



DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION

COURSE OUTLINE – WINTER 2019

BA2140 A3: COST ACCOUNTING II – 3 (3-0-2) 75 HOURS FOR 15 WEEKS

INSTRUCTOR: Doris Hoveland **PHONE:** (780) 539-2824
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OFFICE HOURS: Monday & Wednesday 8:30 – 10:00

CALENDAR DESCRIPTION:

This course is the second of a two part, in-depth course examining the concepts of cost and managerial accounting initiated in BA2130. Topics include the following: cost-volume-profit analysis, relevant costing and short-term decision making.

PREREQUISITE:

BA2130 Cost Accounting I or equivalent

REQUIRED TEXT/RESOURCE MATERIALS:

Datar, S. M., Rajan, M. V. & Beaubien, L. (2019), *Horngrén's cost accounting: A managerial emphasis* (8th Can. ed.). North York, ON: Pearson Canada Inc.

Students are required to have a laptop or tablet and an appropriate calculator. The calculator function of a cell phone is not sufficient and students may use only approved calculators for examinations.

DELIVERY MODE(S):

This course is offered as 3 hours instruction and 2 hours lab per week for a total of 5 hours per week. The allocation of instructional time and lab time will be at the discretion of the Instructor.

- For each topic listed, there will be a classroom lecture/discussion and a demonstration of related accounting procedures. Relevant textbook readings and problems will be assigned, and your knowledge, understanding and application of the material will be tested. Chapter quizzes will be administered, either on paper during the weekly lab or electronically.
- The Final Examination is cumulative and will consist of multiple choice and short answer questions.
- Regular classroom attendance is expected. Each assigned reading should be studied both before and after it is discussed in class. Homework assignments, whether or not handed in, should be completed to develop your understanding and application of the principles and practices.
- Assignments should be considered as professional submissions or presentations that would be prepared either for a client or a supervisor. Therefore, assignments should be neat and well organized. They should communicate the required information in an effective and efficient manner. Marks may be deducted for spelling, grammar, and other presentation errors.

- This course requires students to devote considerable time outside the classroom and thus it is imperative that students do not fall behind in readings and problems.
- Moodle is a Learning Management System used to improve communications between the Instructor and the Students. Important dates, documents, and announcements will be posted on Moodle and the Instructor will use the e-mail function of Moodle to send information to students. Please check your GPRC Student e-mail account regularly.
- PowerPoint slides will be used and will be available for download from Moodle.
- Unofficial student marks will be posted on Moodle. Official final grades will be communicated via myGPRC.

COURSE OBJECTIVES:

The following objectives will be covered in this course:

- Target costing, cost plus, life cycle costing
- Importance of non-cost factors
- The Balanced Scorecard
- Appropriate cost-allocation procedures to assign support costs
- Cost allocation methods for joint costs
- Accounting for byproducts using two different methods
- Analysis of customer profitability
- Process costing vs product costing
- Spoilage, rework and scrap and the appropriate methods to account for normal and abnormal costs
- Cost Management Strategies and Quality, Time and the Theory of Constraints
- Various Capital Budgeting concepts and strategies
- Management Control Systems, Transfer Pricing and Multinational Considerations
- Alternative measures of financial performance

LEARNING OUTCOMES:

Upon completion of this course, the student will be able to:

- Contrast target costing, cost plus, life cycle costing
- Explain importance of non-cost factors
- Apply the Balanced Scorecard
- Analyze and select appropriate cost-allocation procedures to assign support costs
- Apply cost allocation methods to joint costs
- Account for byproducts using two different methods
- Analyze customer profitability
- Contrast process costing with product costing
- Distinguish among spoilage, rework and scrap and apply the appropriate methods to account for normal and abnormal costs
- Apply Cost Management Strategies and consider Quality, Time and the Theory of Constraints
- Apply various Capital Budgeting concepts and strategies
- Explain Management Control Systems, Transfer Pricing and Multinational Considerations
- Analyze and evaluate alternative measures of financial performance

TRANSFERABILITY:

Athabasca University

Concordia University

King's University College

MacEwan University

SAIT

University of Alberta

University of Lethbridge

Other (transfers in combination with other courses or to other institutions)

***Warning:** Although we strive to make the transferability information in this document up-to-date and accurate, **the student has the final responsibility for ensuring the transferability of this course to Alberta Colleges and Universities.** Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at Alberta Transfer Guide main page <http://www.transferalberta.ca> or, if you do not want to navigate through few links, at <http://alis.alberta.ca/ps/tsp/ta/tbi/onlineSearch.html?SearchMode=S&step=2>

** Note that, in many cases, BA2130 and BA2140 **together** are required for transferability. Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. **Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability.**

EVALUATIONS:

Assignments	15%
Term Test I	25%
Term Test II	25%
Final Examination	<u>35%</u>
Total	<u>100%</u>

GRADING CRITERIA:

Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.

Alpha Grade	4-point Equivalent	Percentage Guidelines		Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	90-100		C+	2.3	67-69
A	4.0	85-89		C	2.0	63-66
A-	3.7	80-84		C-	1.7	60-62
B+	3.3	77-79		D+	1.3	55-59
B	3.0	73-76		D	1.0	50-54
B-	2.7	70-72		F	0.0	00-49

COURSE SCHEDULE/TENTATIVE TIMELINE:

Week Beginning	Topic	Required Reading
January 4 (Fri)	Introduction	
January 7	Pricing Decisions: Profitability and Cost Management	Chapter 12
January 14	Strategy, Balanced Scorecard, and Profitability Analysis	Chapter 13
January 21	Period Cost Application	Chapter 14
January 28	Cost Allocation: Joint Products and Byproducts	Chapter 15
February 4	Term Test I (Feb 8)	Chapters 12-15
February 11	Revenue and Customer Profitability Analysis	Chapter 16
February 18	Winter Break – No Classes	
February 25	Process Costing	Chapter 17
March 4	Spoilage, Rework, and Scrap	Chapter 18
March 11	Inventory Cost Management Strategies	Chapter 19
March 18	Term Test II (Mar 22)	Chapters 16-19
March 25	Capital Budgeting: Methods of Investment Analysis	Chapter 20
April 1	Transfer Pricing and Multinational Management Control Systems	Chapter 21
April 8	Multinational Performance Measurement and Compensation	Chapter 22
April 15 – 27	FINAL EXAM (TBA)	Chapters 12-22

STUDENT RESPONSIBILITIES:

Attendance:

Students are expected to attend all scheduled classes, arrive on time, and remain for the duration of the activities. Arriving late or leaving early is disruptive to the entire class. Frequent tardiness may be treated as an absence. Students with absences in excess of 6 classes may be refused permission to write the final exam. For more information, please refer to the Academic Regulations on Debarred from Exams at <https://www.gprc.ab.ca/programs/grading-systems.html>.

Time Management:

The expectation for this course is that students read the chapter prior to class. Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so students are encouraged to plan their schedule accordingly. It is difficult for students to catch up once they fall behind schedule.

Cell Phones:

The use of cell phones during class time is unprofessional and distracting to the instructor and fellow students. Texting during class is therefore strictly prohibited. Cell phones must be either turned off or set to silent mode and placed out of site.

Recording:

Recording lectures or taking photos in class is prohibited unless advance permission is obtained from the instructor and any guest presenter(s). In the event permission is granted, such recordings may only be used for individual study, and may not be reproduced, transferred, distributed or displayed in any public manner.

STATEMENT ON PLAGIARISM AND CHEATING:

Cheating and plagiarism will not be tolerated and there will be penalties. For a more precise definition of plagiarism and its consequences, refer to the Student Conduct section of the College Admission Guide at <http://www.gprc.ab.ca/programs/calendar/> or the College Policy on Student Misconduct: Plagiarism and Cheating at <http://www.gprc.ab.ca/about/administration/policies/>

**Note: all Academic and Administrative policies are available on the same page.