

ACCT 7310: Advanced Cost Accounting

Spring 2012, Wednesday, 7:10–10:10 p.m., Room 121, Fogelman Classroom Bldg.

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Office Hours: Wednesday 4:00–5:30 and 6:00–7:00 p.m. *or* by appointment. I will be glad to see you if I'm in the office. Most issues don't require face-to-face meetings, but I'll be glad to schedule one.

Course Description/Objectives

This is a continuation of ACG 3310 and expands upon the more complex cost accounting issues as well as behavioral concepts and applied processes in decision making within an organization. First, however, we will briefly review basic concepts to refresh and *strengthen* your grasp of them.

Catalog Description: Budgets, determination of standards, variances and their functions, cost reports, profit projecting, direct costing, gross profit and breakeven analysis, cost-profit volume analysis, capital expenditure control, comparative cost analysis.

PREREQUISITE: ACCT 3310 or ACCT 7110.

Course Objectives: Following some review of basic cost accounting, we will explore more complex decision analyses, which will often stress the importance of thinking beyond the numbers. We will specifically focus on the following topics: understanding cost behavior, activity-based costing, variance analysis, budgeting, the balanced scorecard, transfer pricing, and performance measurement. Collectively, this analysis should provide a broad basis for understanding the comprehensive role of management accounting.

Required Text

Cost Accounting – A Managerial Emphasis, 14th Edition (2012), by Horngren, Datar, and Rajan. Student Value Edition packaged with My Accounting Lab in the University bookstore:

ISBN-10: 0132951894

ISBN-13: 9780132951890

Publisher: Prentice Hall

This textbook is the “gold standard” cost accounting book, first published 50 years ago, and most other cost accounting books are patterned after it. I have ordered the looseleaf version, which should be both economical and convenient for you.

Other readings will be primarily from articles in professional journals, as well as cases from the Institute of Management Accountants and other *free* sources. Articles that I **post on my website** will be security-protected; you are entitled to all of them, but I don't want to violate copyright law by allowing the general public access. The **password** to all of the pdf files is swordfishtrombones.

Prerequisite: ACCT 3310, Cost Accounting, or an equivalent

Class Grading

The course grade will be computed as follows:

Quizzes (three during the term)	30%
Two Cases	40%
Final Exam	<u>30%</u>
	100%

Grading for the course will be on the traditional scale of 90–100 = A range, 80–89 = B range, etc. Within each letter grade category, I will assign + or - to those in the top or bottom three points (for example, 98–100= A+, 90–92 = A-).

Please note that there will be no make-up quizzes, but I will drop the lowest quiz grade.

Attendance Policy: While I may not always take attendance, regular attendance is critical to the successful completion of the course.

Student Disability Services

If you have special needs related to the course, I will gladly work with you to facilitate your success. Student Disability Services is located in 110 Wilder Tower, phone 678-2880.

Code of Conduct

Obviously, the University regulations for expected conduct apply. See <http://saweb.memphis.edu/judicialaffairs/pdf/csrr.pdf> for details.

Stay in touch. I look forward to working with you this semester.

Preliminary Schedule—ACCT 7310—Spring 2012
The initial schedule is only a skeletal outline that will evolve substantially.

Date 2012	Assignments to Prepare before Class (except first day)
1/18	Introduction and Orientation. Pretest and review of Chapters 1&2,
1/25	Review of Ch. 3 (CVP Analysis) & 4 (Job Costing) with extended coverage of uncertainty and the value of information
2/1	Ch. 5, Activity-Based Costing, Management. Assignment of case #1. Ch. 6, Budgeting, with emphasis on behavioral implications
2/8	QUIZ 1; Ch 7 & 8, Standard Costing and variance Analysis
2/15	Ch. 9, Comparing Inventory Costing Methods
2/22	Ch. 10, Determining How Costs Behave. Emphasis on proper use of regression analysis and on use of learning-curves to forecast costs
2/29	Ch. 11 Decision-Making and Relevant Information; Ch. 12, Pricing Decisions
(3/7)	Spring Break week
3/14	QUIZ 2; Ch. 13, Strategy, Balanced Scorecard, and Strategic Profitability Analysis; Assignment of case #2.
3/28	Ch. 14: Sales Variances; Ch. 15, Bundled Products and Revenue Allocation Methods (Learning Objective 6 only)
4/4	Ch. 17: Process Costing, Emphasis on FIFO, Standard Costing, and multiple-department scenarios.
4/11	QUIZ 3; Ch. 18, Spoilage, Rework, and Scrap
4/18	Ch. 20: Inventory Management, Just-in-Time, and Simplified Costing Methods
4/25	Ch. 21, Capital Budgeting and Cost Analysis
5/2	Final Exam (comprehensive)