

**LEHIGH UNIVERSITY, COLLEGE OF BUSINESS & ECONOMICS**

**SYLLABUS FOR COST ACCOUNTING**

**Accounting 324**

**Fall 2020**

Instructor: Professor Dave Hinrichs

Class Time: Monday & Wednesday 10:45 AM – 12:00 PM

Location RBC 101

Office Hours: Mon, Tues, Wed. & Thurs 9:30 – 10:30 or by appointment

Office: 376 RBC

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Phone: (610) 758-4674

**I. Course Materials:**

- Cost Accounting, Horngren, Datar, Rajan, 16<sup>th</sup> ed., Pearson,
  - Lehigh Bookstore custom version (ISBN 9780134476032 )
  - or Hard Cover version (9780134475998)
  
- **Course Site**
  - Discussion Slides
  - Assignment Solutions (posted subsequent to class discussion)
  - Other reading materials

**II. COURSE ORGANIZATION:**

The course will parallel the textbook from a topical standpoint and will incorporate current business and accounting news and events. The textbook, lectures and supplemental reading will be the primary sources of course content. Learning will be reinforced by homework assignments (problems), group activities and class discussion.

### III. COURSE LEARNING OBJECTIVES:

Managerial Accounting plays a key role in the decision making process of organizations. The accumulation, analysis and presentation of information in an effective and efficient manner are key determinants of organizational success.

#### Product Costing

- Identify and explain the complexities in various costing methodologies and demonstrate their impact on transaction flows and financial systems.
- Identify the purposes for cost assignment, including ABC/ABM and demonstrate the use of various methods of cost assignment.

#### Planning and Control

- Display a comprehensive understanding of operational budgeting; perform sensitivity analysis and use budgeting information to illustrate how planning and control functions are carried out.
- Develop financial and nonfinancial indicators of performance and illustrate their use within various responsibility centers across the value chain.
- Analyze the relationship between quality and cost, prepare and analyze cost of quality reports and account for spoilage, rework, scrap and waste.

#### Analysis and Decision Making

- Use the cost-volume-profit model, relevant costs, different pricing models and transfer pricing in advanced applications of non-routine decision-making.

### IV. PERFORMANCE EVALUATION:

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

2 In-class Exams	400 points
Homework Assignments & Class Participation	150
Group Activities	100
Final Exam	<u>350</u>
	<b>1,000 Points</b>

As a matter of course policy, no make-up examinations will be administered. If you miss one of the exams for a valid reason and you have informed the professor prior to the test date, the weight of the missed examination will be transferred to the final exam.

#### Homework Assignments

Students will be called upon to discuss the homework problems. During the review of assignments in class **note any corrections required**. In addition to providing reinforcement to you, your correction notations will help me to identify where clarification of concepts may be required.

**Your homework “efforts” will be assessed as Complete (✓), Incomplete (X) or Not Acceptable (NA). To receive a Complete, you must confirm your correct answers (✓) and any corrections required noted (preferably in a different color ink/lead).**

Discussion of homework assignments with other classmates is acceptable behavior and is encouraged. Copying homework assignments is NOT an acceptable practice (plagiarism).

## **LAPTOPS**

Although technology can be a helpful learning tool, it also can be a distraction both for the student using the laptop and individuals seated near them. If you intend to make use of a laptop in the classroom, you will be required to send me an email prior to our second class session outlining “how” you plan to utilize the laptop during class. Your email should also include the following statement: *“I will only use the laptop exclusively as I have outlined, and will not use it to check email, access the Internet, social media applications or any other non-classroom related activities.”*

## **Class Participation:**

You will be expected to come to class prepared. I will be looking for quality of comments including your inquisitiveness regarding newly introduced concepts and ideas. Tardiness is a serious disruption to the class and will be reflected in your class participation assessment. Your participation will be formally evaluated on a ten-point scale using the following guidelines:

- Participation in class discussion (Active discussion on a regular basis = level 10)
- Degree of preparation (Always exceptionally prepared = level 10)
- Attendance (On time and in class for all sessions = level 10)
- Active participant and contributor in Group Projects (*Peer review*)

On the first day of class, you will be provided with name cards. These cards should be brought in to class every day. This will help to assure that your participation is appropriately recognized.

## **Learning Disabilities**

If you have a documented learning disability, and will be requesting academic accommodation for this class, please contact the Office of the Dean of Students, UC 212, 8-4152.

## **Academic Integrity**

“Lehigh University Student Senate, Statement of Academic Integrity. *“We, the Lehigh University Student Senate, as the standing representative body of all undergraduates, reaffirm the duty and obligation of the students to meet and uphold the highest principles and values of personal, moral and ethical conduct. As partners in our educational community, both students and faculty share the responsibility for promoting and helping to ensure an environment of academic integrity. As such, each student is expected to complete all academic course work in accordance to the standards set forth by the faculty in compliance with the university’s Code of Conduct.”*

## **Lehigh University endorses The Principles of Our Equitable Community** **(<http://www4.lehigh.edu/diversity/principles>).**

*We expect each member of this class to acknowledge and practice these Principles. Respect for each other and for differing viewpoints is a vital component of the learning environment inside and outside the classroom.*

**V. Course Content** Reading, homework assignments and Group Activities **due on date noted.**

Class	Date <i>Bold=Monday</i>	Read Chapter		Assignments
<b>1</b>		<b>1</b>	<b>Management Acct</b>	
2		2	Cost Terms	2-22, 2-27, 2-37, 2-45
<b>3</b>		<b>4</b>	<b>Job Costing</b>	<b>4-22, 4-26, 4-32, 4-35</b>
4		15	Cost Allocation	15-17, 15-18, 15-25, 15-36
<b>5</b>		<b>16</b>	<b>Joint Costs</b>	<b>16-24, 16-28, 16-31, 16-32</b>
6		17	Process Costing	17-31, 17-32, 17-33, 17-
<b>7</b>		<b>18</b>	<b>Spoilage, rework</b>	<b>18-21, 18-22, 18-23, 18-34</b>
8		20	Inventory Mgmt.	18-35, 18-36, 18-44 20-37, 20-38, 20-40
<b>9</b>		<b>5</b>	<b>ABC/ABM</b>	<b>5-22, 5-27, 5-42</b>
10			<b>Exam 1</b>	
<b>11</b>		<b>6</b>	<b>Budgeting</b>	<b>6-27, 6-29, 6-38</b>
12		6		Budget Case
<b>13</b>		<b>7</b>	<b>Flexible Budget</b>	<b>7-34, 7- 40, 7 -</b>
14		8	Variances	8-23, 8-24, 8-27, 8-41
			<b>Spring Break</b>	
<b>15</b>		<b>8</b>	<b>Variances</b>	<b>8-39, 8-40, 8-42, 8-43</b>
16		9	Inventory Costing	9-28, 9-31, 9-36, 9-39
<b>17</b>		<b>12/19</b>	<b>Sustainability and Performance Mgmt.</b>	<b>12-34, 12-36, 12-43, 12-44</b>
18		12/19		Balanced Scorecard / Sustainability Project
<b>19</b>		<b>13</b>	<b>Pricing Decisions</b>	<b>13-22, 13-24, 13-32</b>
20		22	Transfer Pricing	22-19, 22-20, 22-24, 22-34
<b>21</b>			<b>Exam 2</b>	
22		3	CVP	3-27, 3-32, 3-37, 3-45
<b>23</b>			<b>CVP</b>	<b>Case Study</b>
24		10	Cost Behavior	10-25, 10-26, 10-29, 10-42, 10-43
<b>25</b>			<b>Cost Behavior</b>	<b>Case Study</b>
26		11	Relevant Information	11-24, 11-29, 11-30, 11-35, 11-42
<b>27</b>		<b>14</b>	<b>Customer analysis</b>	<b>14-25,14-27, 14-28 and posted problems using Solver</b>
28			Recap/review	Solver part 2
			<b>Final Exam</b>	