ACCT 5302.001  FALL 2019  SYLLABUS

The University of Texas at Arlington – Department of Accounting

COURSE TITLE: Accounting Analysis II  INSTRUCTOR: Dr. Nandu J. Nagarajan
COURSE#: ACCT 5302-001 (81170)  OFFICE: COBA 432
COURSE ROOM: COBA 149  PHONE: (817) 272-7029
CLASS TIME: Mondays 7-9.50 PM
OFFICE HOURS: By appointment, and  E-MAIL: nagaraja@uta.edu

5.30-6.30 PM on Mondays

Class Materials:
• Harvard Cases and Readings: Details for access will be provided

Course Description:
Introduction to concepts, methodology, real world applications and terminology of Managerial Accounting.

Prerequisite: ACCT 5301 or equivalent.

Course Objectives:
1. Understand the basic concepts and applications of Managerial Accounting
2. Explain the principles of cost-benefit analysis and decision making
3. Help students understand the basics of product costing and cost system design
4. Explain the basics of planning and control
5. Identify and discuss “real world” implications of cost and management control information
6. Understand the strategic implications of the use of cost information in decision making
7. Develop the skills required to work effectively in groups.

Objectives 1, 2, 3 and 4 will be assessed through successful completion of homework and two exams. Objectives 5, 6 and 7 will be assessed through evaluation of case reports and class participation.

Class Policies and Classroom Etiquette:
The class policies on attendance, grades, and withdrawals will follow the rules and regulations set forth in the current UTA graduate catalog. Students are expected to behave in a professional manner. Please turn off cell phones or mute them when you are in the classroom. Laptop computers may be used to take notes in class, but while in class, please do not work on material from other courses or other business, surf the web, read or respond to email. Your laptop will not be required for any activity during my class. Therefore, unless you are using it to take class notes, I would prefer that you turn off your laptop during class. Your attitude and focus during class will be considered in determining your class participation grade.

Please come to class on time and do not leave and enter the classroom while class is in session. Students have indicated that they find late arrivals, and students coming and going during class to be disruptive. Of course, I recognize that there are times that students must leave during the class. If this is the case, inform me in advance and leave with as little disruption as possible. Finally, please do not talk
to other students during class unless required by the instructor for class discussion or problem solving. I find non-course related conversations to be very distracting.

The format of this class consists of lectures, case discussions, class problem solving and exams. Power point slides for the class will be posted on Blackboard. Also, announcements, critical thinking problems and other information will also be posted on Blackboard. Student groups will complete case analysis assignments. This course will move along rapidly. Therefore, it is in your interest to read ahead of the class, attend classes on a regular basis and complete all assignments. If you have any problems keeping up with the material, please do not hesitate to contact me. You cannot wait until the end of the course to address areas of difficulty.

I usually respond to e-mails pretty quickly. You can also call me or set up a time to talk to me. I will be generally available in my office (COBA 432) on Mondays before class from 5.30pm-6.30pm. However, please e-mail me or let me know in class if you will be coming by to see me, so that I make sure that I am in my office at that time.

**Class Participation:**

Attendance will be taken on a regular basis and will count towards class participation. Preparation for class participation includes completing the following activities ahead of time: 1) carefully reading the assigned text book chapter(s), cases and other articles and 2) working on homework problems assigned for class discussion. Students will be called on to help solve problems and also comment on articles assigned for class discussion. Because speaking up in class is such an important part of the course experience, in general, and case discussions, in particular, participation is 5% of your final grade. Your participation grade will be based on my assessment of your input. The class participation score can often make the difference between grade levels.

Read the business section of your local newspaper and the Wall Street Journal for items that have a managerial accounting dimension. Be prepared to discuss these in class. If and when possible, also read relevant articles in other business publications such as Business Week, Fortune and the Economist. This will help you contribute to class discussions, and will count toward your class participation grade.

**Homework Problems and Homework Policy:**

Your ability to master cost analysis concepts is heavily dependent on problem solving. Therefore, I have assigned problems from the text book for homework (additional practice problems will be provided, as necessary). Homework will NOT be collected. However, it is in your interest to solve homework problems. The exams will be based **primarily** on problems solved in class and assigned homework and practice problems. I plan to selectively solve some of the homework problems as well as the Critical Thinking (CT) problems that are either contained in the session notes or made available. I will call on students to assist in solving problems assigned for class discussion. This will count towards credit for class participation.

Homework assignments are provided in the detailed schedule that follows. The dates and assigned problems are tentative and may be adjusted by me during the course. I will provide solutions to all assigned problems. In addition to the assigned material, students are encouraged to attempt as many other problems as time permits.
Group Work
Case reports and presentations are group assignments. **You are required to form groups by September 9 to complete the case analyses. The groups may have no more than five members each.** Your final grade will be partly determined by an evaluation (by members of your group) of your contribution to the group effort (5%).

**IMPORTANT: If you wish me to assign you to a group, please e-mail and let me know during the first week of classes.**

Cases and Presentations:
We will discuss THREE Harvard cases, for which all groups will have to submit case reports at the BEGINNING of the scheduled class. These are the Baldwin Bicycle Company, Johnson Beverage Inc., and Danshui Plant #2 cases. For each case report, I have provided questions at the back of this course outline. I will inform you on how you may obtain copies of these cases.

Students will work in their assigned groups to write-up the case analyses. Each group will be responsible for handing in ONE written case report for EACH scheduled case at the beginning of the specified class session. **Discussions between groups, regarding the case reports are NOT permitted. Students are NOT permitted to seek “solutions” to the cases on the internet or other sources. This will constitute a major violation of academic integrity standards and, if detected, will have serious consequences. All submitted case reports WILL BE SCREENED FOR VIOLATIONS OF THE ACADEMIC INTEGRITY STANDARD.**

In preparing for the case discussions, please read the facts of the case thoroughly. **Further, in preparing your case reports, all you have to do is to answer the questions provided at the back of the course outline for each case and any supplementary questions.** Executive summaries are NOT required. I reserve the right to change the case questions during the course.

Each group will have to present their answers to the case questions for the Baldwin Bicycle case. Your final grade will be partly determined by an evaluation (by members of your group) of your contribution to the group effort (5%).

Grading Policy
Grades will be determined using the following percentages:

- Exam I (Chapters 1, 2, 3, 4, 6 and 7) 30%
- Exam II (Chapters 9, 10, 12, 14 and 16) 30%
- Written case reports (3) 25%
- Class Participation/Presentations 10%
- Group Evaluation 5%

100%

Exams
There will be two non-cumulative class exams on the dates indicated in the syllabus.

All exams will be problem based. No multiple choice questions will be required. Exams will be closed books and notes except for one handwritten standard sheet of notes (both sides) that you may bring to the exam.
Only standard, non-programmable calculators may be used during exams. All cell phones and internet enabled devices have to be turned off and stowed during exams. **All exams must be answered using a ballpoint or roller ball pen. NO pencils are allowed.**

I do not give make-up examinations unless the student can document a serious and unavoidable medical or personal emergency.

If you must miss an examination because of personal illness or injury, illness or injury of a dependent, or other personal emergency, you need to let me know in advance before the exam, if possible. Exams may NOT be missed for any recreational or otherwise non-essential absences from class. In all cases of absence from an exam, I will require written documentation of the circumstances. Failure to provide this documentation on a timely basis, or an unauthorized absence from an exam, will result in a grade of zero on that exam. I reserve the right to reseat students before or during exams.

**Important Information**

- Each day, before coming to class, read and study the assigned chapter. Check Blackboard FREQUENTLY for any new information or instructions.
- Complete the assigned homework for that chapter before coming to class
- Bring your textbook to each class, so that you can read any problems that we will work.
- Print the PowerPoint slides and Critical Thinking Problems (if not on the slides) and bring them to the appropriate class

*As the instructor for this course, I reserve the right to adjust the schedule provided below in any way that serves the educational needs of the students enrolled in this course*
Session 1:  
**August 26, 2019**

**TOPICS:**
- Overview
- Cost concepts and terminology and cost behavior

**CASES AND READINGS:**
- Chapter 2, Chapter 1 (Background-skim)

**HOMEWORK**
- Critical Thinking Problem 1  

* I will solve some of the text book problems assigned for class discussion, and all Critical Thinking problems. However, solutions to all problems will be posted on Blackboard.

Session 2:  
**September 9, 2019**

**TOPICS:**
- Cost-Volume-Profit analysis  
- Absorption and Variable Costing Income Statements

**CASES AND READINGS:**
- Chapter 3

**HOMEWORK:**
- Critical thinking (CT) problems 2 and 3 from session notes  
  3-45, 3-51, 3-55, 3-57

Session 3:  
**September 16, 2019**

**TOPICS:**
- Cost Analysis for Decision Making-1

**CASES AND READINGS:**
- Chapter 4

**HOMEWORK:**
- Critical Thinking Problems 4 and 5  
  4-53, 4-55, 4-60, 4-63

Session 4:  
**September 23, 2019**

**TOPICS:**
- Cost Analysis for Decision Making-2  
- Product Costing-1  
- Job Order Costing

**CASES AND READINGS:**
- Chapters 2, 6 and 7

**HOMEWORK**
- 2-63, 2-67, 6-43, 6-49, 7-42, 7-43, 7-47, 7-54

Session 5:  
**September 30, 2019**

**TOPICS:**
Product Costing
Job Order Costing
Activity-Based Costing

CASES AND READINGS:
Chapters 7 and 9

HOMEWORK:
Assigned reading
CT problems 6 and 7
9-39, 9-40, 9-44, 9-48, 9-49

Session 6:  October 7, 2019
TOPICS:
Strategic Cost Analysis for Decision making
Activity-Based Costing and Activity-Based Management

CASES AND READINGS:
Baldwin Bicycle Company (BBC) Case
Presentations of BBC case analyses
Chapter 10 (pages 378-395)

HOMEWORK:
Submit Baldwin Bicycle Company Case

Session 7:  October 14, 2019
TOPICS:
Baldwin Bicycle case discussion
Exam I Review

CASES AND READINGS:
Baldwin Bicycle case
Sample Exam I

HOMEWORK:
Work on sample exam and additional problems

Session 8:  October 21, 2019
TOPICS:
Exam I Review

CASES AND READINGS:
Sample Exam I

HOMEWORK:
Work on sample exam and additional problems
Session 9: October 28, 2019
TOPICS:

EXAM-I

CASES AND READINGS:
None

HOMEWORK:
None

Session 10: November 4, 2019
TOPICS:

Budgeting and Control

CASES AND READINGS:

Chapters 12 (skim) and 13

HOMEWORK

Critical Thinking Problems 8 (A) and 8
Problems 12-31, 12-43, 13-37, 13-51, 13-57

Session 11: November 11, 2019
TOPICS:

Pricing
Customer Profitability Analysis
Target Costing
Supply Chains

CASES AND READINGS:

Johnson Beverage Inc. Case (No presentations)
Chapter 10 (pages 378-395)

HOMEWORK

Assigned Readings
10-29, 10-30, CT Problem 7
Submit Johnson Beverage Company Inc. Case

Session 12: November 18, 2019
TOPICS:

Fundamentals of Variance Analysis-1
Flexible Budgeting

CASES AND READINGS:

Chapter16

HOMEWORK:

Critical Thinking Problem 9
16-35, 16-41, 16-64, 16-66
Session 13:  November 25, 2019
TOPICS:
   Variance Analysis
   Performance Measurement
CASES AND READINGS:
   Danshui Plant #2 Case (No presentations)
   Chapters 14 and 16
HOMEWORK:
   14-22, 14-35, 14-40, 14-41, 14-43 to 14-46

Session 14:  December 2, 2019
TOPICS:
   Performance Measurement
   Sample exam 2
CASES AND READINGS:
   Chapter 14
HOMEWORK:
   Work on sample exam

Session 15:  Date to be confirmed as per university exam schedule
TOPICS:
   EXAM-II
HOMEWORK:
   None

Academic Dishonesty:
Students enrolled in this course are expected to adhere to the UT Arlington Honor Code:

   I pledge, on my honor, to uphold UT Arlington’s tradition of academic integrity, a tradition that values hard
   work and honest effort in the pursuit of academic excellence.

   I promise that I will submit only work that I personally create or contribute to group collaborations, and I will
   appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold
   the spirit of the Honor Code.

All students are expected to pursue their scholastic careers with honesty and integrity. It is the philosophy of this Department, this instructor and the University of Texas at Arlington that academic dishonesty is a completely unacceptable mode of conduct and will not be tolerated in any form. All persons involved in academic dishonesty will be disciplined in accordance with University regulations and procedures. Discipline may include suspension or expulsion from the University.

“Scholastic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, or any act designed to give unfair advantage to a student or the attempt to commit such acts.” Regents Rules and Regulations, Part One, Chapter VI, Section 3, Subsection 3.2, Subdivision 3.22.

Institutional procedures regarding charges of academic dishonesty are outlined in Part II, Chapter 2, of the Handbook of Operating Procedures of The University of Texas at Arlington. Copies of the Handbook are available at more than 75 locations on campus, including the Student Congress office, the Library, and the Accounting Department Office.
Disability Accommodations: UT Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including The Americans with Disabilities Act (ADA), The Americans with Disabilities Amendments Act (ADAAA), and Section 504 of the Rehabilitation Act. All instructors at UT Arlington are required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of disability. Students are responsible for providing the instructor with official notification in the form of a letter certified by the Office for Students with Disabilities (OSD). Only those students who have officially documented a need for an accommodation will have their request honored. Students experiencing a range of conditions (Physical, Learning, Chronic Health, Mental Health, and Sensory) that may cause diminished academic performance or other barriers to learning may seek services and/or accommodations by contacting: The Office for Students with Disabilities, (OSD) www.uta.edu/disability or calling 817-272-3364. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability.

Counseling and Psychological Services (CAPS) www.uta.edu/caps/ or calling 817-272-3671 is also available to all students to help increase their understanding of personal issues, address mental and behavioral health problems and make positive changes in their lives.

Attendance and Drop Policy:
Drop Policy: Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to officially withdraw if they do not plan to attend after registering. Students will not be automatically dropped for non-attendance. Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (http://wweb.uta.edu/aao/fao/).

Undergraduate students may drop a course with a grade of W during the first six weeks of class. From the seventh through the 12th week of class, a student may drop a course with a grade of W if passing or a grade of F if failing. A student may not drop a course after the 12th week of class. Summer schedules are adjusted to the appropriate time frame.

Graduate students need to consult with their Graduate Advisor to drop or add a course. A student dropping a course after the Census Date but on or before the mid-semester date will receive a grade of W only if at the time of dropping the student is passing the course (has a grade of A, B, or C); otherwise an F will be recorded.

College Policy: Students who have not paid by the census date and are dropped for non-payment cannot receive a grade for the course in any circumstances. Therefore, a student dropped for non-payment who continues to attend the course will not receive a grade for the course. Emergency loans are available to help students pay tuition and fees. Students can apply for emergency loans by going to the Emergency Tuition Loan Distribution Center at E.H. Hereford University Center (near the southwest entrance).

College of Business Bomb Policy:
Section 22.07 of the Texas Criminal Law states that a Class A misdemeanor is punishable by (1) a fine not to exceed $4,000, (2) a jail term of not more than one year, or (3) both such a fine and confinement. If anyone is tempted to call in a bomb threat, be aware that UTA will soon have technology to trace phone calls.

Every effort will be made to avoid cancellation of presentation/tests caused by bomb threats to the Business Building. Unannounced alternate sites will be available for these classes. If a student who has a class with a scheduled test or presentation arrives and the building has been closed due to a bomb threat, the student should immediately check for the alternate class site notice which will be posted on/near the main doors on the south side of the Business building. If the bomb threat is received while class is in session, your instructor will ask you to leave the building and reconvene at another location.

Students who provide information leading to the successful prosecution of anyone making a bomb threat will receive one semester’s free parking in the Maverick Garage across from the Business Building. UTA’s Crimestoppers will provide a reward to anyone providing information leading to an arrest. To make an anonymous report, call 817-272-5245.

Student Support Services:
UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs.
Non-Discrimination Policy: The University of Texas at Arlington does not discriminate on the basis of race, color, national origin, religion, age, gender, sexual orientation, disabilities, genetic information, and/or veteran status in its educational programs or activities it operates. For more information, visit uta.edu/eos.

Title IX Policy: The University of Texas at Arlington ("University") is committed to maintaining a learning and working environment that is free from discrimination based on sex in accordance with Title IX of the Higher Education Amendments of 1972 (Title IX), which prohibits discrimination on the basis of sex in educational programs or activities; Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits sex discrimination in employment; and the Campus Sexual Violence Elimination Act (SaVE Act). Sexual misconduct is a form of sex discrimination and will not be tolerated. For information regarding Title IX, visit www.uta.edu/titleIX or contact Ms. Jean Hood, Vice President and Title IX Coordinator at (817) 272-7091 or jmhood@uta.edu.

Electronic Communication: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at http://www.uta.edu/oit/cs/email/mavmail.php.

Campus Carry: Effective August 1, 2016, the Campus Carry law (Senate Bill 11) allows those licensed individuals to carry a concealed handgun in buildings on public university campuses, except in locations the University establishes as prohibited. Under the new law, openly carrying handguns is not allowed on college campuses. For more information, visit http://www.uta.edu/news/info/campus-carry/

Student Feedback Survey: At the end of each term, students enrolled in face-to-face and online classes categorized as “lecture,” “seminar,” or “laboratory” are directed to complete an online Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student’s feedback via the SFS database is aggregated with that of other students enrolled in the course. Students’ anonymity will be protected to the extent that the law allows. UT Arlington’s effort to solicit, gather, tabulate, and publish student feedback is required by state law and aggregate results are posted online. Data from SFS is also used for faculty and program evaluations. For more information, visit http://www.uta.edu/sfs

Emergency Exit Procedures: Should we experience an emergency event that requires us to vacate the building, students should exit the room and move toward the nearest exit, which is located [insert a description of the nearest exit/emergency exit]. When exiting the building during an emergency, one should never take an elevator but should use the stairwells. Faculty members and instructional staff will assist students in selecting the safest route for evacuation and will make arrangements to assist individuals with disabilities.

Emergency Phone Numbers: In case of an on-campus emergency, call the UT Arlington Police Department at 817-272-3003 (non-campus phone), 2-3003 (campus phone). You may also dial 911. Non-emergency number 817-272-3381

CASE QUESTIONS FOR WRITTEN SUBMISSION

A. BALDWIN BICYCLE COMPANY

Answer questions in the case on page 2
1) Use the information in case Exhibits 1 and 2 and other necessary data in the case on activities and costs to develop an ABC system for JBI to use to determine customer profitability. Use this system to estimate customer profitability for Saver Superstore, Oscar’s OddLots, Midwelen Supermarket and Downtown Retail.

2) What are the strategic implications of your analysis? What recommendations do you have for the management of JBI?

**DANSHUI PLANT #2**

1) Using budget data, how many Apple iPhone 4’s would have to have been completed for Danshui Plant No. 2 to break even?

2) Using budget data, what was the total expected cost per unit if all manufacturing and shipping overhead (both variable and fixed) were allocated to planned production? What was the actual cost per unit of production and shipping?

3) Prepare a flexible budget for 180,000 iPhone 4’s and calculate flexible budget variances using actual costs for August.

4) Estimate material price and usage variances for flash memories, labor rate and usage (efficiency) variances. Assume that the standard labor rate is $0.92 per hour. Also estimate the fixed overhead spending variance for August.

5) What are some strategies or decisions that Wentao Chen should consider in trying to solve the problems with the Apple iPhone 4 contract in the next nine months? How would these change the costs and profitability of Danshui Plant No. 2 and the iPhone 4 contract?