reading and other related materials or websites provide an opportunity to keep student current with the latest developments surrounding management accounting topics. <p>Significant class discussion takes place each week and it is your responsibility to proactively participate in that class discussion. Participation in class discussion activities comprise 10% of the final grade.</p>
<p>Policy Statements: University Policies</p>	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university’s published policies. The following policies are of particular interest:</p> <p>Academic Honesty</p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the</p>

university's academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.

Drops and Withdrawals

Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.

Special Services

If you have registered as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor at the beginning of the course of the accommodations you will require in this class so that these can be provided.

Disturbances

Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course.

Student Assignments Retained

From time to time, student assignments or projects will be retained by The Department for the purpose of academic assessment. In every case, should the assignment or project be shared outside the academic Department, the student's name and all identifying information about that student will be redacted from the assignment or project.

Contact Hours for this Course

It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, it must be rescheduled.

Course Policies

REQUIRED WRITING COMPONENT: Each student will be assigned a different management accounting topic. The student will be required to research the topic, prepare a 750-1050 word paper, and prepare a PowerPoint presentation. Cite sources to support your research and write in a coherent, organized fashion expected at the college level. APA format and style. Be sure to include at least five non-internet sources such as professional journals or papers. Include a bibliography. Be sure to use appropriate citations in the text. At the Week 7 meeting each student will orally present their topic by use of their PowerPoint presentation.

REQUIRED USE OF PASSPORTS:

Students are required to use Webster University's online library, PASSPORTS (<http://library.webster.edu>). PASSPORTS offers access to many scholarly and professional publications free of charge. Check with the Academic Advisor or visit the website for more information about what is available via PASSPORTS.

TURN-IT-IN PLAGIARISM DATABASE:

Faculty encourage students to use the Turn-it-In Plagiarism Database and should include the password on the syllabus. (<http://library.webster.edu/turnitin.html>)

WRITING ASSISTANCE:

All students are encouraged to submit their research papers to the Webster On-Line Writing Center for review and assistance. (<http://www.webster.edu/acadaffairs/asp/wc/online.html>)

Weekly Schedule	Week	Date	Course Schedule	Ch.	Homework due next class
	1	6-1	Organization and Management – Cost Terms and Concepts	1&2	E2-11, E2-12, P2-21, P2-25
		Systems Design – Job Costing	3	E3-15, E3-11	
		Cost Behavior	5	P5-15, P5-17, P5-21	
		Review final project and presentation requirements			
2	6-8	Review homework – Chapters 2, 3, & 5			
		Cost/Volume/Profit	6	E6-12, E6-11, P6-24, P6-19	
		Activity Based Costing	8	E8-3, P8-28	
3	6-15	Review homework – Chapters 6 & 8 and			
		Profit Planning	9	E9-1, E9-2, P9-14, P9-9	
		Standard Costing	10	E10-9, E10-10, P10-25	
4	6-22	Review homework – Chapters 9 & 10			
		Flexible Budgeting	11	E11-1, E11-10, P11-20	
		Relevant Costs	13	E13-7, E13-9, E13-10, E13-11	
5	6-29	Review homework – Chapters 11 & 13			
		Midterm Exam (covers chapters 1-10)			
6	7-6	Review Midterm Exam			
		Segment Reporting	12	E12-1, E12-12, E12-13, E12-14	
		Capital Budgeting Decisions	14	E14-7, E14-10, E14-2, E14-4, E14-9, E14-17	
7	7-13	Review homework – Chapter 12 & 14			
		Service Department Costing	12	E12-5, P12-25	
		Transfer Pricing	12A	E12-16, P12-28	
		Pricing – Appendix A		EA-3, PA-5	
		Financial Statement/Ratio Analysis	16	E16-1, E16-8, E16-9, P16-11	
8	7-20	Discuss Final			
		Final Project Presentations	16		
9	7-27	Final Exam (comprehensive)			