

MANNING SCHOOL OF BUSINESS  
60.321 Cost Accounting Fall 2013  
Section 201: Mon/Wed: 9:30 AM – 10:45 AM



**Prof. George Joseph, Ph.D., ACA**

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**Office Hours:** MW 11:00 am - 12:15pm; T 6:20 – 7:00 pm

*Friday by appointment only*

*Course Web:* [http://faculty.uml.edu/gjoseph/Teaching/60\\_321.aspx](http://faculty.uml.edu/gjoseph/Teaching/60_321.aspx)

*BlackBoard:* <http://continuinged.uml.edu/online>

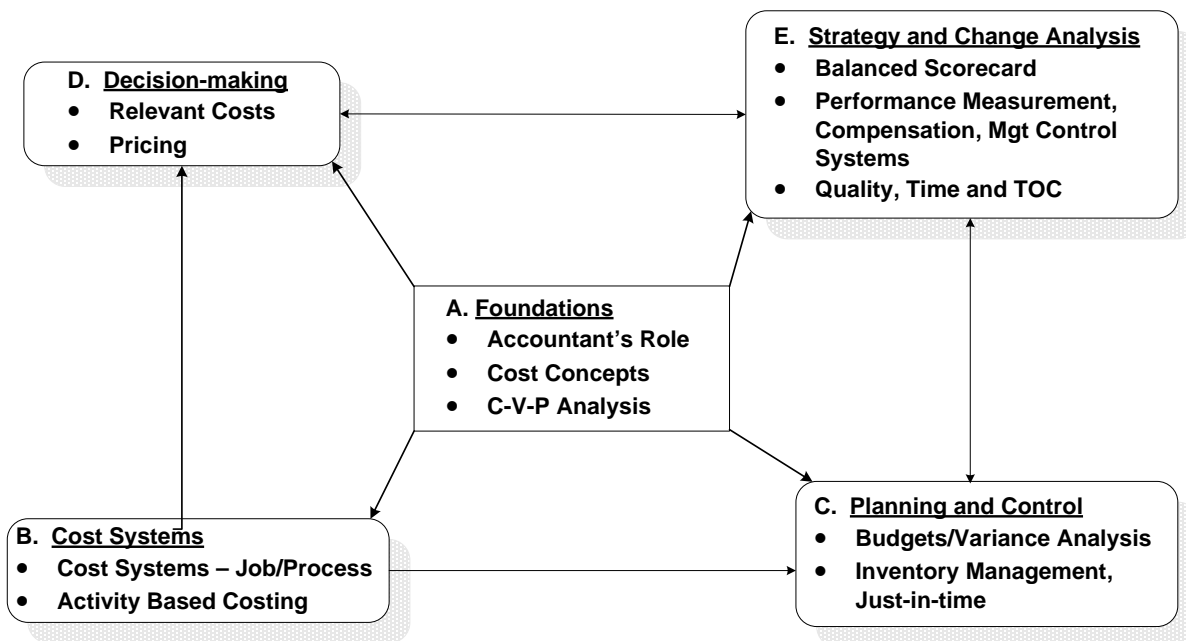
**CATALOG DESCRIPTION:** An examination of the manufacturing function from the view of the cost accountant. Managerial control of the elements of product costs will be studied with an emphasis on cost accumulation systems both historical and estimated.

**PLACE IN CURRICULUM:** This three credit upper level course is required of all accounting majors, usually at the junior level. Prerequisites are 60.201 and 202 (or equivalent, **with a passing grade**), and completion of the School of Business filter courses.

**REQUIRED TEXT:**

*Horngren, Datar, Foster, Rajan and Ittner. Cost Accounting. 14<sup>th</sup> Edition (Prentice Hall)*

**COURSE OVERVIEW:**



This course emphasizes the collection, presentation, and analysis of cost data as they relate to the manufacturing environment, service industries (law firms, hotels) and not-for profits (schools, hospitals). The course also covers some of the measurement and analytical techniques available to facilitate a manager's planning, controlling and decision-making activities. Building on the Management Accounting

course (60.202), this course will provide greater depth into the understanding of the role of accounting in the management of organizations.

The Course Graphic provides a rudimentary overview of the conceptual relationship between the major elements of the subject matter in the course as contained in the course schedule. The foundational concepts form a basis for the other elements of the course, explaining topics that are further developed and applied later in the course. Thus, the recording and assignment of costs precede other management accounting areas such as planning and control and decision-making, as these basic systems are necessary before organizations have the necessary information to perform further analysis or decisions. At the strategic level, information from cost and management accounting includes concepts from other disciplines including operations management and strategy, and integrates both financial and non-financial information to extend the usefulness of cost concepts to long-term strategic management and control. These concepts and their individual components are the elements that constitute the course content highlighted in the course schedule.

**COURSE OBJECTIVES AND LEARNING OUTCOMES:** The course has broad goals that include the development of in-depth knowledge of cost accounting concepts and the skills (such as critical thinking, communication and team-based) to apply that knowledge in a variety of situations. Thus, a broad overview of the course goals includes:

- Review of the role of accounting information in different organizations (local and global) and industries.
- Applying accounting concepts and techniques for decisions through structured problem-solving and in-class discussions
- Developing critical thinking skills in identifying relevant information and distinguishing between cost concepts, cost systems and different methods to implement plans and strategy
- Being a contributing partner in a team-based environment
- Considering legal, ethical, global and technology-related implications (where relevant) in problem solving, presentations and discussions
- Understanding the importance of continuous education through exposure to the research (primarily practitioner) on accounting topics.
- Developing the skills to communicate business concepts and accounting information effectively in oral and in written form.

**COURSE CONTENT:** The connections in the course as outlined in the conceptual “course overview” can be articulated in terms of specific objectives. Thus, at course completion, the students should be able to communicate orally, and in writing, the following:

1. Explain the accountant’s role in the current economic and business environment
2. Explain costs concepts; differentiate between the concepts and their uses
3. Understand cost structures and explain the features of Cost-Volume-Profit. Apply these concepts to different situations including Break-even point and target costing
4. Explain the components of the job-order costing system
5. Understand the role of Activity Based Costing and Activity Based Management Systems
6. Prepare and analyze budgets and variance reports
7. Evaluate the effectiveness of budgets as tools for planning and control
8. Analyze cost behavior, use costs that are relevant to enable decision-making
9. Determine the price of products in the long and short-terms
10. Describe how quality, time and other performance measures form part of the balanced scorecard and support strategy
11. Explain the key aspects of inventory management and just-in-time production

## TEACHING METHOD AND LEARNING ACTIVITIES:

### Learning Activities/Rationale:

We will apply a variety of learning activities to create and re-enforce a learning community. Each individual can contribute to this learning environment through preparedness for class, classroom participation, group interaction, and a positive attitude to learning. Given the critical importance of developing quantitative skills, a substantial portion of the course will be devoted to problem-solving, homework, quizzes and tests. Collaborative learning methods such as class discussions and group projects are particularly useful means to develop the skills that are assessed during quizzes, and exams. Qualitative skills, including communication and group interaction (teamwork) skills are also important contributors to success.

### EVALUATION:

**Homework and Class Participation:** Homework and class participation are crucial to gain an understanding of the subject. You will need to review topics and attempt homework problems, to be prepared for the class. Class attendance and punctuality are indicators of discipline and earnestness, besides being necessary for involvement in class participation. The main learning approach is through problem solving, which would also involve working in teams. This will be the key component of participation grading. *You must be present in class to get points for any in-class activities.*

**Group Research Project:** This project will help students develop basic research, teamwork and communication skills. Student groups will work together to learn more about specific topics by identifying appropriate resources and communicating that information adequately in written and oral form.

*A Supplementary Information Note will provide more information on the procedures and content of the above.*

**Exams and quizzes:** Quizzes and exams will include a variety of questions that cover most topics from your course content. The questions will test your understanding of concepts, critical thinking and problem solving skills and the application of concepts to different situations. Regular quizzes are intended to ensure you keep up-to-date on the topics in the schedule. There will be two Exams to assess your achievement of the course learning objectives and content.

The following will be the examination and grading policy:

<b>METHOD</b>	<b>POINTS</b>
Quizzes	150
Mid-Term Exam	150
Final Exam	300
In-Class Participation & Problem-solving	125
Homework Submissions	150
Group Research Project	125
<b>TOTAL</b>	<b>1,000</b>

## **COURSE POLICIES:**

Students are expected to be familiar with, and adhere to, the ethical standards and guidelines set by the University in the UML Student Catalog and applicable to all courses. The standards and guidelines will apply to any situation involving plagiarism, cheating, or other incidences of misconduct. Furthermore, please exercise reasonable standards of common courtesy throughout all class sessions such as turning off your cell phones and not eating in class. Given the interactive nature of the course, it is also critical that there is mutual respect in the classroom. Students should exercise courteous behavior in class and ensure that others have a fair opportunity to participate to cultivate a learning environment. Do not chat or in any other way distract attention when the class is in progress.

On days when inclement weather, personal sickness, or other issues prevent the professor from attending class, either “make up” time will be scheduled at the discretion of the professor, or material will be posted on-line (in Blackboard) so that you can continue to work on the course materials from remote locations.

### **About Your Professor**

George Joseph (Ph.D. in Accounting from Temple University and an MBA from Pittsburgh State University) is a Chartered Accountant from India. He has worked in professional accounting firms (including an affiliate of the international accounting firm, Coopers and Lybrand) and industry. Prior to joining the faculty at University of Massachusetts Lowell, he taught managerial accounting, systems and other accounting courses at Savannah State University, Temple University and Spring Arbor College. Dr. Joseph’s current research interests include strategic cost management and systems. He has published a number of research articles in such journals as *Management Accounting Quarterly*, *Accounting and the Public Interest*, *International Journal of Accounting Information Systems*, and the *Journal of Business Research*. Dr. Joseph is widely traveled, and has a range of professional and cultural experience. You can contact Dr. Joseph at 978-934-2842, or by email at [george\\_joseph@uml.edu](mailto:george_joseph@uml.edu).

**Fall 2013 COURSE CALENDAR – 60.321**  
**Schedule of Course Topics and Assignments**

<b>Dates</b>	<b>Readings</b>	<b>Exercises and Problems</b>
9/4 9/9	Accountant's Role in the Organization (Ch. 1) Cost Concepts (Ch. 2)	Chapter 1 - Exercises 18-21; Problems 28, 29
9/11	Cost Concepts (Ch. 2)	Chapter 2 - Exercises 16, 18-23, 26, 28; Problems 36,37, 38, 40
9/16 9/18	Cost-Profit-Volume Analysis (Ch. 3)	Chapter 3 - Exercises 16-27, 30, 31; Problems 43, 46, 48
9/23 9/25	Job Costing (Ch. 4)	Chapter 4 - Exercises 16-24; Problems 32, 33, 34
9/30 10/2	Activity Based Costing (Ch. 5)	Chapter 5 - Exercises 16-24; Problems 33, 35
10/7 10/9	Budgets and Responsibility Accounting (Ch. 6)	Chapter 6 - Exercises 16-20,23-25; Problems 30-32
10/16	<b>Mid Term Exam</b>	
10/21 10/23 10/28	Flexible Budgets/Variance Analysis (Ch. 7)	Chapter 7 - Exercises 16, 17, 19-26, 30
10/30 11/4	Cost Behavior (Foundations) (Ch. 10)	Chapter 10 - Exercises 17-20,23-25; Problems 31, 33
11/6 11/13	Relevant Costs (Ch. 11)	Chapter 11 - Exercises 16-28; Problems 30, 32
11/18 11/20	Pricing Decisions and Cost Management (Ch. 12)	Chapter 12 - Exercises 16-25; Problems 33,34, 37
11/25 11/27 12/2	Balanced Scorecard (Ch. 13; p. 455-465) Quality, Time and TOC (Ch. 19)	Chapter 19 - Exercises 16-26; Problems 29, 30, 31
12/4 12/9 12/11	Inventory Costing and Capacity Analysis (Ch. 9)	Chapter 9 - Exercises 16-21, 26
12/13- 12/19	<b>Final Exam Week</b>	

*This syllabus and course schedule is subject to change at the discretion of the instructor. Changes will be announced in class and/or online.*

Some important dates:

1. September 17 -- Last day to withdraw without record
2. October 14 – NO CLASS – Columbus Day Holiday
3. November 11 – NO CLASS – Veterans' Day Holiday (observed)
4. November 13 -- Last day to withdraw with "W"

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