

# San José State University

College of Business  
Department of Accounting and Finance  
BUS 21 Managerial Accounting  
Sections: 2,3 Semester: Fall 2017

**Instructor:** William D. DeVincenzi

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**Office Hours:** Tuesday and Thursday 12:00 to 1:30

**Class Days/Time:** Tuesday and Thursday, Sec 2 9:00-10:15,  
Sec 3 10:30-11:45

**Classroom:** BBC 107 all classes

**Prerequisites:** Bus 20 – Financial Accounting or Bus 20N –  
Survey of Accounting (with a minimum grade of “C”).

## Required Texts

Managerial Accounting, 15<sup>th</sup> edition, Garrison, Noreen, Brewer, McGraw-Hill.

The book is available at the University Bookstore in the Student Union and online.

## Faculty Web Page

Copies of the course materials such as the syllabus, major assignment handouts and problem solutions may be found on Canvas (<https://sjsu.instructure.com/>).

## Course Description

This is the study of how managers use accounting information in decision-making, planning, directing operations and controlling activities. It focuses on cost terms and concepts, cost behavior, cost structure and cost-volume-profit analysis. It includes issues relating to cost systems, cost control, profit planning, operations and capital budgeting, relevant costs for decision making and performance analysis in manufacturing and service environments.

## **Course Goals (aligned with the College of Business Program Goals {CBPG})**

- (1) Understand how accounting data is used internally within a company for planning operations, controlling activities, and making decisions. (CBPG1)
- (2) Understanding of the concepts of cost accumulation for product costing; cost-volume-profit relationships; profit planning; standard costing; static and flexible budgets; performance measurement; and relevant costs for decision making. (CBPG1)
- (3) Understand how to prepare and evaluate Schedule of Cost of Goods Manufactured and Schedule of Cost of Goods sold (CBPG1, CBPG5)
- (4) Prepare and analyze the traditional and contribution-margin income statements in order to make decisions. (CBPG1, CBPG5)
- (5) Understanding of the above concepts in order to select, interpret, and analyze the information in order to make business decisions. (CBPG5)
- (6) Understand the accounting system and the issue of internal controls and the impact of technology on the business environment. (CBPG2, CBPG3)
- (7) Identify and understand the ethical implications inherent in managerial accounting and be able to apply strategies for addressing them. (CBPG 3)
- (8) Express ideas clearly, logically, and persuasively in oral and written communication (CBPG2)

## **Student Learning Objectives**

Upon successful completion of this course, students will:

1. Identify and illustrate the primary activities and informational needs of managers and explain the role of the managerial accountant as a member of the management team.
2. Compare and contrast financial and managerial accounting.
3. Define and illustrate various cost terms, concepts, and behaviors and evaluate their relevancy for different decision-making purposes.
4. Distinguish between product and period costs; prepare and evaluate a Schedule of Cost of Goods Manufactured, Schedule of Cost of Goods Sold, and Income Statement.
5. Understand cost behavior and classify costs as to variable, fixed, opportunity, discretionary and semi-variable.
6. Prepare contribution-margin income statements; define related terms; explain cost-volume-profit analysis; degree of operating leverage and safety margin and employ each as an analytical tool.

7. Describe the traditional types of product costing systems, illustrate the flow of costs in each, and prepare related accounting records and reports.
8. Calculate and understand the application of over and under applied overhead.
9. Discuss the impact of technology on the manufacturing environment, its implications for product costs and the development of activity-based costing and management.
10. Understand the purposes of budgeting; prepare a master budget and its component schedules, and relate the budget to planning and control.
11. Understand the flexible budget and how it differs from the static budget.
12. Understand the development and use of standard costs, prepare and interpret variances and relate them to responsibility accounting and control.
13. Explain revenue, profit and investment centers.
14. Define relevant costs and benefits and prepare analyses related to special decisions.
15. Identify the ethical implications and be able to apply strategies for addressing them. ,

### **Course Format**

The overall emphasis of this course is the use of accounting data within an organization by its managers. Managers need information to carry out three essential functions: (1) planning operations, (2) controlling activities, and (3) making decisions. The purpose of this course is to show what kind of information is needed, where this information can be obtained, and how information can be used by managers as they carry out their planning, control, and decision-making responsibilities.

### **Course Project**

The Project represents ten percent of your grade and may be accomplished in one of two ways. 1. You may write a paper on a topic or problem assigned by the Instructor. This will be done in consultation with the instructor on an ethics topic in the Management Accounting field. 2. You may join the Financial Management Association <http://www.cob.sjsu.edu/fma/index.htm> student organizations or select any other student organization in the College of Business. You may earn all your points by attending (and signing in) five meetings.

### **Course Evaluation**

Three Exams (150 points each)	450 points	(90%)
Course Project	<u>50 points</u>	<u>(10%)</u>

Total

500 points (100%)

### Grading Information

The grading scheme for this class is as follows:

465	500	A
450	464	A-
435	449	B+
415	434	B
400	414	B-
385	399	C+
365	384	C
350	364	C-
335	349	D+
315	334	D
300	314	D-
Below	300	F

### Classroom Protocol

The format for exams is primarily multiple choice with some problems and short answer questions. Make-up exams will only be considered for ***TRUE EMERGENCIES ONLY***. If you have a conflict or problem, contact me prior to the exam and I will try to help you resolve the problem. You will not be allowed any notes or references as you take the exams so try not to become too dependent on the book as you do your assignments. There are four exams scheduled during the semester. The lowest exam score will be dropped. In class reviews for the exams will include practice test questions. ***There is no extra credit in this course so prepare well for the exams.***

### Required Topics:

1. Basic Cost management concepts and terms
2. Coverage of some of the costing methods (job-order, process costing, ABC costing)

3. Cost-volume-profit analysis
4. Profit planning and budgeting
5. Static versus flexible budgeting
6. Variances related to standard costing and flexible budgeting
7. Responsibility accounting and performance analysis
8. Decision making: relevant costs and benefits; various types of special decisions (make or buy, special orders, capital expenditures)
9. Ethical issues

### **Assignments and Grading Policy**

Homework assignments for the semester are attached. Students are expected to complete each homework assignment prior to the next class meeting. Homework will be collected periodically, at the instructor's option, so be prepared to turn in your written solutions to the homework.

Working through problems is the best way for you to learn the material. The purpose of completing the assignments on time is to discuss them in class, and your participation is expected. Solutions to the problems will be made available to ensure complete understanding of the material.

In preparation for quizzes and exams you should consider completing other exercises and problems at the end of each chapter and additional problems are available on the book website.

### **University Policies**

#### **General Expectations, Rights and Responsibilities of the Student**

As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students are encouraged to familiarize themselves with SJSU's policies and practices pertaining to the procedures to follow if and when questions or concerns about a class arises. To learn important campus information, view [University Policy S90-5](http://www.sjsu.edu/senate/docs/S90-5.pdf) at <http://www.sjsu.edu/senate/docs/S90-5.pdf> and SJSU current semester's Policies and Procedures, at <http://info.sjsu.edu/static/catalog/policies.html>. In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not address the issue, it is recommended that the student contact the Department Chair as the next step.

## **Dropping and Adding**

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the [Academic Calendars webpage](http://www.sjsu.edu/provost/services/academic_calendars/) at [http://www.sjsu.edu/provost/services/academic\\_calendars/](http://www.sjsu.edu/provost/services/academic_calendars/). The [Late Drop Policy](http://www.sjsu.edu/aars/policies/latedrops/policy/) is available at <http://www.sjsu.edu/aars/policies/latedrops/policy/>. Students should be aware of the current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the [Advising Hub](http://www.sjsu.edu/advising/) at <http://www.sjsu.edu/advising/>.

## **Consent for Recording of Class and Public Sharing of Instructor Material**

[University Policy S12-7](http://www.sjsu.edu/senate/docs/S12-7.pdf), <http://www.sjsu.edu/senate/docs/S12-7.pdf>, requires students to obtain instructor's permission to record the course and the following items to be included in the syllabus:

- “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor’s permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
  - It is suggested that the green sheet include the instructor’s process for granting permission, whether in writing or orally and whether for the whole semester or on a class by class basis.
  - In classes where active participation of students or guests may be on the recording, permission of those students or guests should be obtained as well.
- “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

## **Academic integrity**

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The [University Academic Integrity Policy S07-2](http://www.sjsu.edu/senate/docs/S07-2.pdf) at <http://www.sjsu.edu/senate/docs/S07-2.pdf> requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The [Student Conduct and Ethical Development website](http://www.sjsu.edu/studentconduct/) is available at <http://www.sjsu.edu/studentconduct/>.

## **Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. [Presidential Directive 97-03](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) at [http://www.sjsu.edu/president/docs/directives/PD\\_1997-03.pdf](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) requires that students with disabilities requesting accommodations must register with the [Accessible Education Center](http://www.sjsu.edu/aec) (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

## **Accommodation to Students' Religious Holidays**

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See [University Policy S14-7](http://www.sjsu.edu/senate/docs/S14-7.pdf) at <http://www.sjsu.edu/senate/docs/S14-7.pdf>.

## **College of Business Program Goals (CBPG):**

### **1. Business Knowledge**

- Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.

### **2. Communication**

- Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.

### **3. Ethical Awareness**

- Recognize, analyze, and articulate solutions to ethical issues that arise in business.

### **4. Leadership, Teams and Diversity**

- Comprehend the challenges and opportunities of leading and working in diverse teams and environments.

### **5. Critical Thinking**

- Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.

### **6. Innovation**

- Recognize, analyze, and articulate strategies for promoting creativity and innovation.

## **College of Business Policies**

To ensure that every student, current and future, who takes courses in the Boccardo Business Center has the opportunity to experience an environment that is safe, attractive, and otherwise conducive to learning, the College of Business at San José State has established the following policies:

### **Eating:**

Eating and drinking (except water) are prohibited in the Boccardo Business Center. Students with food will be asked to leave the building. Students who disrupt the course by eating and do not leave the building will be referred to the Judicial Affairs Officer of the University.

### **Cell Phones:**

Students will turn their cell phones off or put them on vibrate mode while in class. They will not answer their phones in class. Students whose phones disrupt the course and do not stop when requested by the instructor will be referred to the Judicial Affairs Officer of the University.

### **Computer Use:**

In the classroom, faculty allow students to use computers only for class-related activities. These include activities such as taking notes on the lecture underway, following the lecture on Web-based PowerPoint slides that the instructor has posted, and finding Web sites to which the instructor directs students at the time of the lecture. Students who use their computers for other activities or who abuse the equipment in any way, at a minimum, will be asked to leave the class and will lose participation points for the day, and, at a maximum, will be referred to the Judicial Affairs Officer of the University for disrupting the course. (Such referral can lead to suspension from the University.) Students are urged to report to their instructors computer use that they regard as inappropriate (i.e., used for activities that are not class related).

### **Academic Honesty:**

Faculty will make every reasonable effort to foster honest academic conduct in their courses. They will secure examinations and their answers so that students cannot have prior access to them and proctor examinations to prevent students from copying or exchanging information. They will be on the alert for plagiarism. Faculty will provide additional information, ideally on the green sheet, about other unacceptable procedures in class work and examinations. Students who are caught cheating will be reported to the Judicial Affairs Officer of the University, as prescribed by Academic Senate Policy S04-12.

## Mission and Program Learning Goals

<b>LCoB Mission Statement</b>
<p>We are the <i>institution of opportunity</i> in <i>Silicon Valley</i>, educating future leaders through <i>experiential learning</i> and character development in a <i>global business community</i> and by conducting <i>research</i> that contributes to business theory, practice and education.</p>

<b>BSBA Program Learning Goals</b>		
1	<b>Business Knowledge</b>	Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.
2	<b>Communication</b>	Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.
3	<b>Ethical Awareness</b>	Recognize, analyze, and articulate solutions to ethical issues that arise in business.
4	<b>Leadership Diversity &amp; Teams</b>	Comprehend the challenges and opportunities of leading and working in diverse teams and environments.
5	<b>Critical Thinking</b>	Comprehend, analyze, and critically evaluate complex unstructured qualitative and quantitative problems, using appropriate tools and technology.
6	<b>Innovation</b>	Recognize, analyze, and articulate strategies for promoting creativity and innovation.

<b>Week</b>	<b>Date</b>	<b>Topics, Readings, Assignments, Deadlines</b>
1	8/24	Introduction to Managerial Accounting Chapter 1 Exercises 7,9,10,13
2	8/29 8/31	Chapter 2 Introduction Chapter 2 Exercises 1,2,3,4,5,6 Problems 13, 14
3	9/5 9/7	Chapter 3 Introduction Chapter 3 Exercises 1,2,7,8,14 Problems 22, 25 Exam Review
4	9/12 9/14	<b>Exam 1 Chapters 1,2,3</b> Chapter 4 Introduction
5	9/19 9/21	Chapter 4 Exercises 2,3,4, 6,8 Problems 13, 15 Chapter 5 Introduction
6	9/26 9/28	Chapter 5 Exercises 5,6,7,8,9 Problems 24, 25 Chapter 7 Introduction
7	10/3 10/5	Chapter 7 Exercises 1,2,3,7,9,13 Problems 16, 19 Review and Practice Exam Chapters 4,5,7 Exam Review
8	10/10 10/12	<b>Exam 2 Chapters 4,5,7</b> Chapter 8 Introduction
9	10/17 10/19	Chapter 8 Exercises 1,2,3,4,7,14 Problems 21, 25 Chapter 9 Introduction
10	10/24 10/26	Chapter 9 Exercises 1,2,3,6,9 Problems 19, 21 Chapter 10 Introduction
11	10/31 11/2	Chapter 10 Exercises 1,2,5,6,8 Problems 9, 15 Review Chapters 8,9,10
12	11/7 11/9	<b>Exam 3 Chapters 8,9,10 Projects issued</b> Chapter 11 Introduction
13	11/14 11/16	Chapter 11 Exercises 1,2,5,6,9 Problems 15,17 Chapter 12 Introduction
14	11/21 11/28	Chapter 12 Exercises 1,2,3,4,5,10 Problems 20, 21 Chapter 13 Introduction
15	11/30 12/5	Chapter 13 Exercises 1,2,3,8,10,11 Problems 18, 22 Project Presentations
	12/7	Final Exam Review
	Finals	Sec 2 Tuesday Dec 19 7:15, Sec 3 Monday Dec 18 9:45.