



UNIVERSITY OF ILLINOIS AT CHICAGO
College of Business Administration
Accounting 506: MANAGEMENT ACCOUNTING
Fall 2012

Professor **SOMNATH DAS.**

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Class Lectures: Tuesdays: 6:00-9:00 PM in DH 220
Office Hours: Wednesdays: 3:00-4:00 PM and by appointment.
Prerequisites: A grade of C or higher in Accounting 500, OR a passing grade in the Departmental Accounting Qualifying examination.
Credit: 4 credit hours

Course Objectives & Description:

This course emphasizes the use of accounting data for management decision making, planning and control. The focus is on the internal use of and generation of cost data by management as opposed to external reporting. The course will be broadly divided address issues relating to the following three areas:

1. Accounting for Planning & Control including performance evaluation
2. Accounting for Management of Costs and identification of actual product costs.
3. Accounting for non-routine managerial decision making with particular emphasis on pricing decisions.

Course Materials:

Required Text: Horngren, Datar, & Rajan, Cost Accounting: A Managerial Emphasis, **Fourteenth Edition**, 2012. Prentice Hall.

Recommended:

1. Student Solutions Manual for Cost Accounting by Horngren, Datar & Rajan, 14/E 2011, Prentice Hall, ISBN-10: 1256327433; ISBN-13: 9781256327431.
2. Student Study Guide for Cost Accounting by Horngren, Datar & Rajan, 14/E, 2012, Prentice Hall, ISBN-10: 0132109204; ISBN-13: 9780132109208.

Course Website: <http://blackboard.uic.edu/>

All materials pertaining to the course can be found at the above WEB site. You must be enrolled in the class to access the course site on Blackboard.

You should also visit the Publisher's website for the text at <http://www.pearsonhighered.com> for additional support.

Course Requirements and Grading:

Midterm	40%
Final Exam	45%
Team Assignments	<u>15%</u>
TOTAL	<u>100%</u>

Exams: There will be TWO exams **One Midterm** and **One Final**. The final exam (which has a weight of 45% of the overall course grade) will *approximately* have 80-85% of the questions based upon material covered since the Midterm and the remaining 15-20% based on the cumulative material covered before the Midterm.

Make up exams will be given in **EXCEPTIONAL** circumstances **ONLY** and before the scheduled examination date and time and only upon Instructor approval based upon appropriate documentary evidence.

A grade of Incomplete (IN) will be assigned only under the conditions set forth in the university catalog. Please refer to the "General Course Policy" Statement of the Department of Accounting and the LGSB Program office regarding any clarifications and additional information.

Assigned Problems: A majority of these problems will be discussed in class. Please attempt some of the problems or at the minimum familiarize yourself with the setting, issues and the concepts covered in the problem. We may not have time to go over all of them. The specific problem(s) that will be discussed in class are noted in the Lecture Notes. In most cases, I will do my best to go over all of the assigned problems during class. In any case you are responsible for attempting them on your own. You can verify the answers from the Solutions that will be posted on the Blackboard site after the completion of the particular Chapter material.

Team Assignments: Selected end of chapter, Collaborative Learning Problems (CLP) has been assigned on the Course schedule as Team assignments. These assignments must be completed as a Group (Team). Please submit only ONE 'HARD' copy per Team for each assignment by the due date. No soft copies will be acceptable as a submission.

Code of Conduct: Please familiarize yourself with the University and College of Business Administration's 'HONOR CODE and 'Code of Conduct' and be cognizant of the fact that any violations of the ethical standards, cheating and or plagiarism in any graded class activity such as assignments and examinations **WILL BE DEALT WITH THE UTMOST SERIOUSNESS** including failing grades and or expulsion. There will be NO opportunity ex-post to seek leniency in treatment, no matter what the circumstances that may have resulted in such a behavior.

Class Preparation: There is a considerable amount of material covered in this course, and it is **essential that you stay current** with the readings and assignments. On average, one chapter is covered each week. It is crucial not to fall behind. It is expected that you complete the readings, and review the assigned problems and cases before they are covered in class. Since we meet for almost 3 hours each week, you should be spending, **on average, over 6-7 hours outside of class** time to keep up with the course material.

A Word of Advice: Whenever necessary do not hesitate to see the Instructor either during office hours or by appointment, to clarify any concepts/ solutions.

Class Schedule: A PROVISIONAL CLASS SCHEDULE which is subject to change is presented in the following page. Please pay attention to announcements in class, on the Blackboard course site, and emails via Blackboard for any changes.

Also please NOTE the following:

- Reading assignments do not include end of Chapter Appendices unless specified.
- All references are to the main textbook by Horngren, Datar & Rajan, 14th edition.
- Abbreviations: E-Exercise, P-Problem, C- Cases, CLP-Collaborative Learning Problem.

CLASS SCHEDULE & ASSIGNMENTS
(Tentative and Subject to Change)

Date	Topic	Reading Assignment	Assigned Problems	Homework
Aug. 28	Introduction to Management Accounting	Chapters 1& 2	E2-22,E 2-26, P2-29, P2-34.	
Sept. 4	Cost Concepts & Cost Behavior	Chapters 3 & 10 (only pp. 340-355)	E3-18, E3-21, E3-30,P 3-37, P3-38, 3-39; E10-23, E10-24, E10-31, E10-33; Case: CLP 3-49	
Sept. 11	Actual and Normal Costing	Chapter 4	E4-17, E4-20, E4-21, E4-23, E4-28, P4-31, P4-34, P4-35.	
Sept. 18	Activity Based Costing	Chapter 5	E5-21, E5-24, E5-27, P5-32, P5-37, P5-39; Case: ABC Ajax Company.	
Sept. 25	Standard Costing Systems I	Chapters 6 & 7	E6-22, P6-37, E7-19, E7-24, E7-26, P 7-30, P 7-31, P7-32, P7-35, P 7-36, CLP # 5-41. P7-40. Case: Victoria Corporation	
Oct. 2	Standard Costing Systems II	Chapter 8	E8-18, E18-19, E-824, E8-26, P8-29, P8-33, P8-38, P8-39. Case: Mountain View Hospital	
Oct. 9	Inventory Costing Systems	Chapter 9	E9-18, E9-20, E9-21, E9-22, P9-28, P9-30, P9-31; Case: All Fixed Company (P9-29)	CLP # 7-42 & 8-42
Oct. 16	MIDTERM (In-class)	Chapters 1-10	Prepare for the EXAM	
Oct. 23	Decision Making & Use of Relevant Information	Chapter 11	E11-18, E11-23 , E11-25, E11-28, P11-31, P11-33, P11-39. Case: Ace Moped Company	CLP # 9-41

Oct. 30	Relevant Costs - Pricing	Chapter 12	E12-17, E12-18, E12-23, E12-24, P12-30, P12-32, P12-35.	
Nov. 6	Cost Allocation – Common Costs	Chapter 15 (exclude pp. 557-563)	E15-16, E15-19, E15-21, E15-22, E15-27, P15-31, P15-34. Case: Nina Hogan Company	CLP # 11-42
Nov. 13	Cost Allocation- Joint Costs	Chapter 16	E16-19, E16-21, E16-23, E16-24, P16-27, P16-28, P16-34.	
Nov. 20	Capital Budgeting	Chapter 21	E21-24, E21-26, P21-28. Case: Talking Heads Corporation.	
Nov. 27	Transfer Pricing.	Chapter 22	E22-19, E22-20, E22-21, E22-23, P22-28, P22-32. Case: Redwood Forest Company	CLP # 21-38
Dec. 4	Divisional Performance Measurement	Chapter 23	E23-21, E23-23, E23-25, P23-30.	
Dec. 11	Final Exam (Instruction ends on Friday Dec. 7, 2012)	Comprehensive: Chapters 11-12, 15-16, 21-23 & Cumulative materials covered prior to the Midterm.		Prepare for the EXAM