

DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION

COURSE OUTLINE – Winter 2023

BA2140 (A3): Cost Accounting II – 3 (3-0-1) 60 Hours for 15 Weeks

Northwestern Polytechnic acknowledges that our campuses are located on Treaty 8 territory, the ancestral and present-day home to many diverse First Nations, Metis, and Inuit people. We are grateful to work, live and learn on the traditional territory of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation, who are the original caretakers of this land.

We acknowledge the history of this land and we are thankful for the opportunity to walk together in friendship, where we will encourage and promote positive change for present and future generations.

INSTRUCTOR: Doris Hoveland, CPA, CA, MBA **PHONE:** 780-539-2824
OFFICE: C423 **E-MAIL:** dhoveland@nwpolytech.ca
OFFICE HOURS: Tuesday & Thursday 10:00 – 11:30 or by appointment

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

REQUIRED TEXT/RESOURCE MATERIALS:

Datar, S. M., Rajan, M. V., Beaubien, L & Janz, S. (2022). *Hornngren's cost accounting: A managerial emphasis* (9th ce.). North York, ON: Pearson Canada Inc. (ISBN: 9780136551485)

This text includes an access code card for MyLab Accounting. Both the text and MyLab Accounting will be used extensively. Students must have an access code to register for MyLab. Students have the option of purchasing the print text or eBook. For used textbooks, students will need to purchase an access code separately.

Financial calculator:

- Texas Instruments BA II Plus, or
- Sharp EL-738

Calculators and pre-approved translation devices are the only electronic devices allowed during quizzes, term tests or the final exam. Cell phones and programmable calculators may not be used in examinations.

DELIVERY MODE:

On-campus (face-to-face) – This type of course will be delivered on campus in a specific location which will be indicated on the student timetable. Students are expected to fully attend in person.

COURSE OBJECTIVES:

The following topics will be covered in this course:

- Target costing, cost plus, life cycle costing
- Non-cost factors
- The Balanced Scorecard
- Cost allocation procedures to assign support costs
- Cost allocation methods for joint costs
- Accounting for byproducts using two different methods
- Customer profitability
- Process costing vs product costing
- Spoilage, rework and scrap
- Normal and abnormal costs
- Cost management strategies, quality, time and the theory of constraints
- 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:

Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at the Alberta Transfer Guide main page <http://www.transferalberta.ca>.

**** 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:

In-Class Assessments	5%
Online Assignments	10%
Term Test 1	25%
Term Test 2	25%
Final Exam	<u>35%</u>
Total	<u>100%</u>

Final grades are based on academic performance throughout the semester. There are no test re-writes, deadline extensions, or bonus assignments available to improve your grade. It is important to complete all assessments as scheduled and to the best of your abilities.

Online Assignments and In-Class Assessments:

Online assignments will be automatically submitted and graded on the due date. In-class assessments will be administered throughout the semester. The ten (10) best marks for in-class assessments will count toward the student's final mark.

Term Tests:

Unexcused absences during a test will earn a grade of zero. For excused absences, the weighting of the test may be transferred to the final exam at the instructor's discretion. Students with absences in excess of 6 classes may be refused the ability to move test weightings to the final exam.

Final Exam:

Final exams will be written as scheduled by the Registrar during the exam period. Do not plan activities or trips during this period. Unexcused absences will earn a grade of zero.

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	Topic	Chapter
Jan 5	Course overview	
Jan 9	Pricing Decisions: Profitability and Cost Management	13
Jan 16	Strategy, Balanced Scorecard, and Profitability Analysis	14
Jan 23	Period Cost Application	15
Jan 30	Cost Allocation: Joint Products and Byproducts	16
Feb 6	Term Test 1	13 - 16
Feb 13	Revenue and Customer Profitability Analysis	17
Feb 20	Winter Break	
Feb 27	Process Costing	18
Mar 6	Spoilage, Rework, and Scrap	19
Mar 13	Inventory Cost Management Strategies	20
Mar 20	Capital Budgeting: Methods of Investment Analysis	21
Mar 27	Term Test 2	17 - 20
Apr 3	Transfer Pricing and Multinational Management Control Systems	22
Apr 10	Multinational Performance Measurement and Compensation	23

STUDENT RESPONSIBILITIES:

Attendance:

There is a strong correlation between regular attendance and overall course performance. Students are encouraged to attend all scheduled classes. If you miss a class, it is your responsibility to learn the material on your own.

Professional Behavior:

Students are expected to conduct themselves in a professional manner. This includes, but not limited to, interacting with others appropriately and respectfully; refraining from texting or chatting during class; arriving to class prepared and on time; and remaining for the duration of the activities. Students may be asked to leave if the behavior becomes disruptive.

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.

Time Management:

The expectation for this course is that students read the chapter prior to class. Reading in advance is an excellent way to prepare for classroom activities. 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.

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 Northwestern Polytechnic Calendar at <https://www.nwpolytech.ca/programs/calendar/> or the Student Rights and Responsibilities policy which can be found at <https://www.nwpolytech.ca/about/administration/policies/index.html>.

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