

**Moravian College**  
**Accounting 213 -- Cost Accounting**  
**Spring 2008**  
**M/W 9:30 – 11:00**

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**Catalog Description**

An introduction to basic financial information used within business organizations. Emphasis is on cost analysis to improve decision making, and facilitate planning and control. Topics include cost systems, budgeting, variance analysis, performance measurement, pricing and profit analysis.

**Course Objectives**

This course is designed to introduce students to the variety of ways in which cost accounting information is used to support an organization's strategic objectives. After completing this course, students should understand:

- The nature of costs incurred by firms and the variety of ways by which organizations account for and manage these costs.
- The process of budgeting and evaluating the performance of firms and their business units.
- The use of cost information in a variety of decision making contexts.
- The rationale behind the balanced scorecard.
- The use of accounting information to motivate performance.

**Required Materials**

Horngrén, Datar, and Foster (2006). *Cost Accounting 12<sup>th</sup> Edition*. Upper Saddle River, NJ: Prentice Hall.

Additional resources include:

- Cost Accounting 12<sup>th</sup> Edition text website -- [www.prenhall.com/horngrén](http://www.prenhall.com/horngrén)
- Class notes, announcements, and other resources are available on the Acct 213 Blackboard site, which can be accessed at <http://blackboard.moravian.edu>

**Blackboard Course Site**

Many of the materials for this course can be accessed through Moravian's Blackboard course management system. Items included on the Blackboard site include instructor prepared materials such as electronic copy of the syllabus, PowerPoint slides, and selected solutions to problems.

Class communications including course updates, and other important announcements will be communicated in class and through Blackboard. Students should log in to the course Blackboard

site at least weekly. *Students should register for the Blackboard site as soon as possible, but no later than the beginning of the second week of class.* Instructions will be distributed in class.

### **Attendance and Participation**

Your attendance and participation are vital to the success of the course; therefore, *active participation is welcomed and encouraged!* Participation includes attending class, reading the assignments prior to attending class, completing homework assignments, and participating in class discussions. Many of the concepts covered in this course build upon concepts covered earlier in the course. For this reason, it is crucial that students keep up with the readings and assignments. Please ask questions and seek help as soon as possible to avoid falling behind.

If a situation arises that would cause you to miss a class, please notify the instructor via email as soon as possible. It is the student's responsibility to make arrangements for any missed materials or assignments.

### **Examinations**

*All students are expected to take examinations when scheduled. Make-up exams will only be given if the instructor is **notified in advance** and will only be granted for legitimate reasons.* Please refer to the Schedule of Assignments on the last page of this syllabus for the exam dates.

### **Homework Assignments**

Homework problems will be assigned throughout the semester. The specific homework problems will be announced in class. In order to receive full credit for homework, students must make an adequate effort at completing all of the problems. An adequate effort includes following your text and notes to satisfactorily set up the problems and making an attempt to answer all questions. Problems for which the instructor does not feel the student has made an adequate effort will not be given credit.

Homework assignments are to be turned in during the class period when they are due. Even with an excused absence from class, homework is due on the date indicated on the Schedule of Assignments on the last page of this syllabus. Late homework will not be accepted for credit. You may fax or email your solutions if you will not be in class on the due date.

### **Case Assignments (Team)**

Written analysis of two case studies will be required during the semester. The case studies use real world settings and deal with key topics in cost accounting including cost allocation and budgeting. The cases will be distributed in class. Due dates are listed on the Schedule of Assignments.

The case write-up should include an Executive Summary (one page or less) highlighting the key issues, problems, and solutions identified in the case. (The executive summary should not merely be a rehash of the case itself.) The case will be evaluated based on the demonstration of critical thinking, accuracy of the solution, and clarity of the supporting documentation. The written analysis of the case must be handed in on the date that the case is due.

### **Grade Determination**

The final grade for the course will be determined as follows:

|                           |     |
|---------------------------|-----|
| Exams (3)                 | 70% |
| Team Case assignments (2) | 20% |
| Homework                  | 10% |

#### **Grading Scale:**

94& above: A; 90 - 93 : A-; 87 – 89: B+; 84 – 86: B; 80 - 83: B-; 77 – 79: C+; 74 – 76: C; 70 – 73: C-; 67-69: D+; 64-66: D; 60-63 D-; <60: F

### **Academic Honesty**

*“Academic integrity is the foundation on which learning at Moravian College is built. Moravian expects its students to perform their academic work honestly and fairly. In addition, a Moravian student should neither hinder nor unfairly assist the efforts of other students to complete their work successfully.”* (Moravian College 2005/2006 Student Handbook, Academic Honesty). Academic dishonesty includes, but is not limited to plagiarism, cheating, helping or hindering others, and false testimony. The College’s expectations and the consequences of the failure to meet those expectations are outlined in the Student Handbook.

### **Disability Support Services**

*“Moravian College adheres to the principles and mandates of the Americans with Disabilities Act (1990) and the Rehabilitation Act of 1973.” “The College will provide reasonable accommodation, upon request, to students whose condition meets the legal definition of a disability under the ADA and who are considered otherwise qualified for College admission. Special classroom setups, alternate testing, physical plant alterations (on campus), and other accommodation for students with documented disabilities are available on a case-by-case basis. It is the responsibility of students with disabilities to identify themselves and request accommodation through the appropriate office.”*

*“Students must provide documentation of disabilities and a rationale for the requested accommodation from a professional with expertise in the condition. It is the responsibility of students to request accommodation well in advance of need in order to give the College a reasonable amount of time to evaluate the documentation and implement the request. Classroom accommodation requiring notification to faculty must be requested for each semester it is needed.”* (Moravian College 2005/2005 Student Handbook)

Any student who wishes to disclose a disability and request accommodations under the ADA for this course first must meet with either Mrs. Laurie Roth in the Office of Learning Services (for learning disabilities and ADD/ADHD) or Dr. Ronald Kline in the Counseling Center (all other disabilities.) The Learning Services Office and Counseling Center are located at 1307 Main Street (610) 861-1510.

**Acct 213 Spring 2008  
Tentative Schedule of Topics and Assignments\***

|  | <b>Date</b>   | <b>Topic</b>  | <b>Reading Assignment</b>      | <b>Other due date</b> |
|--|---------------|---|--------------------------------|-----------------------|
| <b>Part 1 – Product Costing</b>                      |               |   |                                |                       |
| M  | Jan 14        | Welcome and Introduction<br>Accountant's role in the organization             | Ch 1                           |                       |
| W  | Jan 16        | Introduction to Cost Terms and Purposes                                       | Ch 2                           |                       |
| <b>M</b>   | <b>Jan 21</b> | <b>MLK Holiday – No classes</b>   |                                |                       |
| W  | Jan 23        | Introduction to Cost Terms and Purposes (cont'd)                              | Ch 2                           |                       |
| M  | Jan 28        | Job Costing   | Ch 4                           |                       |
| W  | Jan 30        | Job Costing   |                                |                       |
| M  | Feb 4         | Job Costing (cont'd)  |                                |                       |
| W  | Feb 6         | Inventory costing for manufacturing companies                                 | Ch 9 (294-301)                 |                       |
| M  | Feb 11        | Process Costing   | Ch 17                          |                       |
| W  | Feb 13        | Process Costing (cont'd)  |                                |                       |
| <b>M</b>   | <b>Feb 18</b> | <b>Exam 1 -- Ch 1,2,4,9,17</b>  |                                |                       |
| <b>Part 2 – Cost Allocation and Decision Making</b>  |               |   |                                |                       |
| W  | Feb 20        | Activity Based Costing  | Ch 5                           |                       |
| M  | Feb 25        | Activity Based Costing (cont'd)   | Read Buckeye<br>Bank case      |                       |
| W  | Feb 27        | Customer Profitability Analysis   | Ch 14<br>(p. 501-508)          |                       |
| M  | Mar 3         | Cost Volume Profit Analysis   | Ch 3                           |                       |
| W  | Mar 5         | Cost Volume Profit (cont'd)   |                                |                       |
| <b>M</b>   | <b>Mar 10</b> | <b>Spring Break – No classes</b>  |                                |                       |
| <b>W</b>   | <b>Mar 12</b> | <b>Spring Break – No classes</b>  |                                |                       |
| M  | Mar 17        | Determining how costs behave  | Ch 10 (p. 332-346;<br>353-354) |                       |
| W  | Mar 19        | Decision Making and Relevant Info   | Ch 11                          | CVP case              |
| <b>M</b>   | <b>Mar 24</b> | <b>No class Easter recess</b>   |                                |                       |
| W  | Mar 26        | Decision Making and Relevant Info (cont'd)                                    | Ch 12                          |                       |
| <b>M</b>   | <b>Mar 31</b> | <b>Exam 2 Ch 5, 14,3 ,10,11,12</b>  |                                |                       |
| <b>Part 3 – Budgeting and Performance Evaluation</b> |               |   |                                |                       |
| W  | Apr 2         | Master Budget and Responsibility Accounting                                   | Ch 6                           |                       |
| M  | APR 7         | Master Budget and Resp. Accounting (cont'd)                                   |                                |                       |
| W  | Apr 9         | Flexible Budgets, Direct cost variances, Standard Costing                     | Ch 7                           |                       |
| M  | Apr 14        | Flexible Budgets, Direct cost variances, standard costing (cont'd)            |                                |                       |
| W  | Apr 16        | Strategy, Balanced Scorecard, and Strategic Profitability Analysis            | Ch 13 (p. 455-465)             |                       |
| M  | Apr 21        | Performance Measurement, Compensation, and Multinational Considerations       | Ch 23 (p 791-796;<br>806 -814) | Budgeting case due    |
| W  | Apr 23        | Review  |                                |                       |
|  | TBD           | <b>Exam 3 – CH 6,7,13,23<br/>Date to be determined by final exam schedule</b> |                                |                       |

\* This is a tentative schedule of assignments; exact dates assigned to each topic may change depending on the pace of class discussion. Changes to the schedule will be announced in class. It is the student's responsibility to ensure that he or she is aware of all changes.