

## **ACCT 3302-110, CRN 10098, COST ACCOUNTING**

Spring 2018 rev. 01.11.2018

Texas A&M University-Central Texas

### **INSTRUCTOR AND CONTACT INFORMATION**

**Instructor: Dara Marshall Ph.D.**

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**Phone: 254-519-5417**

**Email:** [dara.marshall@tamuct.edu](mailto:dara.marshall@tamuct.edu) Preferred mail – Canvas “Inbox”.

#### **Office Hours:**

Mondays and Wednesdays 3:30 – 4:00pm. Tuesdays 2:00pm – 4:00pm.

#### **Mode of instruction and course access:**

Per Texas A&M University – Central Texas 11.99.99.D0.02, this is a 100% online course. This means that this course **does not** meet face-to-face. This course uses the A&M-Central Texas Canvas Learning Management System [<https://tamuct.instructure.com>]. [<https://www.pearsonmylabandmastering.com/northamerica/>]

#### **Student-instructor interaction:**

I will respond to emails within 36 hours. I will also answer my office phone during office hours.. I can meet face to face, on the phone, or online using web-conference tools. Please contact me from the "People" tab on the left, or email/call me to set up an appointment.

#### **911 Cellular:**

Emergency Warning System for Texas A&M University – Central Texas

911Cellular is an emergency notification service that gives Texas A&M University-Central Texas the ability to communicate health and safety emergency information quickly via email, text message, and social media. All students are automatically enrolled in 911 Cellular through their myCT email account.

Connect at [911Cellular](https://portal.publicsafetycloud.net/Texas-AM-Central/alert-management) [<https://portal.publicsafetycloud.net/Texas-AM-Central/alert-management>] to change where you receive your alerts or to opt out. By staying enrolled in 911Cellular, university officials can quickly pass on safety-related information, regardless of your location.

## **COURSE INFORMATION**

### **Course Goals:**

Students will study cost accounting systems, which are systems that measure, record, aggregate, disaggregate, allocate, and report cost information in organizations.

Students will learn about different types of costs, different types of cost accounting systems, and different methods for allocating costs to cost objects.

Students will be conversant in different cost accounting systems and cost allocation methods, as well as the processes by which cost accounting information is created and reported in organizations.

Students will learn how management accounting systems can facilitate planning and control by providing financial and non-financial information to users as well as enable managers to make better decisions about the allocation of scarce organizational resources.

Students will be conversant in how management accounting systems can enable accountants, auditors, and managers to make good cost-based judgments and decisions and how these judgments and decisions can influence financial and non-financial outcomes in organizations.

### **Student Learning Outcomes:**

Upon successful completion of this course, students should be able to

- Describe the uses of a cost accounting system
- Define basic cost behavior
- Understand different types of costs, cost accounting systems, and cost allocation methods
- Perform different cost allocation methods by allocating costs to cost objects
- Perform customer profitability analysis
- Prepare job cost sheets and production reports
- Prepare journal entries, T-accounts, and financial statements based on cost flows
- Allocate service department and joint product costs
- Develop and use flexible budgets
- Calculate and interpret budget variances
- Understand regression output and use relevant information to assess profitability
- Communicate professionally financial and non-financial information to decision-makers

### **Unit/Module Objectives**

The Importance of Accounting and its consequences

Cost Concepts

- Define and illustrate a cost object.
- Distinguish between direct costs and indirect costs.
- Explain variable costs and fixed costs.
- Interpret unit costs cautiously.
- Distinguish inventoriable costs from period costs.
- Illustrate the flow of inventoriable and period costs.
- Explain why product costs are computed in different ways for different purposes.
- Distinguish job costing from process costing.

- Describe the approaches to evaluating and implementing job-costing systems.
- Outline the seven-step approach to normal costing.
- Distinguish actual costing from normal costing.
- Track the flow of costs in a job-costing system.
- Dispose of under- or overallocated manufacturing overhead costs at the end of the fiscal year using alternative methods.

#### Activity-Based Costing

- Explain how broad averaging undercosts and overcosts products or services.
- Present three guidelines for refining a costing system.
- Distinguish between simple and activity-based costing systems.
- Describe a four-part cost hierarchy.
- Cost products or services using activity-based costing.
- Evaluate the costs and benefits of implementing activity-based costing systems.
- Explain how managers use activity-based costing systems in activity-based management.
- Compare activity-based costing systems and department costing systems.

#### Cost Allocation

- Distinguish the single-rate method from the dual-rate method.
- Understand how the choice between allocation based on budgeted and actual rates and between budgeted and actual usage can affect the incentives of division managers.
- Allocate multiple support-department costs using the direct method, the step-down method, and the reciprocal method.
- Allocate common costs using the stand-alone method and the incremental method.
- Explain the importance of explicit agreement between contracting parties when the reimbursement amount is based on costs incurred.
- Understand how bundling of products causes revenue-allocation issues and the methods managers use to allocate revenues.

#### Cost-Volume-Profit Analysis

- Explain the features of cost-volume-profit (CVP) analysis.
- Determine the breakeven point and output level needed to achieve a target operating income.
- Understand how income taxes affect CVP analysis.
- Explain how managers use CVP analysis in decision making.
- Explain how sensitivity analysis helps managers cope with uncertainty.
- Use CVP analysis to plan variable and fixed costs.
- Apply CVP analysis to a company producing multiple products.
- Apply CVP analysis in service and not-for-profit organizations.
- Distinguish contribution margin from gross margin.

#### Cost Behavior and Regression

- Describe linear cost functions and three common ways in which they behave.
- Explain the importance of causality in estimating cost functions.
- Understand various methods of cost estimation.
- Outline six steps in estimating a cost function using quantitative analysis.

- Describe three criteria used to evaluate and choose cost drivers.
- Explain nonlinear cost functions, in particular, those arising from learning curve effects.
- Be aware of data problems encountered in estimating cost functions.

#### Relevant Information

- Use the five-step decision-making process to make decisions.
- Distinguish relevant from irrelevant information in decision situations.
- Explain the concept of opportunity cost and why managers should consider it when making
- insourcing-versus-outsourcing decisions. Know how to choose which products to produce when there are capacity constraints.
- Explain how to manage bottlenecks.
- Discuss the factors managers must consider when adding or dropping customers or business units.
- Explain why book value of equipment is irrelevant in equipment-replacement decisions.
- Explain how conflicts can arise between the decision model a manager uses and the performance-evaluation model top management uses to evaluate managers.

#### Budgeting

- Describe the master budget and explain its benefits.
- Describe the advantages of budgets.
- Prepare the operating budget and its supporting schedules.
- Use computer-based financial planning models for sensitivity analysis.
- Describe responsibility centers and responsibility accounting.
- Recognize the human aspects of budgeting.

#### Inventory Valuation and Capacity Planning

- Identify what distinguishes variable costing from absorption costing.
- Compute income under absorption costing and variable costing, and explain the difference in income.
- Understand how absorption costing can provide undesirable incentives for managers to build up inventory.
- Differentiate throughput costing from variable costing and absorption costing.
- Describe the various capacity concepts that can be used in absorption costing.
- Examine the key factors in choosing a capacity level to compute the budgeted fixed manufacturing cost rate.
- Understand other issues that play an important role in capacity planning and control.

#### Process Costing

- Identify the situations in which process-costing systems are appropriate.
- Understand the basic concepts of process costing and compute average unit costs.
- Describe the five steps in process costing and calculate equivalent units.
- Use the weighted-average method and first-in, first-out (FIFO) method of process costing.
- Apply process-costing methods to situations with transferred-in costs.
- Understand the need for hybrid-costing systems such as operation costing.

#### **Required Reading and Textbook(s):**

Hornngren, Datar & Rajan. *Cost Accounting: A Managerial Emphasis*, 16th Edition  
 MyLab Accounting by Pearson  
**ISBN: 9780134642468**

**COURSE REQUIREMENTS**

- Exams (Canvas) (350 total points, 57% of grade): There will be three exams, two during the semester (100 points) and one final (150 points). I do not give make-up exams. All exams are online within Canvas and thus are open book, open notes. Before each exam, I'll provide you with more information about the content of the exam as well as advice and resources to help you prepare for it.
- Pre-Tests (MyLab Accounting Pearson) (24 points, 3.91% of grade):
- Post-Tests (MyLab Accounting Pearson) (120 points, 19.54% of grade):
- Study Plan (MyLab Accounting Pearson) (120 points, 19.54% of grade):

**Grading Criteria Rubric and Conversion**

Component	Points Possible	Percent of Total Points Possible
MyLab Accounting Pre-Quizzes	12      xx 2 = 24	3.91%
MyLab Accounting Post-Quizzes	12      xx10 = 120	19.54%
Study Plan Time	12      xx 10 = 120	19.54%
Exams (Canvas)	2      xx 100 = 200	32.57%
Final Exam (Canvas)	150	24.43%
Total		100%

Grading Scale (may be changed only in your favor): A=91% B=80% C = 70% D=60% F=below 60%

**Posting of Grades**

- Grades will be posted to the Canvas gradebook
- Canvas Exams will be graded and posted within two weeks

**COURSE OUTLINE AND CALENDAR**

Complete Course Calendar is located at the end of the syllabus in Canvas.

**Important University Dates:**

**January 2018**

- January 2, (Tuesday) Winter Break Ends
- January 2, (Tuesday) Priority Deadline for Admissions applications
- January 5, (Friday) VA Certification Request Priority Deadline
- January 11, (Thursday) Convocation
- January 12, (Friday) Tuition and Fee payment deadline (16 week & 1st 8 week)

January 15, (Monday) Martin L. King Jr. Day  
January 16, (Tuesday) ADD/DROP/LATE REGISTRATION BEGINS (\$25 fee assessed for late registrants) (16 week & 1st 8 week)  
January 16, (Tuesday) Classes Begins  
January 18, (Thursday) ADD/DROP/LATE REGISTRATION ENDS (16 week & 1st 8 week)  
January 23, (Tuesday) Last day to drop 1st 8-week classes with no record  
January 31, (Wednesday) Last day to drop 16 week classes with no record

### **February 2018**

February 2, (Friday) Priority Deadline to Submit Graduation Application  
February 9, (Friday) Last day to drop a 1st 8-week class with a Q or withdraw with a W  
February 15, (Thursday) Last day to apply for Clinical Teaching  
February 23, (Friday) Student End of Course Survey Opens (1st 8-Week Classes)

### **March 2018**

March 1, (Thursday) Deadline to submit application to Teacher Education Program  
March 2, (Thursday) Deadline to Submit Graduation Application for Ceremony Participation  
March 9, (Friday) 1st 8 week classes end  
March 9, (Friday) Deadline for Admissions applications  
March 11, (Sunday) Student End of Course Survey Closes (1st 8-Week Classes)  
March 12, (Monday) Spring Break Begins  
March 12, (Monday) 1st 8-week grades from faculty due by 3pm  
March 15, (Thursday) Tuition and Fee Payment Deadline (2nd 8-week classes)  
March 16, (Friday) Spring Break Ends  
March 19, (Monday) 2nd 8 week begins  
March 19, (Monday) Summer Advising Starts  
March 19, (Monday) Class Schedule Published  
March 19, (Monday) ADD/DROP/LATE REGISTRATION BEGINS (\$25 fee assessed for late registrants) (2nd 8-week classes)  
March 21, (Wednesday) ADD/DROP/LATE REGISTRATION ENDS (2nd 8-week classes)  
March 27, (Tuesday) Last day to drop 2nd 8-week classes with no record  
March 30, (Friday) Last day to drop a 16-week course with a Q or withdraw with a W

### **April 2018**

April 1, (Sunday) GRE/GMAT scores due to Office of Graduate Studies  
April 2, (Monday) Scholarship Deadline  
April 2, (Monday) Registration begins  
April 5, (Thursday) Priority Deadline for International Student Admission Applications  
April 13, (Friday) Last day to drop a 2nd 8-week class with a Q or withdraw with a W\*  
April 13, (Friday) Deadline for submission of final committee-edited theses with committee approval signatures to Office of Graduate Studies  
April 27, (Friday) Student End of Course Survey Opens (16 Week and 2nd 8-Week Classes)

### **May 2018**

May 7-11, Finals Week  
May 11, (Friday) Last day to file for Degree Conferral (Registrar's Office)(\$20 Late Application Fee applies)

May 11, (Friday) Spring Term Ends  
May 11, (Friday) Last day to withdraw from the university (16 week and 2nd 8 week classes)  
May 11, (Friday) Last day to apply for \$1000 Tuition Rebate for Spring graduation (5pm)  
May 12, (Saturday) Commencement Ceremony Bell County Expo Center 7:00 p.m.  
May 13, (Sunday) Student End of Course Survey Closes (16 Week and 2nd 8-Week Classes)  
May 14, (Monday) Minimester begins  
May 15, (Tuesday) Last Day to clear Thesis Office  
May 5, (Tuesday) Final grades due from faculty by 3pm (16 week & 2nd 8 week)  
May 21, (Monday) Priority Deadline for Admissions applications  
May 25, (Friday) VA Certification Request Priority Deadline  
May 28, (Monday) Memorial Day

### **TECHNOLOGY REQUIREMENTS AND SUPPORT**

Technology Requirements.

This course will use the A&M-Central Texas Instructure Canvas learning management system.

Logon to A&M-Central Texas Canvas [<https://tamuct.instructure.com>].

Username: Your MyCT username (xx123 or everything before the "@" in your MyCT e-mail address)

Password: Your MyCT password

This course also uses MyLab Accounting by Pearson. You can buy access to MyLab by itself <http://www.mypearsonstore.com/bookstore/mylab-accounting-without-pearson-etext-instant-access-0134476360> (Links to an external site.)Links to an external site.

or bundled with the e-book version of the textbook.

Once you create your account, log back into Canvas to link your Canvas account to MyLab.

#### **Canvas Support**

Use the Canvas Help link, located at the bottom of the left-hand menu, for issues with Canvas. You can select "Chat with Canvas Support," submit a support request through "Report a Problem," or call the Canvas support line: 1-844-757-0953.

For issues related to course content and requirements, contact your instructor.

#### **Other Technology Support**

For log-in problems, students should contact Help Desk Central.

24 hours a day, 7 days a week:

Email: [helpdesk@tamu.edu](mailto:helpdesk@tamu.edu)

Phone: (254) 519-5466

[Web Chat](http://hdc.tamu.edu): [<http://hdc.tamu.edu>]

*Please let the support technician know you are an A&M-Central Texas student.*

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### **UNIVERSITY RESOURCES, PROCEDURES, AND GUIDELINES**

#### **Drop Policy.**

If you discover that you need to drop this class, you must complete a [Drop Request Form](https://www.tamuct.edu/registrar/docs/Drop_Request_Form.pdf) [[https://www.tamuct.edu/registrar/docs/Drop\\_Request\\_Form.pdf](https://www.tamuct.edu/registrar/docs/Drop_Request_Form.pdf)].

Professors cannot drop students; this is always the responsibility of the student. The Registrar's Office will provide a deadline on the Academic Calendar for which the form must be completed, signed and returned. Once you return the signed form to the Registrar's Office, you must go into Warrior Web and confirm that you are no longer enrolled. If you still show as enrolled, FOLLOW-UP with the Registrar's Office immediately. You are to attend class until the procedure is complete to avoid penalty for absence. Should you miss the drop deadline or fail to follow the procedure, you will receive an F in the course, which may affect your financial aid and/or VA educational benefits.

### **Academic Integrity.**

Texas A&M University -Central Texas values the integrity of the academic enterprise and strives for the highest standards of academic conduct. A&M-Central Texas expects its students, faculty, and staff to support the adherence to high standards of personal and scholarly conduct to preserve the honor and integrity of the creative community. Academic integrity is defined as a commitment to honesty, trust, fairness, respect, and responsibility. Any deviation by students from this expectation may result in a failing grade for the assignment and potentially a failing grade for the course. Academic misconduct is any act that improperly affects a true and honest evaluation of a student's academic performance and includes, but is not limited to, cheating on an examination or other academic work, plagiarism and improper citation of sources, using another student's work, collusion, and the abuse of resource materials. All academic misconduct concerns will be reported to the university's Office of Student Conduct. Ignorance of the university's standards and expectations is never an excuse to act with a lack of integrity. When in doubt on collaboration, citation, or any issue, please contact your instructor before taking a course of action.

### **Academic Accommodations.**

At Texas A&M University-Central Texas, we value an inclusive learning environment where every student has an equal chance to succeed and has the right to a barrier free education. The Department of Access and Inclusion is responsible for ensuring that students with a disability receive equal access to the University's programs, services and activities. If you believe you have a disability requiring reasonable accommodations please contact the Department of Access and Inclusion at (254) 501-5831. Any information you provide is private and confidential and will be treated as such.

For more information please visit our [Access & Inclusion](https://www.tamuct.edu/student-affairs/access-inclusion.html) webpage [https://www.tamuct.edu/student-affairs/access-inclusion.html].

Texas A&M University-Central Texas supports students who are pregnant and/or parenting. In accordance with requirements of Title IX and guidance from US Department of Education's Office of Civil Rights, the Dean of Student Affairs' Office can assist students who are pregnant and/or parenting in seeking accommodations related to pregnancy and/or parenting. For more information, please visit <https://www.tamuct.departments/index.php>. Students may also contact the institution's Title IX Coordinator. If you would like to read more about these



[requirements and guidelines online](#), please visit the website [http://www2.ed.gov/about/offices/list/ocr/docs/pregnancy.pdf].

Title IX of the Education Amendments Act of 1972 prohibits discrimination on the basis of sex and gender – including pregnancy, parenting, and all related conditions. A&M-Central Texas is able to provide flexible and individualized reasonable accommodation to pregnant and parenting students. All pregnant and parenting students should contact the Division of Student Affairs at 254-501-5909 to seek out assistance. Students may also contact the University's Title IX Coordinator.

### **Tutoring.**

Tutoring is available to all A&M-Central Texas students, both on-campus and online. On-campus subjects tutored include Accounting, Advanced Math, Biology, Finance, Statistics, Mathematics, and Study Skills. Tutors are available at the Tutoring Center in Warrior Hall, Suite 111.

If you have a question regarding tutor schedules, need to schedule a tutoring session, are interested in becoming a tutor, or any other question, contact Academic Support Programs at 254-519-5796, or by emailing Dr. DeEadra Albert-Green at [deeadra.albertgreen@tamuct.edu](mailto:deeadra.albertgreen@tamuct.edu).

Chat live with a tutor 24/7 for almost any subject on your computer! Tutor.com is an online tutoring platform that enables A&M-Central Texas students to log-in and receive FREE online tutoring and writing support. This tool provides tutoring in over forty subject areas. Access Tutor.com through Canvas.

**University Writing Center:** Located in 416 Warrior Hall, the University Writing Center (UWC) at Texas A&M University-Central Texas is a free workspace open to all TAMUCT students from 10am-5pm Monday-Thursday with satellite hours in the University Library Monday-Thursday from 6:00-9:00pm. Students may arrange a one-on-one session with a trained and experienced writing tutor by visiting the UWC during normal operating hours (both half-hour and hour sessions are available) or by making an appointment via [WCOOnline](#) at [https://tamuct.mywconline.com/]. In addition, you can email Dr. Bruce Bowles Jr. at [bruce.bowles@tamuct.edu](mailto:bruce.bowles@tamuct.edu) to schedule an online tutoring session. Tutors are prepared to help writers of all levels and abilities at any stage of the writing process.

While tutors will not write, edit, or grade papers, they will assist students in developing more effective composing practices. By providing a practice audience for students' ideas and writing, our tutors highlight the ways in which they read and interpret students' texts, offering guidance and support throughout the various stages of the writing process. In addition, students may work independently in the UWC by checking out a laptop that runs the Microsoft Office suite and connects to WIFI, or by consulting our resources on writing, including all of the relevant style guides. Whether you need help brainstorming ideas, organizing an essay, proofreading, understanding proper citation practices, or just want a quiet place to work, the University Writing Center is here to help!

If you have any questions about the University Writing Center, please do not hesitate to contact Dr. Bruce Bowles Jr. at [bruce.bowles@tamuct.edu](mailto:bruce.bowles@tamuct.edu).

### **University Library.**

The University Library provides many services in support of research across campus and at a distance. We offer over 200 electronic databases containing approximately 250,000 eBooks and 82,000 journals, in addition to the 72,000 items in our print collection, which can be mailed to students who live more than 50 miles from campus. Research guides for each subject taught at A&M-Central Texas are available through our website to help students navigate these resources. On-campus, the library offers technology including cameras, laptops, microphones, webcams, and digital sound recorders.

Research assistance from a librarian is also available twenty-four hours a day through our online chat service, and at the reference desk when the library is open. Research sessions can be scheduled for more comprehensive assistance, and may take place on Skype or in-person at the library. Assistance may cover many topics, including how to find articles in peer-reviewed journals, how to cite resources, and how to piece together research for written assignments.

Our 27,000-square-foot facility on the A&M-Central Texas main campus includes student lounges, private study rooms, group work spaces, computer labs, family areas suitable for all ages, and many other features. Services such as interlibrary loan, TexShare, binding, and laminating are available. The library frequently offers workshops, tours, readings, and other events. For more information, please visit our [Library website](https://tamuct.libguides.com/) [https://tamuct.libguides.com/].

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### **OPTIONAL POLICY STATEMENTS:**

#### **A Note about Sexual Violence at A&M-Central Texas**

Sexual violence is a serious safety, social justice, and public health issue. The university offers support for anyone struggling with these issues. University faculty are mandated reporters, so if someone discloses that they were sexually assaulted (or a victim of Domestic/Dating Violence or Stalking) while a student at TAMUCT, faculty members are required to inform the Title IX Office. If you want to discuss any of these issues confidentially, you can do so through Student Counseling (254-501-5955) located on the second floor of Warrior Hall (207L).

Sexual violence can occur on our campus because predators often feel emboldened, and victims often feel silenced or shamed. It is incumbent on ALL of us to find ways to actively create environments that tell predators we don't agree with their behaviors and tell survivors we will support them. Your actions matter. Don't be a bystander; be an agent of change. For additional information on campus policy and resources visit the [Title IX webpage](https://www.tamuct.edu/departments/compliance/titleix.php) [https://www.tamuct.edu/departments/compliance/titleix.php].

### **INSTRUCTOR POLICIES.**

I do not give make-up exams. I will drop the lowest exam grade but not the final.

I deduct points on late assignments. I will lower your assignment grade by 1 point for each

calendar day late.

Attendance is your responsibility; it is not required or monitored. I assume that you chose to attend this institution of higher learning in order to prepare yourself for a successful professional career. As such, I do not expect that your attendance needs to be monitored. Your attendance benefits YOU and I assume that this is the only incentive that you need to attend class. I believe that my attendance policy reflects those commonly found in professional practice. Regular attendance combined with being a reliable, engaged student will likely lead to benefits such as increased knowledge, better understanding of course material, and a higher grade. If you miss a class, you do NOT need to notify me but you will still be required to meet any deadlines for assignments that are due that day. I do not repeat lectures or provide solutions to in-class activities on a one-on-one basis for students who miss class.

**Copyright Notice.**

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